# Good Governance for Local Development, South Caucasus

**Commissioned by:** German Federal Ministry for Economic Cooperation and Development (BMZ); Swiss Agency for Development and Cooperation (SDC) in Armenia

**Partner organisations:** Armenia (AM): Ministry of Territorial Administration and Infrastructure (MTAD); Azerbaijan (AZ): Ministry of Justice; Georgia (GE): Ministry of Regional Development and Infrastructure (MRDI); Ministry of Finance (MoF)

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Budget: EUR 20.685.000

Countries: Armenia, Azerbaijan, Georgia



Accountability, trust and development — for and with the citizens of the South Caucasus



#### Armenia

In Armenia, the programme supports its political partner the Ministry of Territorial Administration and Infrastructure in implementing the Territorial and Administrative Reform (TARA), which was initiated in 2015. Strengthening good governance for local development and better service delivery in municipalities is the key objective. The consolidated municipality of Akhtala in northeastern Armenia is an example of the successful results already achieved. After consolidation Akhtala's six settlements, including Akhtala, Shamlugh, Mets Ayrum, Pokr Ayrum, and Chochkan, were finally able to solve problems they had struggled with for years. Thanks to the joint municipal budget since the consolidation, residents of especially smaller settlements began to see changes and experience better service provision in their community. For example, Shamlugh settlement, which has not had a kindergarten for over a decade, now has a newly established preschool housed in the former administration building. The first teacher at Shamlugh preschool Marine Alaverdyan is happy about the progess in her community:

"Though there have always been many young children in Shamlugh, we had no preschool because of lack of space. The first good thing we witnessed after the consolidation was the kindergarten."



# Azerbaijan

In 2020, 100 local female politicians from the Aran economic region were trained for the first time in an online format. Focusing on soft skills such as leadership skills, the training aimed at empowering local female politicians in their role and mandate. Particularly newly elected young councilors benefited from the training. In Azerbaijan, women already make up 39 percent of local council members — nevertheless, they remain highly under-represented in the country's political institutions:

"The great work women do at the local level is often not recognised and their influence on decision-making is not proportional to their important contributions to local communities."

Mainstreaming gender into key governance structures and processes will help institutions to systematically address the needs of both men and women equally. The programme therefore supports its Azerbaijani partners in setting up commissions on gender equality, including gender aspects in national curricula for public employees, and introducing gender budgeting and gender statistics.



# Georgia

"For the first time in the history of Georgian local self-governance there is a direct link between receiving additional funds as a reward for improved public financial management in the municipalities."

- says Mr. Levan Kavtiashvili, Head of Finance and Budget Division of Rustavi Municipality. In a nutshell, the performance of the municipalities is assessed via internationally acknowledged Public Expenditure and Financial Accountability (PEFA) standards. The municipalities can therefore remedy the deficiencies identified by the assessment. The central government in return recognises improvements in public finance management by making more funds available to the community. The programme supports the Georgian Government to implement this mechanism, which contributes to a transparent, incentive-based and therefore, much more sustainable structure to safeguard public assets and strengthen local self-governance structures.

"Besides to increase transparency and ownership of budgetary processes, our municipality allocated 1,000,000 GEL in the 2021 budget for the realisation of ideas and needs expressed by the citizens."



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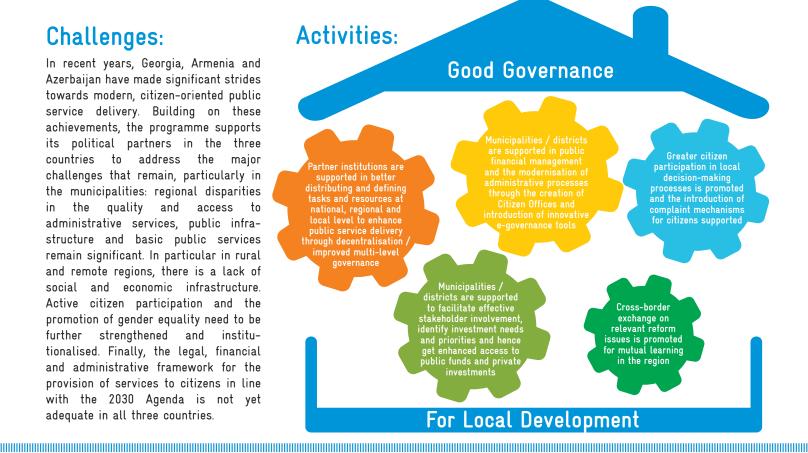
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### Challenges:

In recent years, Georgia, Armenia and Azerbaijan have made significant strides towards modern, citizen-oriented public service delivery. Building on these achievements, the programme supports its political partners in the three countries to address the challenges that remain, particularly in the municipalities: regional disparities the quality and access to administrative services, public infrastructure and basic public services remain significant. In particular in rural and remote regions, there is a lack of social and economic infrastructure. Active citizen participation and the promotion of gender equality need to be further strengthened and institutionalised. Finally, the legal, financial and administrative framework for the provision of services to citizens in line with the 2030 Agenda is not yet adequate in all three countries.



## **Anticipated Results and Impacts**



Improved legal and institutional framework conditions form the necessary basis for improved quality and access to public services, especially in rural and remote regions.



The modernisation of public administration enables municipalities / districts to work more efficiently and effectively and to achieve better results for their communities.



Thanks to the better use of resources and local potentials, municipalities / districts offer stimulus for development and employment in their communities.



Needs of women and men are more equally reflected and addressed in public decision-making, thanks to empowered female leaders in politics and administration, the introduction of gender-responsive budgeting, gender statistics as well as gender focal points.



Accountability, transparency and trust is strengthened through greater citizen participation in local decision-making and effective complaint mechanisms.

This project particularly contributes to:

The Georgian GGLD component additionally contributes to:









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