

**Meeting of NALAS Members' Presidents  
"Municipal Budget Negotiations"**

*Budva - Becici, June 27-28, 2008*

***CONCLUSIONS - RECOMENDATIONS***

NALAS Members' Presidents, present at the meeting on budget negotiations held in Budva on 27-28 June 2008, agreed on the following:

1. The Presidents of NALAS Member Associations endorse the draft document and recommendations on Municipal Budget Negotiations produced by the Task Force on Fiscal Decentralisation, lead by NAMRB.

All NALAS members will use the proposed recommendations, with the necessary adjustments to specific circumstances of individual countries.

2. In those countries where the adequate legal framework does not exist, the process of amending the laws should start immediately, in order to ensure the participation of Local Governments Associations (LGAs) in budget negotiations.

Additionally, a Memorandum of Understanding that regulates in more details the process of negotiations, should be signed between LGA and the Ministry of Finance, as well as with the Parliament.

NALAS recommendations for draft amendments and MoU should be used.

3. LGAs have to overcome any differences among their members and to formulate common positions. In that way, the Associations will build the necessary trust with its membership.
4. The Negotiation Team of the LGA has to have a clear mandate and to represent common positions on behalf of all municipalities, not the position of their own municipality.
5. The roles of LGAs and the Ministry of Local Self-Government should be clearly defined and divided, since only the associations can speak on behalf of the municipal interests.
6. The capacities of LGAs as well as of municipalities should be strengthened, in order to be able to conduct municipal budget negotiations with central government.
7. All LGAs should have their own databases that would comprise all relevant data, including budgets of all municipalities in their country. The LGA analytical capacity is a precondition for effective negotiations.
8. The associations should actively involve media in the process of budget negotiations and use them to get support of the public.
9. Budget negotiations should finish by signing the Protocol of agreements and disagreements with the Ministry of Finance.

**Participants at the Budva meeting:**

1. AAM, Refik Rrugija, President
2. AAM, Fatos Hodaj, Executive Director
3. AKM, Bajram Rexhepi, President
4. AKM, Sazan Ibrahim, Executive Director
5. NLAMM, Ion NEAGU, Vice-President
6. NLAMM, Viorel Furdui, Executive Director
7. SGOFBiH, Nedžad Koldžo, President of the International Affairs Committee
8. ALVRS, Radomir Kazunovic, President
9. SCTM, Milivoje Vrebalov, Mayor
10. SCTM, Djordje Stanicic, Secretary General
11. NAMRB, Penka Penkova, NAMRB Vice-President
12. NAMRB, Ginka Chavdarova, Executive Director
13. ZELS, Andrej Petrov, President
14. ZELS, Dusica Perisic, Executive Director
15. SOS, Mirko Brulc, NALAS delegate
16. UOM, Veselin Bakic, President of the Assembly
17. UOM, Zarko Pavicevic, President of the Executive Board
18. UOM, Stanko Maric, Secretary General
19. UMMR, Bulent Hamdi Cingil, Mayor
20. UMMR, Murat Daudov, Head of EU & International Relations Centre
21. CoE, Michel Rivollier, NALAS LO
22. NALAS, Tarzan Milosevic, President
23. NALAS, Kelmend Zajazi, Executive Director