DEVELOPING MUNICIPAL CAPACITY IN THE KYRGYZ REPUBLIC

- lessons from one project

February 2007
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1. INTRODUCTION

1.1 Some dilemmas

1. A high level state body in Bishkek decides that the Heads of village municipalities need some training – and asks two state bodies to do something. A few weeks later, one state body organises one-day training to all AO Heads in each Oblast (in one case 2 Oblasts combined – meaning a group of 130). It consists of lectures about the law; and those attending feel they have wasted a day. The other state body offers training at rayon level the next month which is more participative – with experts being available to answer practical questions. But people feel that both events should have been focussed more on the newly-elected AO Heads.

How would you have organised these events?

2. Later in the year, a foreign mayor who knows Kyrgyzstan spends a day talking with 6-7 key people in a village municipality – and then has a workshop the next day with all staff and councillors of the AO at which he presents his comments on his findings. The workshop divides up into 3 working groups to identify what action can be taken to deal with the problems and opportunities identified and to produce an action plan. People are very excited. He then has a series of visits to the municipality in the subsequent to check on and help progress.

Is this training? What can foreigners actually offer KR?

3. Some foreign donors are assisting the development of “municipal support centres” at rayon level – which offer information about laws and good practice; and training. This requires each municipality to pay an annual fee of about $100.

Is this a good use of municipal money?

4. Some donors try to find local experts whom they then train to be local trainers.

But what use is this when municipalities cannot afford to pay the trainers subsequently? And how do we know whether the trainers are any use?

5. Various manuals exist and courses are offered in subjects such as property management local budgeting; budget transparency.

But what use is this when it is impossible to implement a local budget or apply much of the legislation on property management?

6. Donors offer cash to municipalities to improve infrastructure such as water supply and provide practical training as part of the programme.

Is this real training? How can state bodies check the standards of such training?

7. The government will be giving PC sets to all municipalities.

But there are very few people in the village municipalities with keyboard skills – and no training is being arranged. Is this sensible?

These are some of the questions this publication tries to deal with. It is therefore a practical book – trying to deal with the issues which face everyone in Kyrgyzstan who is interested in the development of local government here.
1.2 How this booklet came to be written

This is one of two publications which deal with the WHO, WHAT, WHY and HOW of the development of the capacity of local government in KR. This one is aimed at those who fund, manage and organise assistance and training to municipalities here – whether in the Presidential and Prime Minister’s Offices, The Agency for Local Government Affairs, the Associations of municipalities, the Academy of Management, donors, NGOs – and, certainly not least, municipalities themselves.

The other publication is aimed at the trainers and organisers of training – as they prepare and carry out a training event.

Both publications have emerged from the work done by the EU TACIS project in the pilot Oblasts of Issyk-Kul and Naryn in 2005 and 2006 – which

- Ran more than 60 workshops
- Helped set up pilot municipal support centres
- Supplied 100 PC sets to municipalities
- Provided various policy notes, a Roadmap and a Training Manual

As we talked with people in municipalities there in mid 2005, we realised that although they very much appreciated the sort of interactive workshops we were running, we were spreading the project’s very limited resources rather thinly². We therefore looked at other ways in which the project might have a more lasting effect. In the final phase of the project, we worked closely with 6 pilot municipalities to see what scope there was for developing their capacities with no additional resources.

We’ve learned a lot in the past 24 months – but rather than present you immediately with the end-results of that learning, we thought it far more important to share with you the journey we undertook. That is why we have chosen to include in the paper the notes project staff took of some of our workshops. These capture well the confusion and uncertainties in the municipalities in 2005-06 – and also, hopefully, will encourage other to keep such records of their own discussions. A lot can be learned by looking back on such notes 6 months later – and asking, for example, whether the promised actions have taken place or why no-one seems to have taken any notice of the various points made.

We cannot pretend to know the answers to the questions we pose here – after working for only 22 months in only some of the municipalities of only 2 Oblasts. But we can hope to give you some ideas with which you can help others to undertake their own journey – drawing their own lessons. For that, we feel is the really important thing – that people should come together, admit their lack of understanding and work jointly to find the most appropriate ways for them to develop municipal capacity.

There are too many people who think they have the answer – and can simply tell others what to do. As long as that is the prevailing mentality, there will be little development of municipal capacity.

We begin with a summary of our Roadmap…………..

² Project aims and structure are described in Annex 9. Basically we had 6,000 euros a month to run 3 offices; run workshops to cover 130 municipalities, make foreign visits and produce papers
1.3 The context

We have published this paper to get people talking to one another more frankly about their uncertainties. We are aware, of course, of the decentralisation strategy – which contains many of the essential ingredients but needs to be managed in a way which will better integrate the various efforts and energies needed for change. During 2005 and 2006 we have talked with many people and produced a Roadmap reflecting their views. This section summarises and builds on some of its key points.

After almost a decade of effort and a major decentralisation strategy since 2002, municipalities have not yet been able to break sufficiently free from local state administration to warrant the term local government; and have been starved of resources. The Ministry of Finance – despite assistance from the World Bank, US and UK Aid – has been able to so far resist the introduction of a 2003 Law on the Economic and Financial basis of local government. Although a fairly reasonable legal framework for local government is in place (and also pending amendments on functions), much of this lies unimplemented.

Major personnel changes follow local elections of the village mayors\(^3\) – and national government can and does change the mayors of larger towns. The vast majority of municipalities have about 10 staff – most of whom are accountants and tax collectors. Village municipalities have actually more councillors than officials – but they search for a role. And the legal framework sets the kenesh against the executive power and hence creates unnecessary conflict. In systems of local government, the municipality is a singly legal entity in which sovereignty rests with the kenesh\(^4\).

Since the 2005 revolution, many working groups have been charged with the task of produced policy documents for the new rulers. However they all basically seemed to be following in the tracks established by the 2002 decentralisation strategy and fail to ask the key question of why no real progress had been made since 2002 in building local government.

The paper we produced in early 2006 reflecting the views of about 1,000 people in the municipalities of its 2 pilot Oblasts which argues\(^5\) that -

1. Strong municipalities, working with local people, are one of the key factors in building a health economy and stable society – particularly in a country with the population size and topography of KR.

2. The KR has, in the last few years, taken the first few steps in building such a system by –
   - putting a legal framework in place – covering its election system, functions, property rights, finances etc
   - holding free local elections which have put 7,500 councillors and heads of local government bodies into operation in towns and villages

3. But various factors conspire to keep municipalities still operating as an arm of local state administration. Work is well advanced to deal with the outstanding problems relating to –
   - a clear allocation of functions between LSA and LG
   - the implementation of the Law on the Economic Base of LG – to allow the introduction in 2007 of real local budgets.

4. The KR has an excellent opportunity to set an example for the rest of Central Asia in the construction of an effective system of local participatory democracy; but this will not be achieved unless seven more things are done-
   - The Constitution more clearly describes municipal rights and responsibilities
   - Government and society understand and support the development of local government and its role
   - The state officials (and others) who draft and implement subsequent legislation and regulatory instruments have the skills and understanding to do so in way which creates a workable legal and financial system of real local government, elected by and accountable to local citizens.
   - The judicial process (including Prosecution functions) ensures the enforcement of these laws
   - Proper attention is given to the implementation of the Law on municipal service – to allow the personnel capacity of local government to be developed
   - The municipal associations are strengthened – to ensure not only that they do represent the political interests of local government but that the councillors are in fact properly representing local citizen interests
   - The system of local state administration is reformed – to ensure that it is able to manage effectively those functions and services which have been entrusted to it

It is not obvious, however, that many read such papers – MPs have more important issues to discuss and have not been able so far to look at some very significant amendments to the basic Law on Local Government Functions tabled by the ex-Minister without portfolio.

\(^3\) Only towns of rayon significance have elections for their mayors. Mayors of towns of Oblasts significance are appointed by the President.

\(^4\) An argument developed in the Roadmap

\(^5\) A Roadmap for strengthening local government in KR (EU Tacis 2007)
After the installation of a new government in the autumn; and the replacement of many civil servants, government attention has returned to the issue of local government. A Decree setting up an National Agency for Local Government Affairs was published in November 2005; its staff (of 30) has been operational since March; and the President called a Conference of all mayors of village municipalities on 10 March 2006 at which he announced the allocation of cars and PCs to many of the municipalities.

However – despite positive noises from the Ministry of Finance about the introduction of the long-delayed local budget system in 2007 – it now appears that the Ministry is simply not prepared and will not meet the statutory deadline. And it will take the new Agency some time before it is able to assist the strengthening of local government. And the national municipal associations lack the resources and therefore links with their membership to act as powerful negotiators of change.

The 2002 decentralisation strategy suggested that the main problems were – poor and contradictory legislation; Insufficient state support for LGs; Inefficient financial mechanisms and regulation; Low-skilled municipal officials; Undeveloped social mobilisation; Lack of mechanisms for inter-sectoral cooperation.

The following programmes of work of International donors are aimed to assist this strategy -

- **Assessment of LG responsibilities and sources of financing** – this was World Bank-supported (Japanese funded) and involved local consultants and the Moscow Fiscal Policy Centre in the checking of data and the equalisation formulae; and **Local functional reviews** (UNDP local governance project)
- **Infrastructure development** for villages and 22 towns (funded by the World Bank funded but managed by ARIS)
- The 2 **Fiscal Reforms** project assisting the Ministry of Finance (US Aid and DFiD) – which have carried out significant training of both national and municipal staff
- **Training** (Urban Institute - US Aid); focuses on strategic development towns, municipal property and local financial issues for the 24 towns. The World Bank has funded a pilot project training in budget transparency and ARIS will be carrying out shortly a larger World Bank-funded training programme on local finance. The Academy of Management has a one-year diploma course from which about 60 individuals a year graduate.

But we refer in section 5 to the difficulties experience with municipal training at the moment. As a result, training is ad-hoc and spasmodic. And neither a training strategy nor system exists.

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6. see World Bank discussion note
7. For further details, see Association website [www.citykr.kg](http://www.citykr.kg)
1.4 The project’s draft Roadmap

The Roadmap already referred to suggested 9 elements for a strategy for strengthening local government -

Table 1: possible elements of municipal capacity building

<table>
<thead>
<tr>
<th>Objective</th>
<th>Status</th>
<th>International Donor support</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Shared vision about core features of local government</td>
<td>New municipal association</td>
<td>Missing – positive models needed -</td>
</tr>
<tr>
<td>2. Strong and representative municipal association(s)</td>
<td>Agency for Local Government Affairs has been operational 2006</td>
<td>EU TACIS Project assistance Autumn/Winter,</td>
</tr>
<tr>
<td>3. Lead structure for strengthening local government</td>
<td>Legal framework in place – Laws on (a) Local Government and LSA; (b) Economic Basis (c) Municipal services and (d) municipal property. Currently being re-examined by 4 working groups</td>
<td></td>
</tr>
<tr>
<td>4. Workable laws which ensure that municipal leaders are accountable to local people for “own functions”; retain local taxes; and are free to set their local budgets.</td>
<td>Legal framework in place – Laws on (a) Local Government and LSA; (b) Economic Basis (c) Municipal services and (d) municipal property. Currently being re-examined by 4 working groups</td>
<td>Urban Institute assisted the Minister without portfolio draft amendments to basic Law</td>
</tr>
<tr>
<td>5. Enforcement of laws</td>
<td>Min Finance now preparing to implement Law</td>
<td>Various resource centres as source of legal info</td>
</tr>
<tr>
<td>6. Locally-determined and financed municipal budgets and equalisation grant system in 2007</td>
<td>No action yet on Law on municipal services</td>
<td>New Urban Institute scheme to allow towns to hire advocates to pursue cases</td>
</tr>
<tr>
<td>7. Personnel capacity developed – recruitment, attestation, salary, training etc</td>
<td>Agency carried out attestation of municipal in autumn 2006</td>
<td>World Bank has funded various local surveys; now funding training programme run by ARIS</td>
</tr>
<tr>
<td>8. Reshaping of LSA</td>
<td>Promising discussion about abolition of Oblasts petered out in summer 2005</td>
<td>US Aid and DFiD projects on fiscal policy reform</td>
</tr>
<tr>
<td>9. Effective Local Leaders</td>
<td></td>
<td>UNDP 2005 report</td>
</tr>
</tbody>
</table>

Although we think this contains important elements missing from the decentralisation strategy, we recognise that neither this nor the decentralisation strategy give us a key for the development of municipal capacity. Both are too comprehensive – and neither deals with the key question of priorities and sequencing of activities.

8 from para 19 of draft Roadmap
2. WHAT IS MUNICIPAL CAPACITY – AND HOW CAN IT BE DEVELOPED?

There has been a fair amount of help for the development of municipal capacity from various state bodies and international donors – some of it tangible assistance in the provision of infrastructure, some of it training.

Table 2: Types of input for developing municipal capacity

<table>
<thead>
<tr>
<th>Type</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. equipment</td>
<td>Allocation of PCs to municipalities by EU TACIS project in its 2 pilot Oblasts</td>
</tr>
<tr>
<td>2. Financial aid in developing infrastructure</td>
<td>World Bank VIP project and towns investment programme – e.g. in Karakol $700,000 grant for urban services; and Swiss assistance to development of water system</td>
</tr>
<tr>
<td>3. educational courses to supply specialist staff</td>
<td>Academy of Management one-year diploma</td>
</tr>
<tr>
<td>4. new systems or responsibilities</td>
<td>GTZ data-base, IT training, New local budget system</td>
</tr>
<tr>
<td>5. training courses for staff to help enable them to use these new systems</td>
<td>Donors’ training – summer 2006 – for new local budget system</td>
</tr>
<tr>
<td>6. consultancy to help leader identify opportunities of increasing effectiveness of their organisation</td>
<td>EU TACIS project consultancy in its pilot municipalities (see Annexes 5 and 6)</td>
</tr>
<tr>
<td>7. municipal support centres – and develop local training capacity</td>
<td>Various donors – inc EU TACIS in Issyk-Kul and Naryn</td>
</tr>
</tbody>
</table>

So many ways – but how effective? And note that only one of these seven ways includes training!! This chapter poses the key questions – and indicates some of the problems with the immediate answers.

2.1 What do we mean by organisational capacity?

An organisation is judged to have capacity or “capability” when it has the resources and competence to perform a particular task to an acceptable level. This sound simple – but the definition requires us to ask 4 questions –

- What are the tasks of the organisation under review?
- How can we assess the adequacy of its resources and “people competences”?
- Who judges whether its performance is acceptable?
- How does one measure this?

And behind these questions lies the basic one about the link between people competences and organisational capacity. Is it enough to have well-trained staff?

2.1.1 What tasks are municipalities required to carry out here?

There are two ways of answering this question – a legal way and a realistic way.

- The legal answer is to work from the “affairs of local significance” in para 15 of the 2002 Local Government Law.
- The realistic answer involves looking at what a municipality actually does – recognising the scale of functions which state bodies delegate to municipalities

There are problems with both of these approaches – it is simply not fair to assess the capacity of municipalities here by asking about the delivery of affairs of local significance when the little cash and personnel they have they are forced to spend on delegated functions.

This paper suggests a third and more appropriate way of defining the tasks (at section 3).
2.1.2 **How to assess what resources and competences are needed?**

Some people would say that local government just needs the cash which proper implementation of the 2003 Law on Economic Basis of LG would give it. This would allow the appointment of the level of staff needed to provide local services.

But clearly the way these resources are managed is what gives an organisation its capacity – and it is this which people in Ministries in Bishkek question about municipalities. Their concerns relate to three types of capacity -

- **Professional competence** (do staff have the technical knowledge and skills required, for example, to build a bridge?)
- **Managerial capacity** (for example - do the senior staff have the skills of project management?)
- **Political capacity** or authority – i.e. the extent to which the municipal leadership is accepted as competent and pursuing community interests.

**Box 1. What sort of leaders do municipalities need?**

The first type of competence is fairly easy to measure – you either know or don’t know how to build a bridge! But the two other sorts of capacity are much more difficult to assess – and depend on what type of manager or politician you want in the first place! Put bluntly, do you want someone who keeps the hierarchy happy or someone who fights for the interests of local people? And too many village mayors are torn between these two extremes here!

This paper tries to explore how a country might proceed with the task of building these three sets of competences or skill. It argues, further, that managerial and leadership skills are the key to ensuring that well-trained staff actually help build organisational capacity.

2.1.3 **Who judges whether the capacity is at an acceptable level?**

At the moment it seems to be people in Bishkek with power who are making the judgements. There are various problems about this –

- Their judgments are perhaps affected by a belief that strengthening of local government might lead to a loss of some of their power. They are therefore hardly objective.
- the central level of government itself lacks many of the capacities one would expect of public administration systems\(^9\) - and should therefore be careful about accusing others
- they lack acceptable indices for measuring it

2.1.4 **How does one measure (municipal) capacity?**

Several exercises have tried to measure municipal capacity here in Kyrgyzstan\(^10\). But –

- They have, as we have just said, generally measured the wrong thing (delegated functions)
- The researchers who try to make the judgements generally have no experience or authority for doing so
- They are commissioned by the wrong people (those in Bishkek) – when they should be commissioned and managed by municipalities themselves.

Behind these deficiencies can be seen the power of a discredited but prevailing methodology which believes that the collection of piles of information will give answers and solutions. In fact one first needs a theory or hypothesis which the information should either confirm or refute\(^11\). The Local Government Agency carried out an attestation of local government personnel in October and November 2006 which clearly gave some indications of municipal capacity although what was being assessed was rather narrower – individual knowledge which is one element (but only one) of individual competence.

The Local Government Agency hopes, however, to start important work concerned to compare the capacities of municipalities. On this subject there is a rich vein of work - both theoretical\(^12\) and

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\(^9\) The project’s Roadmap talks about the “paradox of decentralisation” - that decentralisation requires a strong and smart central state apparatus which is currently missing here. See section 2.4 of the Roadmap

\(^10\) See World-bank commissioned exercise of 2005 and the UNDP local functional review of winter 2005 – The UNDP offer a “Systemic Capacity Assessment Tool” available from their website

\(^11\) For more on this, see the excellent little book *The Tyranny of Numbers* by Henderson (Flamingo 2001)
practical in Western European countries but I would question its application to transition countries which are at a much earlier stage of creating customer-focused organisations. Here in Kyrgyzstan, our concern should be to develop measures which allow municipalities (and others) to measure their rate of progress – not the achievement of some absolute standard.

2.2 What is the present level of municipal capacity here in Kyrgyzstan?
That question can strictly be answered only in relation to the delegated tasks – since patently municipalities do not currently have the resources or the personnel to begin to perform “affairs of local significance”. And state bodies may therefore seem to be in the best position to answer the question since they delegate so many of their tasks to municipalities - for example the task of collecting national taxes. But it is hardly fair to give an organisation tasks it doesn’t want and for which it is not paid - and then blame it when it doesn’t carry them out “properly” (in the view of state bodies)!

We argue later that the capacity of an organisation is built as it has the opportunity to take decisions for itself and learns from doing. It is exactly the same process as good parenting. Of course inexperienced young people will make mistakes – but it is the job of responsible parents who care about their children to create the conditions in which their children learn for themselves – at minimal cost to themselves and others. And some of the qualities therefore needed in those purporting to offer support to local government are care and compassion.

2.3 How can municipal capacity realistically be developed?

2.3.1 A starting point
We have struggled to develop a framework which might throw some light on the question. But one thing we would like to emphasise from the start – that training in itself is not the way to develop municipal capacity! We lay out in para 6.2 the various essential preconditions for effective training - of which the most important are that –

- It should be an integral part of – and assist - a change effort
- It should be designed in negotiations between the organisation itself and the training supplier.

For the moment, let us simply emphasise that more time and energy should be taken by those committed to local government here in KR to develop an answer to this question of how to develop municipal capacity. Many believe that the decentralisation strategy has the answer – but I am more sceptical about that since that strategy is a centralised one. Of course no one can really disagree with the contents of that strategy – and that, indeed, is part of the trouble with it. It simply enumerates too many requirements! The development of municipal capacity needs a few and simple stratagems which can be followed now – and not wait until certain people in parliament and certain Ministries decide to give some concessions! And any answer will require -

- a proper link to be made between the competences of individuals and the capacity of the organisation
- An appreciation of the different types of competence we have outlined in 2.1.2
- Understanding that a new type of organisational leadership is needed here if the skills of individuals are to make a contribution to the organisation. At the moment the old “boss” system has everyone jumping to his orders and fearing to challenge the thinking behind them.
- Encouraging and nurturing that sort of leadership

2.3.2 Whose responsibility is it?
At the moment, various bodies seem to have a responsibility –

- The Presidential and Prime Minster’s Offices

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12 UNDP
13 UK Best Value
14 which indicates that national government lacks a certain organisational capacity!!! Note also that municipalities do not seem to be paid for this task!
• The National Agency for Local Government
• The national municipal associations
• The Academy of Management

But few of them seem to use the language of capacity-building. They seem to think that is something done by donors. The time is perhaps overdue for donors and state and municipal bodies to come together and develop a strategy for this subject?
3. SOME QUESTIONS ABOUT LEARNING AND DEVELOPMENT

Our project was required to carry out training. That led us to pose the following questions –

- WHO needs to learn WHAT?
- WHY?
- HOW do people (in KR municipalities) learn most effectively?
- From/with WHOM?
- WHO decides these things at the moment – and does that lead to effective use of resources and everyone’s time?

These questions led, in turn, to a list of choices or options -

Table 3: Choices for learning

<table>
<thead>
<tr>
<th>Key Questions</th>
<th>Some Choices</th>
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<tbody>
<tr>
<td>1. WHO needs to learn – and why?</td>
<td>• Officials who have done badly in attestation?</td>
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<td></td>
<td>• Councilors?</td>
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<td></td>
<td>• Newly-elected AO Heads?</td>
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<td></td>
<td>• Specialists needing updated in subjects such as finance etc?</td>
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<td></td>
<td>• Groups facing new challenge</td>
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<td>2. WHAT do they need to learn?</td>
<td>• Facts?</td>
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<td></td>
<td>• Knowledge?</td>
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<tr>
<td></td>
<td>• Skills?</td>
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<tr>
<td></td>
<td>• Behaviour?</td>
</tr>
<tr>
<td>3. WHO decides these things? And who should?</td>
<td>• Employer?</td>
</tr>
<tr>
<td></td>
<td>• Training supplier?</td>
</tr>
<tr>
<td></td>
<td>• Municipality?</td>
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<tr>
<td></td>
<td>• Trainee?</td>
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<td></td>
<td>• Professional association?</td>
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<td>4. Using WHAT techniques?</td>
<td>• Training audit?</td>
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<td></td>
<td>• Structured interviews (focus groups; attestation committee)?</td>
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<td></td>
<td>• Learning from trial workshops?</td>
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<tr>
<td></td>
<td>• Attestation?</td>
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<td></td>
<td>• Joint assessment?</td>
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<tr>
<td>5. HOW do people learn?</td>
<td>• From Colleagues and friends?</td>
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<td></td>
<td>• Their own experience?</td>
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<td></td>
<td>• From books?</td>
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<td>• From discussion?</td>
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<td>• From seeing?</td>
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<tr>
<td>6. WHERE do they learn?</td>
<td>• Classroom?</td>
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<td>• At home?</td>
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<td></td>
<td>• On the job?</td>
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<td></td>
<td>• Mixed?</td>
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<tr>
<td>7. WHO decides this? And who should?</td>
<td>• Founder?</td>
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<td></td>
<td>• Provider?</td>
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<tr>
<td></td>
<td>• Trainer?</td>
</tr>
<tr>
<td></td>
<td>• Learner?</td>
</tr>
<tr>
<td></td>
<td>• Mixed (negotiation)?</td>
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</tbody>
</table>

A lot of questions – and a lot of options! Perhaps the most important question is the fifth– HOW do people learn?

And is good training enough to give an organisation the capacity to deal with the tasks for which it has responsibility?

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15 this table is explained in more detail in section 2 of the project’s Training Manual
4. OUR INITIAL VIEWS ABOUT MUNICIPAL NEEDS

The EU TACIS project which started in May 2005 was a short project – with an office in Bishkek and in each of its pilot Oblasts (Issyk-Kul and Naryn) – and had, as one of its required results\textsuperscript{16} the training of a significant number of key municipal people in the 130 municipalities there. This has involved –

- Trying to understand the needs of these municipalities
- identifying potential local trainers
- mapping existing training materials

4.1 The needs?

We were aware of a booklet written in 2003\textsuperscript{17} about municipal training needs – but nothing more recent. Two chapters in that booklet make interesting reading: do attempt to define target groups and competences but take a wholly legalistic and educational approach – assuming that people learn from having information pushed into them. The needs of adult learners operating in the conditions which face Kyrgyz village and town municipalities in 2006 are not really dealt with. And there have been many personnel changes since then - elections of councillors took place in November 2004 and of heads of village municipalities in December 2005.

Our early work in the 2 pilot Oblasts demonstrated that few municipal personnel seemed to have experienced training events.

In June 2005 \textsuperscript{18} we designed a questionnaire and carried out structured interviewing of 100 municipal staff and councillors – which included questions about their training needs. And over the summer months various workshops were held to explore needs and the role of the project. The municipal associations and the Minister without portfolio were important participants in these events.

In autumn 2005, we held 6 workshops in the 2 pilot Oblasts – attended by 250 people.

- Three of the IK workshops focused on towns and had mixed groups (mayors, councillors, senior officials and NGOs)
- Three on villages – and consisted, in the 2 Naryn cases, of all relevant groups (with separate discussions) and, for IK, the Heads of all AO.

The structure in all cases was interactive and problem focused – to give participants an opportunity to demonstrate in practical terms the problems they experienced in dealing with their responsibilities\textsuperscript{19}.

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Short Note on Seminar of the TACIS project “Strengthening of LSG in the KR”

“Basic concepts of the LSG and the Municipal property”
in the town of Naryn
2005-June 30

Participants:

- Deputies of the municipal Kenesh Naryn
- the Chairman of the Kenesh
- the Mayor of Naryn, and his deputy
- the head of the operational department,
- heads of municipal utilities
- representatives of “Territorial public self-government”

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\textsuperscript{16} See Annex 9
\textsuperscript{17} Development of the Training concept for Kyrgyz Local Authorities (Academy of Management and Hans Seidel Foundation Bishkek 2003)
\textsuperscript{18} This is described in detail in Annex 1 of the project’s Manual for municipal training (December 2006)
\textsuperscript{19} Building on the understanding we developed during the diagnostic stage of the project’s work
Preparation
The seminar should have been held at June 18. The chairman of the Kenesh asked to shift both seminars to June 30 and July 1. At the same time the deputies suggested to change a little bit the topics of the seminars. The project team followed these suggestions and started the seminars with some basic concepts of LSG. The members of the council became recently deputies. They are still feeling a lack of knowledge on elementary issues concerning LSG.
Furthermore in the town of Naryn is going on a process of formation of the so called “Territorial public self-government”. The council has to decide about the contracts with these organizations, but their nature remains mainly unclear up to now. So there was a need to discuss the problem of these forms of self-organization of the population.
Unfortunately the Rector of the Naryn State University was not able to assist the event. He is at the same time the chairman of the legal commission of the council. His presence on the seminar could have made a positive impact on the following sessions of the council.

The seminar
The first part was dedicated to the problem of a deeper understanding of the concept of “municipality”, the interaction of bodies of LSG with the municipality and with each other. Here the shortcomings of the Constitution and of the Civil Codex were discussed. It was pointed out, that the introduction of LSG should have lead to serious amendments in the Constitution and in the Civil Codex... Many shortcomings in the subsequent legislation concerning LSG are caused by this neglecting in the Constitution and in the Civil Codex. The argumentation followed a paper “The Civil codex and LSG in the KR”, written by the LTE (cf. Annex of the Progress Report I). The discussion during the seminar was a part of the public discussion going on actually concerning the legislation in the field of LSG. At the same time it was a contribution to the improvement of professional knowledge of the participants.

The results obtained were:
• the legislation on LSG should introduce the concept of the “municipality”
• the bodies of LSG have to be acting on behalf of the municipality
• the bodies of LSG do not need to be legal entities. It is even harmful to convert units of the administration or the council into legal entities.
• this leads to a double subordination (administrative and civil) of the co-workers.

In the second part was discussed in detail the problem of the “Territorial public self-government” (TPSG or TOC). Using the same notion of “self-government “as in the context of LSG it must lead to misunderstandings and it does in fact. By their nature these organizations are organizations founded by the private initiative of a group of active citizens, who are ready to help solving problems of local significance. They can be registered and authorized to do so by the council. These organizations (NGO) however try to play the role of mini-councils or mini-cities administration. In order to avoid confusion with the bodies of LG, it would be better to call them “Territorial public organizations”.

It is possible that these organizations in the near future become ordinary commercial enterprises.
The results obtained were:
• the TPSG (TOC) were understood as NGOs aimed to solve tasks of local significance
• they do not need for their activities the status of a body of LSG.
• as a civil initiative they deserve the support of the LG
• one can not exclude a development, which converts them into commercial enterprises.

In the third part of the seminar was discussed the notion of the municipal property. This discussion was only started. It was pointed out that the usual definition of municipal property leads to a logical contradiction, which indicates to an obvious error in the legislation. The detailed discussion was let for the next seminar.
Lessons to be learned from the seminar
• the methodology of an open conversation has contributed to vivid discussions
• unless so many efforts were made by other donors, there is a need of seminars and trainees, dealing with basic knowledge in LSG
• the strong turn over in the municipal staff makes it reasonable repeat elementary issues
• it means that the project must not necessarily avoid certain doubling with the work of other donors.
• new knowledge does not lead immediately to a new behaviour in the political field
• the team counts with the support of the bodies of LSG.

And in all cases, we explored in an open way with the groups how they thought the project could assist them in the next 12 months. The following ideas emerged –

Table 4; Ideas from autumn 2005 workshops

<table>
<thead>
<tr>
<th>Material</th>
<th>Workshops</th>
<th>Other assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>database for funds</td>
<td>How to apply for grants</td>
<td>help arrange town twinning</td>
</tr>
<tr>
<td>How to manage and finance communal property</td>
<td>arrange workshop with councillors</td>
<td>set up dialogue between, for example, LSA and LSG</td>
</tr>
<tr>
<td>areas – experience of other countries</td>
<td>from 4 towns on next steps to strengthen municipalities</td>
<td></td>
</tr>
<tr>
<td>Lake protection and access – experience of</td>
<td>“budget implementation”</td>
<td>legal consultations</td>
</tr>
<tr>
<td>other countries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corruption</td>
<td>Course on lobbying</td>
<td>Assistance in visiting good practice in other KR</td>
</tr>
<tr>
<td>Local economic development</td>
<td>Property management</td>
<td>municipalities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Regional resource centers (i.e. legislative</td>
</tr>
<tr>
<td></td>
<td></td>
<td>information)</td>
</tr>
</tbody>
</table>

Legal consultations were needed, we were told, on the following topics:
• Legislation on LSG issues
• Land issues
• Rights and obligations of service providers and consumers
• Housing issues
• Sources of revenue
• Social protection

Councillors requested the following training topics:
• Foreign countries experience in operation of Committees;
• Budget Implementation;
• Mechanisms for submitting legal amendments;
• IT trainings;
• lobbying;
• LSG experience exchange.

The importance of tenant and citizen groups being involved in project work was also emphasised.
All this is useful in identifying a range of PRODUCTS for the municipal “market” –
Table 5: tools for helping develop municipal capacity

<table>
<thead>
<tr>
<th>Type of Product</th>
<th>Example</th>
<th>Present provision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information and data bases</td>
<td>On funders</td>
<td>Hans Seidel material on laws</td>
</tr>
<tr>
<td>Briefing notes</td>
<td>Budget transparency</td>
<td>World-bank funded project</td>
</tr>
<tr>
<td></td>
<td>How to apply for grants</td>
<td>LGI paper</td>
</tr>
<tr>
<td>Case-studies</td>
<td></td>
<td>Town Association “Good practice” quarterly?</td>
</tr>
<tr>
<td>Training modules</td>
<td>Municipal property management</td>
<td>Urban Institute modules</td>
</tr>
<tr>
<td>Exchange of experience</td>
<td>Waste management in Karak-Balta</td>
<td></td>
</tr>
</tbody>
</table>

Box 2. Be careful about training courses!

This confirmed the principles we had tentatively set out in our initial paper on training\textsuperscript{20}. People want to learn from seeing and doing. This means presentations about relevant experience from other municipalities – in KR. It means getting proper advice on specific problems. Any courses organised need to be practical and specially structured – on problems And training is only one of the things they need!

Training providers used to more specialised technical training will, of course, raise some objections – they will point to the low professional basis of officials in municipalities and argue that they need intensive training in their disciplines. We would not deny this – although we think this has to be part of a wider strategy concerned to raise motivation and performance of municipal staff\textsuperscript{21}. The provision of intensive courses such as the one-year Diploma course in the Academy of Management, however welcome, will not work on their own.

Notes from Karakol Workshop; 27 September 2005

1. Purpose and target group
The aim of this workshop was to use two presentations to help identify how the project might best help the various elements of this municipality play their roles more effectively. To this end the following groups had, after consultation with the mayor, been invited –

- Deputies - 10
- Heads of Departments and municipal services - 18
- Tenant groups – 8
- Project team – 5

In the event, 41 people attended.

2. Opening remarks
The mayor and also the Chairman of the Council made opening remarks. The Team Leader then described the work of the project so far –

- workshops on property management and budgeting
- survey work – more than 100 councillors and officials in the 2 pilot Oblasts had been interviewed
- concept papers – and legal commentaries
- consultations on the equipment needs – leading to the proposals on regional training and local resource centres (one of the former would be Karakol) and the development of IT capacity in municipalities (Karakol will also receive 6 PCs at the end of the year.
- Development of a training concept which would initially focus not on subjects but on problems facing municipalities. Such an approach was interactive – and should help both the participants and the project gain appropriate insights and information.

\textsuperscript{20} August 2005
\textsuperscript{21} as set out, for example, in the project’s Road Map
He emphasised that one of main aims of the workshop was to help identify how the project could most effectively, within the limits of its budget, assist the municipality – and that the structure of the workshop had been designed to maximise their participation.

3. Roles and Relationships in municipal management

Ronald Young gave some initial comparisons between the structure of Scottish local government - when he had been first elected a local councillor in the 1970s – and the present Kyrgyz structure, bringing in some Central and Western European experience. How, he asked, could municipalities cover populations as small as a few hundred people on the one hand – and more than 2 million on the other? He then gave a definition of local government which suggested some 6-7 requirements before a system really warranted that name (see slides). On these criteria, the participants judged that the Kyrgyz system seemed to be a mixture of LSA and LSG:

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Mayors and councillors are elected</td>
<td>+</td>
<td></td>
</tr>
<tr>
<td>b) They are accountable only to local people</td>
<td>+</td>
<td></td>
</tr>
<tr>
<td>c) They are responsible for public services</td>
<td>+</td>
<td></td>
</tr>
<tr>
<td>d) They have transparent process for priorities</td>
<td>+</td>
<td></td>
</tr>
<tr>
<td>e) They have organizational and financial capacity</td>
<td>+</td>
<td></td>
</tr>
<tr>
<td>f) They are allowed to get the job</td>
<td>+</td>
<td></td>
</tr>
</tbody>
</table>

He then turned to the question of the role of the mayors and of councillors – suggesting that it was the councillors, representing the local citizens, who had the responsibility for pushing for the local services described in article 15 of the Local Government Law.

4. Case study of waste management in Kara-Balta

Director of Kara-Balta Combine of the Municipal enterprises Mr. Y. Vladimirov – presented success example and experience on waste management and clearing city. The key points from his presentation are:

- The Municipal combine was a natural monopolist of the waste garbage cleaning area and consequently served whole city.
- A work on sanitary clearing was conducted on the basis of the developed and approved schedules of export the household waste both from the population, and from the organizations.
- From 60% of inhabitants contracts on garbage export are concluded. In case of non-compliance with the regulations of payment by inhabitants the Municipal Combine applies penal sanctions in proper time.
- On cleaning city territories (parks, squares, parkways, roads, irrigation ditch network etc) work is conducted on the basis of the developed title list and the contract between city administration and Municipal combine under the current maintenance of municipal economy, including "sanitary clearing".
- Quarter committees accept active participation in this work; by the control over garbage export i.e. necessarily do a mark in a driver’s waybill about the done work. As encouragement quarter are released from payment for garbage export.
After Lunch
In view of the small number of councillors in attendance, participants decided to remain in one group – rather than split into two.

5. Discussion about municipal systems
Point was made that copies of relevant Laws were difficult to obtain – and the Team Leader indicated that this problem had been one of the factors leading the project to the idea of regional and local resources centres; to helping the development of municipal IT capacity; and to fund recently the publication of a Manual by the Village Association. He stressed that laws could be effective only if they were -
• drafted in a manner to ensure they could actually work (e.g. in consultation with those implementing them)
• understood by those involved in their implementation
• properly planned for – and resourced
• enforced – if necessary by the courts

He suggested that one successful court action was worth 100 Regulations – in sending signals to people that the law would be enforced.
Some interest was expressed in how the Scottish system operated – e.g.
• role of local state administration (there is none!)
• The difference between municipal staff and staff of central government
• How housing, health services, police and economic development are organised

One of the questions about sub-national structures of government is whether to try to create multi-purpose municipalities – or to set up separate structures for some functions such as health and police. In the 1970s the British took the first approach – but the trend in the last 15 years has been to adopt the second.

Participants first highlighted some problems in waste management system in Karakol such as:
❖ Unfair distribution of means in the budget
❖ Weak material base of municipal services
❖ Weak communication between the municipal enterprises and population
❖ Lack of waste disposal site
❖ Lack of conditions at TSG (communication, etc.)
❖ Lack of contacts with the population on export of garbage
❖ Shortage of legal knowledge at the population
❖ Lack of culture at the population on clearing city
❖ It is not made recycling of garbage

After that they drafted action plan for developing waste management in Karakol:
• To lobby under the State administration to allocate enough means for the waste management system.
• To find an opportunity to attract international projects and investment at active support of heads of municipal services.
• To mobilize all services and recourses on the export of garbage, including all structural divisions of the mayoralty.
• To organize alternative service on export of garbage, for example sanitary-ecological inspection
• To organize a waste disposal site in outside of Karakol.
• To start making sorting out of garbage
• To attract Mass media, including the information at schools, kindergartens, etc. on propagation of clearing city from the garbage

7. Final Discussion about role of project
The following ideas emerged from a very lively discussion -
• Need for a visit to Kara-Balta
• Importance of tenant and citizen groups being involved in project work
- Course on How to apply for grants (also database for funds)
- Project assistance in arranging town twinning
- Course on “budget implementation”, and “role of local councillors: theirs rights, obligations and functions”
- To support producing social reels and leaflets about sanitary cleaning and hygiene
- Provide legal support and consultations on Sanitary-Ecological Inspection establishment

8. Action Points for project
- circulate this note to all participants
- invite mayor to develop the draft action plan – as an agenda for the visit to Kara-Balta
- invite proposal to project for financial support for such a visit
- arrange workshop with deputies from 4 towns (probably November)
- discuss with Council Chairman how to involve councillors in future events

Notes
- 7 councillors were given copies of the project Manual and concept papers those interviewed were given copies of the diagnostic report

4.2 developing municipal support centres
Project discussions with municipalities in the 2 pilot Oblasts about how they could make best use of the equipment which the project had to allocate produced a proposal in summer 2005 for municipal support centres – all managed and funded by the local municipalities – and supported by the municipal associations and the TACIS project.
The original idea for the centres sprang from the need for village municipalities to get training to use their newly-acquired PCs – but the idea has become more ambitious.
Municipalities in Kyrgyzstan have few staff – but their effectiveness could be increased with proper use of information technology. Few municipalities in Issyk-Kul or Naryn had PCs – but this changed in the spring when all 4 towns and at least half of the village municipalities took delivery of EU-procured equipment. And on March 10th 2006, the President announced that 500 PCs were being given to municipalities throughout the country. This will allow them access to simple programmes and databases to manage finances, land and personnel. But whether they will actually be able to do this will depend on their -
  - receiving training in keyboard skills;
  - knowledge of and access to relevant programmes and databases;
  - ability to use such databases and programmes.

The centres will hold information about good practice in municipalities in the country – and hopefully be able to help municipal officials and councillors network better.
The idea for such centres was, however, not one of the tasks envisaged for the project and, in August 2005, the task of supporting them was passed to a small new TACIS project which will continue until summer 2007.

4.3 Existing training activities and material
We were very aware when we started our project that bodies such as the Urban Institute and UNDP had been working for many years to support the development of local government.
The training material which we are aware of here (in Russian) is set out in Annex 1. Some of this material has been impossible for us to access and therefore confirm – but we understand that it does exist! The most easily available is that from the Urban Institute on such issues as –
  - Municipal property management
  - Developing urban strategies
  - Developing budgets

Most of the training material on local government issues which exists here is legal or technical (finance; property management). Very little deals with the basic question of the distinctive role of

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22 note also the GTZ project in Batken which has pioneered a data-base for municipalities
local government or of councillors. This is a serious deficiency – since it is that elected element which marks the distinctive feature of local government – and the councillors do have to understand what they have to do (for example in consultations) to ensure they pursue the interests of their electors and are accountable to them.

We have therefore developed a small amount of material on the basics of local government – and on the role of councillors but have, for the moment, put more emphasis into helping our trainers produce case-studies. We have done so because of the priority we have given in the project to a pragmatic problem-solving approach to workshops. People in town and village municipalities in Kyrgyzstan need practical answers to practical and immediate problems – and therefore learning how others have dealt with similar problems is very helpful.

Case-studies can be of two sorts –

- **role-playing or simulation exercises** – in which brief information is given about a situation and the workshop participants are invited to take the role of the various players in the action and reflect on how they behaved.

- **A detailed story of an event** – which illustrates for participants how things happen in the real world and how mistakes might be avoided. Participants are invited to discuss and indicate what they would have done differently.

**Briefing or Practice notes** on how specific problems could be dealt with would also be useful. The Urban Institute’s journal bi-monthly journal is very useful in this respect.

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23 See the early section of the project’s Roadmap

24 Available in our Training Manual.

25 The Association of Towns has apparently a journal on this
5. REPORT ON WORKSHOPS CONDUCTED IN NARYN OBLAST – APRIL 2006

Theme: Municipal Training linked to Professional Municipal Centres
Please note that this a raw draft by project staff – J. Jeenbaeva and R. Suranchieva – of discussions which took place on April 4 to 7, 2006 when TACIS/ EU project experts conducted 3 workshops in three pilot municipalities of Naryn oblast, where by the initiative of municipality and with the support of the project Professional Municipal Centres have been founded by village and town municipalities (Naryn town, Atbashi Ayil Okmotu, Baetovo Ayil Okmotu). Our workshops had dual purpose of exchanging information / debate with local officials and councillors, as well as demonstrate to our local trainer-interns (attached to each of the Professional Municipal Centres) the possible methods and approaches to municipal training (see Annex: Programme for Seminars in Naryn Oblast, April 2006). For the protection of individuals, we have not mentioned names.

What was intended:
- to get better understanding of the interrelations between kenesh and executive body
- to train trainer-interns
- to collect interesting cases and to motivate key officials and councillors to write them up for training modules
- to build lasting links between the Professional Municipal Centres (Centres) key people (trainer-interns) and the pilot local governments

The following discussion themes were planned for (Apparat): Professional Municipal Centres Management, Good Municipal hiring practices, team building, responsibilities, clear functions division and reaching balance between representative and executive powers of local government in delivering services.

The following discussion areas for mixed groups of executives and councillors (Apparat and Kenesh councillors): Local Budget, Issues of Allocation of Functions between governmental levels, Issues of Municipal Property, Legal Aspects and Litigation, Democratic Representation versus Civil Society mobilization.

Expected outcomes:
- 6-7 case studies written up, in consultations with practitioners in the pilot 7 municipalities;
- Trainer-intern’s moderation and presentation skills improved
- SWOT analysis of local government apparat and the kenesh (“We and They” perceptions)
- Improved team building skills among trainer-interns and specialists of the Centres.

What was achieved:
- Insight was gained in the existing relationships between local keneshes and executive bodies by challenging them to think about teamwork, common goals and objectives, conflicts and their resolution when delivering services and resolving matters of local significance (local functions) (i.e., issues of teamwork among councillors, issues of managing team within the executive body, local government facing challenges and demands from the local community, local governments’ dependency on oblast and rayon state administrations, central sectoral ministries, the issues of functions allocation and their financing),

- Local government officials and councillors have been challenged to think about the meaning of local government rather than blindly following-up on existing stereotypes and myths of decentralization and roles of local councillors and their colleagues in executive bodies of local government

- Councillors and executives expressed the drive to jointly outline the processes and mechanisms that are available or can be made available to local governments in order to be heard at all levels of government, including national government
• Profiles – pictures of 3 municipalities in Naryn have been received, especially on how kenesh and executive body interact and work together (SWOT Analysis)

• Myths, fear, and confusion about local government in the perceptions of officials, councillors, NGOs and donors that prevent local government from strengthening and becoming more effective have been identified (i.e., “capacity low”, “no reserve cadre”, “corruption among heads of AO that may bring down the state”, “fears of higher-level or upper-level authorities”, “Attestation may be a disaster”, etc.).

• Local governments have the drive to unite and lobby when resisting pressure and harassment from local state administrations (i.e., examples or case studies of refusing to do delegated function without financial support, examples of not implementing what the higher level requests (i.e., elections and voting) if local government does not believe that it is worth it.

• Deputy governor was briefed on the current work of the project and the intentions of the project staff to involve key personnel at the rayon and oblast state administrations, in training and round table discussions on local government in the Kyrgyz Republic as well as the process of extracting recommendations on mechanisms from the local governments to adjust state policy on decentralization until 2010.

• Trainer-interns got practical experience in the following: Setting up the classroom, establishing links with the audience, working out the rules, moderation skills, dealing with difficult audience, formulating questions, visualization (working with flipcharts), giving expert advice / commentary, noting down interesting / possible case studies, taking notes, summarizing and reflecting upon training session, making recommendations for future training sessions.

• Working links and networking (at trainer-interns’ level) have been established between 3 centres in Naryn oblast (trainer-interns from all centres have been included in these workshops, seminars were conducted at the premises of the Centres, trainer-intern have been introduced to the LGs and their status as trainer-interns is strengthened, standardization of trainer-interns work was started through this kind of practical trainings)

From Baetovo Professional municipal Centre:
• Case study on plans that are dropped from the top (i.e., land taxation, vegetable garden, issues of pastures (internal), non agricultural taxes are levied from the –“higher authorities” without consultations with AO and conflicts with the tax inspectors happen because of this.
• case study on issues of ownership of 20 hectares of pastures and the court trial ongoing between AO and the rayon
• Tax collectors have many questions / confusions about the taxation of pasture lands and the reduction of the taxable base.
• Case study on suggested mechanisms of removing duplicating governmental structures in rayon and oblast (i.e., difficulties of collecting taxes by AO, while at the rayon financial departments there are 15 staff not helping AO in tax collection)
• Suggestions on limiting delegated functions by the actual delivery of such functions.
• Case study on delegated functions that could be passed on to local bodies that can implement these functions better (i.e., issuing of a birth certificates and marriage certificates through the services of local notary office. There should be a department in AO on putting together documents for social benefit receptors in the village, and out of 12 personnel working on social issues at the rayon level, 2 staff should be passed over to the AO.
• Municipal servants do not have any security on their jobs: there should be mechanisms for raising their salaries or providing benefits to them.

Myths and Reality of Local Government
The workshops and the SWOT analysis have demonstrated that in local governments today there are very specific confusions, myths, and fears that are to do with the following:
relationships with “higher-level authorities” (i.e., local state administrations, departments of national ministries),

the role of local councillors is often confused with the role of members of parliament, and councillors do not realize the growing powers and authority that they are receiving from the new legislation and governmental reforms (decentralization programme),

local kenesh councillors do not feel that they should be working as one team with the executive organs of local government,

poor knowledge of local government law, rights and authorities entrusted,

confusion over issues of democratic governance and leadership,

poor understanding of organizational and management practices,

prevalence of tolerant attitudes towards bullying by local state administrations and governmental vertical structures (i.e., departments of ministries, national agencies, and committees),

belief that the National Government knows everything about local government to minute detail of how to resolve problems and issues at local level, only substantiated by the impression heads of ayil okmotu got after the Kyrgyz President’s speech on 10 March in Bishkek’s Conference of Newly Elected Heads of Ayil Okmotu,

The heads of local governments (i.e., mayor, heads of ayil okmotu) are perceived as the main hubs of information and the decision making knots in their municipalities, which puts them in difficult positions of the only authority to make decisions, the only person that knows, the only person to blame for failures of local government, and the only person having to stand off in the face of “higher-level authorities”.

The “responsible workers” (staff members with remit and pay) do not have much autonomy and always have to turn to someone for approval. Younger specialists of the apparat are often told off for demanding change or bringing new initiatives, “Quiet, this is not an NGO”. Young specialists have complained that they are often asked by senior colleagues to run around errands for them. This work, which is outside of the remit (not included in the Functional Responsibilities Schedule / Terms of References) of these specialists undermines their confidence, distracts them from their primary responsibilities, and results in conflicts. There are some specialists, both young and old, who believe that “running around and getting things done is a good way to learn about the job”. However, the issue here is whether the person runs around getting work done on his or her will working towards some common objective, or getting work done out of loyalty of fear of the senior colleagues.

Due to shortage of staff, very often specialists are appointed to fulfil one job but have to multi-task and require a lot of extra hours and no remuneration for this extra work. Besides overburden the specialists of local governments find themselves in the position of critical hubs of information and know-how, which their colleagues may not have, and thus, if these particular “hub” people are not at work (for reasons of illness or business travel) their jobs are not picked up or delegated to others, blockage of tasks mounts up.

Some specialists have complained about their colleagues not treating each other with due respect, especially when young or new staff members arrive. There is constant checking of one’s abilities and looking for “scapegoats” when things go wrong.

Promotion and appointments are not transparent, and staff feels that the abilities are not matching the jobs, both from the perspective specialists having outgrown their posts and from the perspective of wrong people taking up jobs that they cannot fulfil.

Needed Mechanisms and Follow-ups:

- Problems of releasing power (i.e., by local state administrations) as well as acquiring and using new power (i.e., by local councillors) during decentralization process have to be studied, addressed, and recommendations to be made,

- The level of competence at the central government and in the local state administrations on issues of local government are very low, “33 responsible people working at the oblast do not understand the issues of local government,
• Finance experts at the rayon level cannot really propose any mechanisms on implementing the new budget without the feedback from the local governments, thus mechanisms should be fed from local government level,

• The National Agency on Local Government of Kyrgyz Republic must work on raising the status of municipal servants and propose a programme of supporting and strengthening local governments,

• The reform of the civil service must proceed, but with careful consideration of all information and in consultations with local governments. Especially when it comes to the downsizing or removal of structural departments of national ministries and agencies at the rayon and oblast level.

• Local governments must seek out allies in resolving their local problems/functions, communicating and lobbying their rights.

• Work has to be done on informing communities that local governments must not be treated as local state administrations (and local governments have to stop behaving like local state administrations) when implementing delegated state functions,

• Links must be built with local governments of the rayon, as well as with local government of similar size and type (i.e., towns linking with towns, etc.).

• Links must be built with the municipal associations and other local and national NGOs,

• More seminars have to be implemented for rayon and oblast level officials who have direct contacts and work with local governments,

• Lobbying of municipal interests have to be formulated and promoted,

• Better understanding of what is a municipality, a municipal team, cooperation in representative and executive branches of local government, and issues of teamwork and teambuilding to be gained at local governments.

Definitions of teams that prevail in municipalities:

Team has the following characteristics – common goals, a group with a variety of views, under a leadership, it is a mobile group, there should be pluralism supported and accepted, and because people elected the councillor there is a responsibility to electorate to be able to cooperate on resolving local issues.

Team is when people / employees unite in obtaining one goal or a one set of goals.
A team of local government is put together to develop economic and social aspects of the village / town.

**How does a team work:**

Local problems have to be studied by the local government team, work has to be implemented on the requests / demands and tasks raised by the community. The head of local government has to devise the tasks to their implementers by staff’s functional areas. In Baetovo, for instance more than 100 people daily come to the head of ayil okmotu to get their problems resolved or registered.

There has to be partnership of Apparat of local government and the local kenesh.

Some have said that every councillor should have his/her own team (trainer-interms commented on this in the workshop, saying that perhaps it is not such a good idea to have many teams within the kenesh with differing objectives).

The local government apparat definitely has to be one team. The functional responsibilities of this team have to be clear, every employee fulfils assigned duties as well as the jobs that come up spontaneously. Tasks and jobs have to be implemented by the team in using every person’s opinions and judgments. There must not be a command-administrative method of working, and one person must not be the only source of authority.
Nothing is paid for the extra hours and work that local government employees put in. Most of the work implemented holds together because of the respect or fear of the head of Ayil Okmotu.

Teamwork at the kenesh level involves
- coming to a unified decision, balanced
- collective decision making
- collective control of a decision implementation
- all 17 councillors must be as one!

The following links are proposed to be established:
- the responsible secretary linking with the kenesh councillors,
- daily meetings of local councillors with the electorate,
- more effort to the work of the permanent commissions,
- resolving issues on improving the quality of the personnel, raising standards, and getting training.
- Resolving issues related to staffing, the limitations on staff numbers

**Results of SWOT Analysis**
The SWOT analysis of each municipalities have brought to light an interesting picture of how within a municipality the apparat (executive body) and the kenesh (representative body) perceive themselves, and how they perceive the work of each other.

We can extract the following perceptions of local government from the SWOTs:

**Table 6 – municipality A; Perceptions of Apparat and Kenesh (“We and Them”):**

<table>
<thead>
<tr>
<th>“We – The Apparat of Mayor’s Office”</th>
<th>“They – the Town Kenesh”</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strengths – “What is good”:</strong></td>
<td><strong>Strengths – “What is good”:</strong></td>
</tr>
<tr>
<td>- We have relative independence</td>
<td>- There is the Status of Town Kenesh</td>
</tr>
<tr>
<td>- We have a regional Professional Municipal Centre</td>
<td>- The Chairman of Town Kenesh</td>
</tr>
<tr>
<td>- We have experienced management cadre</td>
<td>- Provision of a normal legal basis (laws availability)</td>
</tr>
<tr>
<td>- We have prospective young cadres</td>
<td>- The opening of the Regional Professional Municipal Centre</td>
</tr>
<tr>
<td>- We conduct cooperative work with the chairman of our council</td>
<td>- The work of the local councillors in the rayon level keneshes (i.e., on voting for the rayon Akim and the mayor of town)</td>
</tr>
<tr>
<td>- We have a department of municipal property management</td>
<td>- Knowledge of the budget law</td>
</tr>
<tr>
<td>- We developed a register of municipal property</td>
<td>- An overall highly professional pool of councillors</td>
</tr>
<tr>
<td>- Department for municipal property management collaborates with the mayor’s office.</td>
<td>- Decision-making in favour of the local budget</td>
</tr>
<tr>
<td><strong>Difficulties – “What is bad”:</strong></td>
<td><strong>Difficulties – “What is bad”:</strong></td>
</tr>
<tr>
<td>- Actual dependence on all levels of authorities</td>
<td>- Weak links with the community</td>
</tr>
<tr>
<td>- Insecurity of employees’ jobs</td>
<td>- Lack of interest</td>
</tr>
<tr>
<td>- Work overload</td>
<td>- Weak knowledge of the laws on Local Government by the local councillors</td>
</tr>
<tr>
<td>- Low salaries</td>
<td>- Weak working of the permanent commissions</td>
</tr>
<tr>
<td>- Personnel turnover</td>
<td>- Gender imbalance in the kenesh</td>
</tr>
<tr>
<td>- Weak material and technical basis</td>
<td>- Failure to fulfil the promises made to the electorate</td>
</tr>
<tr>
<td>- Shortage of staff</td>
<td>- Weak working of the apparat of the town kenesh</td>
</tr>
<tr>
<td>- Self-financing</td>
<td>- Weak control over the implementation of decisions</td>
</tr>
<tr>
<td>- Absence of a privatising programme</td>
<td></td>
</tr>
<tr>
<td>Fears – “What are the foreseeable threats”:</td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>- Budget being formed from the top</td>
<td></td>
</tr>
<tr>
<td>- Prevalence of tribalism</td>
<td></td>
</tr>
<tr>
<td>- Staff downsizing</td>
<td></td>
</tr>
<tr>
<td>- Lack of support to the Department of Municipal Property management from the mayor’s office</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Opportunities – “What has to be done”:</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>- To motivate staff</td>
<td></td>
</tr>
<tr>
<td>- To organise continuous training of professionals</td>
<td></td>
</tr>
<tr>
<td>- To organize personnel rotation</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>“We – The Town Kenesh”</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strengths – “What is good”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• We have good understanding between kenesh and the mayor’s office</td>
</tr>
<tr>
<td>• We have mostly young councillors</td>
</tr>
<tr>
<td>• We have strong professional councillors</td>
</tr>
<tr>
<td>• We are a team and we cooperate</td>
</tr>
<tr>
<td>• We have good understanding of the social situation of our community</td>
</tr>
<tr>
<td>• We look for sponsors</td>
</tr>
<tr>
<td>• We are competent</td>
</tr>
<tr>
<td>• We are decisive</td>
</tr>
<tr>
<td>• We are communicable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Difficulties – “What is bad”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• We do not have any interest in the affairs of local significance (i.e., local functions)</td>
</tr>
<tr>
<td>• Insufficient knowledge</td>
</tr>
<tr>
<td>• Insufficient information circulation</td>
</tr>
<tr>
<td>• Gender imbalance</td>
</tr>
<tr>
<td>• Insufficient use of councillors’ rights and authorities</td>
</tr>
<tr>
<td>• Weak links with the electorate</td>
</tr>
<tr>
<td>• Lack of knowledge / understanding about functional responsibilities of the mayor’s office staff / departments</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fears – “What are the foreseeable threats”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Not enough authority for one or the other</td>
</tr>
<tr>
<td>- Absence of an expenditure specialist in the permanent commission for finance and budget of the Town Kenesh.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>“They – the Apparat of Mayor’s office”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strengths – “What is good”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Opening of the Regional Professional Municipal Centre under mayor’s office</td>
</tr>
<tr>
<td>• Competitive hiring of personnel</td>
</tr>
<tr>
<td>• Universality of specialists</td>
</tr>
<tr>
<td>• Growing numbers of young staff members</td>
</tr>
<tr>
<td>• Close contact with the local community</td>
</tr>
<tr>
<td>• Search for sponsors for helping socially vulnerable community groups</td>
</tr>
<tr>
<td>• Inexhaustible initiative of the employees</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Difficulties – “What is bad”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• They are unprotected / insecure</td>
</tr>
<tr>
<td>• There is not enough staff numbers</td>
</tr>
<tr>
<td>• Overload of work on specialists</td>
</tr>
<tr>
<td>• Pressures from “upper-level authorities”</td>
</tr>
<tr>
<td>• Financial dependence</td>
</tr>
<tr>
<td>• Failure to implement laws</td>
</tr>
<tr>
<td>• Insufficient training of cadre</td>
</tr>
<tr>
<td>• Weak working of the municipal enterprises</td>
</tr>
<tr>
<td>• Gender imbalance</td>
</tr>
<tr>
<td>• Absence of mayor office’s own building</td>
</tr>
</tbody>
</table>
• There is no cooperation between the permanent commission of the Town Kenesh on social issues and the social workers / staff of the mayor’s office
• Weak interest from the members of the permanent commission of the Town Kenesh towards work in the commission
• Absence of a proper analysis on socially vulnerable community groups
• Operationally weak

Fears – “What are the foreseeable threats”:
• Liquidation of the kenesh
• Lack of unity among councillors
• Indifference towards electorate
• Cold relations and possible fall-out with the mayor’s office
• Pressures from the “upper-level authority” (i.e., oblast)
• Lobbying by individual councillors

Opportunities – “What has to be done”:
• To improve the links with the electorate
• To unite and lobby the issues of local significance
• To decide regarding the issues of financial independence of the local government
• To bring in investments
• To improve links of the permanent commissions and the staff of mayor’s office
• To improve the cooperation with the social workers/ staff of social department of mayor’s office
• To raise the motivation (the interest) of permanent commission members through a proper analysis of social issues

Fears – “What are the foreseeable threats”:
• Moratorium on financial independence
• Turnover of cadre

Opportunities – “What has to be done”:
• To train municipal cadre through the Regional Professional Municipal Centre
• To widen access to information
• To improve local government’s technical equipment provision
• To link and cooperate with other municipalities
• To improve the operational work
### Table 7 – municipality B: Perceptions of Apparat and Kenesh (“We and Them”):

**“We – The Apparat of Ayil Okmotu (AO)”**

<table>
<thead>
<tr>
<th>Strengths – “What is good”:</th>
<th>Difficulties – “What is bad”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• We are educated and experienced cadre</td>
<td>• Ayil okmotu does not know how to form and defend its budget</td>
</tr>
<tr>
<td>• We have strong councillors in the kenesh</td>
<td>• The tax collectors at the ayil okmotu do not have enough authority and support in order to fulfil their functions</td>
</tr>
<tr>
<td>• The apparat is complete (all staff positions are taken)</td>
<td>• There is no special equipment at the AO</td>
</tr>
<tr>
<td>• Our location (of the Ayil okmotu) is in the Rayon centre</td>
<td>• Due to low quality of soil there is very little revenue from renting land, and therefore taxation from land use is very difficult</td>
</tr>
<tr>
<td>• We are helped by the work of jamaats (community based organizations)</td>
<td>• There is shortage of water</td>
</tr>
<tr>
<td>• We have enterprises</td>
<td>• Our rayon is rather closed in itself</td>
</tr>
<tr>
<td>• We have full coverage and distribution of information</td>
<td>• Our rayon is dependent on state transfers</td>
</tr>
</tbody>
</table>

**Fears – “What are the foreseeable threats”:**

- Due to overload of work, there is a possibility that personnel might run away

**Opportunities – “What has to be done”:**

- There is a lot more that can be done due to the location of AO in the rayon centre

### **“They – the Ayil Kenesh”**

<table>
<thead>
<tr>
<th>Strengths – “What is good”:</th>
<th>Difficulties – “What is bad”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• “The kenesh of AO” fulfils these functions by 70%</td>
<td>• According to the budget in order for the AO to realize its budgeted expenditure there are no additional sources and opportunities (limitations on the budget)</td>
</tr>
<tr>
<td>• Complaints that arrive from the community are timely considered by the councilors in order to resolve them</td>
<td>• Some councillors do not turn up to kenesh sessions</td>
</tr>
<tr>
<td>• Auctions for the transferring of land rent rights are held with the participation of the councilors</td>
<td>• In order for the decisions to be implemented there are no suggestions nor projects on how to implement them</td>
</tr>
<tr>
<td>• Information on what complaints and requests have been sent is delivered to the councilors, and these issues are scheduled to be considered at the sessions of the kenesh</td>
<td>• The work of the apparat of AO is burdened with checks and controlling calls</td>
</tr>
<tr>
<td>• The ability to work, and improve skills</td>
<td>• AO does not have close ties with the local organizations (local state administration and structures of central government)</td>
</tr>
<tr>
<td>• The ability to pose and formulate queries, complaints, and demands</td>
<td>• There are too few mutual meetings and discussions with the electorate where the kenesh councillors and the apparat executives take part.</td>
</tr>
<tr>
<td>• Close cooperation with the apparat</td>
<td>• Requests and complaints from the community are often made in private or directly to AO, bypassing the councilors</td>
</tr>
</tbody>
</table>

**Fears – “What are the foreseeable threats”:**

- Absence of the working links between the staff of apparat and the councillors
- Councillors do not have a good understanding of functions of the AO staff members (who, does what, etc.)
- Termination of funding allocation from the Republican budget (Central State budget)
- Complaints and problems raised by the community are not resolved at the Central State level

**Opportunities – “What has to be done”:**

- To encourage councillors to participate in “the sessions of AO without barriers and openly express their opinions”
- Strengthening the material and technical basis of Ayil okmotu will provide additional opportunities
- We have good cadre / professionals available in the village
- If we are given financial independence, then we will be able to find additional sources of revenue

- To support councillors in their decisions making in the reformed rayon and oblast keneshes as local kenesh councillors are now on their own and must make decisions themselves
- To get kenesh councillors link to the staff of the apparat in a more valuable way
- To take responsibility of resolving issues of the entire rayon
- To request that the head of AO introduces the apparat of AO to the councillors
- Councillors have the right to listen to and discuss the reports of the head of the finance and economic department and those of the responsible secretary

### “We – The Ayil Kenesh”

<table>
<thead>
<tr>
<th>Strengths – “What is good”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>We are knowledgeable in many directions</td>
</tr>
<tr>
<td>We are active</td>
</tr>
<tr>
<td>We are friendly</td>
</tr>
<tr>
<td>We have the opportunities to make decisions</td>
</tr>
<tr>
<td>We improve our knowledge continuously</td>
</tr>
<tr>
<td>We put the questions and issues forward to the “upper-level authority”</td>
</tr>
<tr>
<td>We have the knowledge and skills to resolve issues on time in a friendly manner</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Difficulties – “What is bad”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weakness of the budget (absence of per diem for business trips)</td>
</tr>
<tr>
<td>Shortage of the allocated budget and its limitations</td>
</tr>
<tr>
<td>Demands and requests are not attended to on time</td>
</tr>
<tr>
<td>The big issue with the budget is not resolved</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fears – “What are the foreseeable threats”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Failure to fulfil demands and requests of the community</td>
</tr>
<tr>
<td>Incomplete delivery of the promises made to the people (due to the budget limitations)</td>
</tr>
<tr>
<td>Falling trust of the people in their elected officials</td>
</tr>
<tr>
<td>Failure to get the «upper-level authorities” to resolve issues that only they can resolve</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities – “What has to be done”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>To formulate suggestions and proposals</td>
</tr>
<tr>
<td>To discuss in wide audiences the budget, its implementation, and the control of its</td>
</tr>
</tbody>
</table>

### “They – the Apparat of Ayil Okmotu”

<table>
<thead>
<tr>
<th>Strengths – “What is good”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong</td>
</tr>
<tr>
<td>Knowledgeable</td>
</tr>
<tr>
<td>Experienced</td>
</tr>
<tr>
<td>Friendly to the apparat</td>
</tr>
<tr>
<td>Timely decisions making and orders adoption, as well as their implementation</td>
</tr>
<tr>
<td>Those decisions that are made are followed up and their implementation is assessed at completion</td>
</tr>
<tr>
<td>There are efforts to govern the community</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Difficulties – “What is bad”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shortage of finance</td>
</tr>
<tr>
<td>Shortage of equipment for administration</td>
</tr>
<tr>
<td>Unable to confirm AO budget</td>
</tr>
<tr>
<td>Dependence on government transfers</td>
</tr>
<tr>
<td>Incompetence of the majority of apparat staff</td>
</tr>
<tr>
<td>The level of responsibility is low, even when the objectives are put in front of the employee</td>
</tr>
<tr>
<td>Low level of orders’ and decisions’ implementation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fears – “What are the foreseeable threats”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>If the budget will no longer be allocated from the Republican budget, it is a threat</td>
</tr>
<tr>
<td>Those problems that people raise are not resolved at the central level</td>
</tr>
<tr>
<td>Bureaucracy</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities – “What has to be done”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>To learn to get work done</td>
</tr>
<tr>
<td>To learn to formulate issues / demands</td>
</tr>
<tr>
<td>To work cooperatively with the ayil kenesh</td>
</tr>
<tr>
<td>Implementation</td>
</tr>
<tr>
<td>------------------------------</td>
</tr>
<tr>
<td>• To consider complaints and queries on time, as well as to assist timely</td>
</tr>
<tr>
<td>• To be conducive in delivering the queries and demands of the people to the “upper-level authorities”</td>
</tr>
<tr>
<td>• Formulation of the project proposals and bringing in funding (including loans, grants, and investments)</td>
</tr>
</tbody>
</table>

**Table 8 – municipality C: Perceptions of Apparat and Kenesh (“We and Them”):**

<table>
<thead>
<tr>
<th>“We – The Apparat of Ayil Okmotu”</th>
<th>“They – the Ayil Kenesh”</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strengths – “What is good”:</strong></td>
<td><strong>Strengths – “What is good”:</strong></td>
</tr>
<tr>
<td>• We provide to ourselves</td>
<td>• Councillor have a special status</td>
</tr>
<tr>
<td>• We have the authority of making decisions and issuing orders</td>
<td>• Kenesh’s strength is in the decisions it makes</td>
</tr>
<tr>
<td>• Our work is for our territory</td>
<td>• People’s representatives</td>
</tr>
<tr>
<td>• We are together with our community</td>
<td>• Issues that are raised are resolved</td>
</tr>
<tr>
<td>• We help the national government</td>
<td>• Formulation of issues and problems to the state authorities</td>
</tr>
<tr>
<td>• We work directly with people</td>
<td></td>
</tr>
<tr>
<td>• We resolve problems that are raised</td>
<td><strong>Difficulties – “What is bad”:</strong></td>
</tr>
<tr>
<td>• We must be sensitive to the moods of the people</td>
<td>• Kenesh has no power to change the laws that are adopted by the Parliament</td>
</tr>
<tr>
<td></td>
<td>• It is impossible to give an objective assessment to the work of the rayon state structures that are located at the territory of the Ayil Okmotu</td>
</tr>
<tr>
<td></td>
<td>• Conflicts, absence of peace</td>
</tr>
<tr>
<td><strong>Difficulties – “What is bad”:</strong></td>
<td>• Low activity</td>
</tr>
<tr>
<td>• There is shortage of finances</td>
<td><strong>Fears – “What are the foreseeable threats”:</strong></td>
</tr>
<tr>
<td>• There is an impossibility of reaching out to the Central Authorities</td>
<td>• Mistrust by people</td>
</tr>
<tr>
<td>• A status of our tax collectors is non-existent also because of lack of funding</td>
<td>• Calling-off of the councillors by their electorate</td>
</tr>
<tr>
<td>• There is heavy subordination and submission to the “higher-level authorities”</td>
<td>• Unfulfilled promises to the electorate</td>
</tr>
<tr>
<td></td>
<td>• Disbandment of the kenesh</td>
</tr>
<tr>
<td><strong>Fears – “What are the foreseeable threats”:</strong></td>
<td>• Negative feedback on work</td>
</tr>
<tr>
<td>• Impossibility to come to a conclusion or decision at the meetings</td>
<td><strong>Opportunities – “What has to be done”:</strong></td>
</tr>
<tr>
<td>• Failure to turn up to meetings by councillors</td>
<td>• To introduce and suggest amendments to the laws, that are brought from top-down, in order to account for the local specifics of the local government problems and issues</td>
</tr>
<tr>
<td>• Staff downsizing, people leaving</td>
<td>• To confirm / approve the local budget</td>
</tr>
<tr>
<td>• Natural disasters</td>
<td>• To resolve the issues of personnel</td>
</tr>
<tr>
<td>• Switching off of the electric energy supply</td>
<td>• To be conducive to delivering information on</td>
</tr>
<tr>
<td>• Pressures during the Attestation of municipal servants</td>
<td></td>
</tr>
<tr>
<td>• Emergence of the veterinary epidemics and falling of the cattle</td>
<td></td>
</tr>
</tbody>
</table>

Opportunities – “What has to be done”:
### “We – The Ayil Kenesh”

#### Strengths – “What is good”:
- We gained direct access to the Republican (National) level
- The majority of our councillors are young
- Our meetings are held on various topics
- We are peaceful
- We are multiethnic
- We have gender balance
- We have big electorates
- We have principles
- We are knowledgeable
- We are close to the people
- We have opened a Municipal Centre
- We work in many directions
- We have councillors professionals in law, economics, agriculture, teaching, and business
- We are democratic and have high quality of knowledge

#### Difficulties – “What is bad”:
- We have to look back at the rayon state administration
- Our participation in the sessions is low
- We do not know some laws, rather bad knowledge of laws
- Our laws do not work at the proper level
- We do not fight corruption enough
- We do not know how to use our councillor rights and authority at an acceptable level
- We do not have enough initiative from councillors in coordinated unified actions

#### Fears – “What are the foreseeable threats”:
1) Disbandment of the Kenesh
2) No peace
3) Loosing the trust of people
4) Failure to fulfil the promises to electorate
5) Pressure on municipal and state employees by higher-level authorities

### “They – the Apparat of Ayil Okmotu”

#### Strengths – “What is good”:
- There were elections of a new head of Ayil Okmotu
- The work is done by competent employees of Ayil okmotu
- There was just recently significant help with IT and office equipment
- Close links to the Ayil Kenesh
- Working with public organizations and NGOs
- The new chairman of Kenesh has been elected
- Professionalism and experience of the employees of Ayil Okmotu
- Good organisational skills
- Opening of the municipal centre

#### Difficulties – “What is bad”:
- Dependence on the state
- Not knowing own competences
- Lack of knowledge on laws at an appropriate level
- Too few training seminars
- Absence of peace and calm
- Building and equipment have now worn out, absence of own building
- Dependence of the budget
- Absence of agricultural equipment
- Weak financial provision

#### Fears – “What are the foreseeable threats”:
- Pressures form the higher-up authorities
- What will the process of Attestation be like?
- Loss of the trust of people
- Loss of peace and quiet in the apparat
6) Nepotism and tribalism at work  
7) Dependence on economic and social aspects

**Opportunities – “What has to be done”:**

1) To raise the knowledge of laws and to raise professional skills  
2) To support polite and civilized communication practices  
3) To conduct frequent meetings with the electorate  
4) To resolve issues that had been raised by people without breaking the law (i.e., within the framework of the law)  
5) To read and study the laws, as well as achieving their implementation  
6) To get each permanent commission of the kenesh to do their work to the best of their effort  
7) To exchange the information

<table>
<thead>
<tr>
<th>Opportunities – “What has to be done”:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• To write a proposal on transferring the Ayil Okmotu building to the ownership of Ayil Okmotu</td>
</tr>
<tr>
<td>• To prepare the law and regulations on resolving land issues for the community members</td>
</tr>
<tr>
<td>• To create combined enterprises under cooperatives</td>
</tr>
<tr>
<td>• To start looking after waste management in the village and to support appropriate initiatives on waste removal</td>
</tr>
<tr>
<td>• To make a distance from preparing unnecessary reports</td>
</tr>
<tr>
<td>• To work with sponsors and to search donors</td>
</tr>
<tr>
<td>• To construct a new building for local government</td>
</tr>
<tr>
<td>• To seek additional funding and revenue sources</td>
</tr>
<tr>
<td>• To use own rights</td>
</tr>
<tr>
<td>• To raise knowledge level especially in laws</td>
</tr>
<tr>
<td>• To become close to the people (community)</td>
</tr>
</tbody>
</table>
6. ONE PROJECT’S RESPONSE TO THE NEEDS

Section 4 described the lessons we learned in the initial workshops in the regions. This section sets out how the project has tried to develop a strategy for its work in the 2 pilot Oblasts which took proper account of –

- Its limited budget and duration
- other donor activity

6.1 An emerging strategy

The workshops which the project carried out in summer 2005 allowed the project to present itself – and to learn about the local situation and its needs.

And our workshops and interviews also helped us identify about 20 individuals active in Issyk-Kul and Naryn municipalities who have the experience and credibility to act as local trainers. A paper written in autumn 2005 set out our thinking -

```
“We should work during the winter mainly in the 7 municipalities which will have municipal support centres. We focus that work on –
- Establishing the conditions for the municipal support centres
- Local trainers – preparing them for the type of work they would be doing with us
- A small number of new training modules – in non-technical fields
- The senior councillors in the 4 towns – meeting as a group to consider the project’s draft road map
- Identifying our input on “preparation for the 2007 local budgets”
- Working with responsible secretaries to identify their needs
- Development of case studies

With elections for the heads of village municipalities now set for December 18th 2005 we will prepare for a January training event with the newly-elected Heads of Ayil Okmotus in our pilot Oblasts

We should collect data on courses currently being offered and produce a small booklet (for our centres) on the practicalities of learning locally – and the resources currently available

We should set aside a modest budget for town exchanges on good practice; and construct data bases on town twinning and funding”
```

6.2 Target Group?

All training programmes have limited budgets and are generally faced with the choice of trying to cover directly all relevant members of a particular target group; or to train the trainers who will then do the training. Our project, for example, was required to do the former but chose – in the light of the conditions – to switch the emphasis to the latter. The project decided to focus on 6 distinct target groups -
### Table 9: Draft target groups for municipal training

<table>
<thead>
<tr>
<th>Target groups</th>
<th>Possible Core requirements</th>
<th>Existing modules and trainers</th>
</tr>
</thead>
</table>
| 1. newly-elected Municipal Leaders     | - the 7 basic Laws – and experience of implementing  
- Strategic management  
- communication skills  
- Introduction to project management? | Little material available |
| 2. Local councillors                   | - Role of councillors  
- Comparative information about municipal systems | Little available  
Project has draft paper |
| 3. Heads of Finance                    | Budgeting and financial management | Well covered by material on budgeting and property management – from UI and fiscal reform project |
| 4. Secretaries to municipality          | Legal framework of local government | Well covered – in Hans Seidel material |
| 5. Operational staff of municipalities  | Basic IT skills           | EU Tacis project has funded 1,000 copies of user guide produced by Association of Villages |
| 6. leaders of local public associations e.g. TOSs | - Comparative information about municipal systems | |

Our 15 trainers are, however, drawn from these target groups – they are themselves AO Heads, Finance Heads, Chairmen of Councils, Responsible Secretaries and NGO activists.

### Box 3. Emulation as a force for capacity development

“We have therefore, in a sense, discovered a third approach – namely developing the capacity of change-agents. Arguably this is the most effective approach to training - since one of the biggest challenges for training programmes is motivation. If people are simply told to take part in a training event about which they have not been consulted, they will not be motivated. For the moment let us just suggest that it is always best to work with motivated people and organisations which want to achieve something. When they succeed, others will want to replicate that success – and the motivation for change and learning spreads”.

Our target groups in the municipalities of Issyk-Kul and Naryn Oblasts therefore became –

- Newly-elected AO Heads – and their immediate colleagues (100 plus people). They are motivated
- Political/executive leadership in our 7 pilot municipalities (about 40 inc mayors)
- Local trainers (about 20 – who cover all municipal positions) and 7 centre managers
- Those preparing in 6 municipalities for the introduction of the new local budget system (about 12)
- Responsible secretaries and IT users (about 150)

One of the issues in 2006, however, was avoiding overlap with other training projects – particularly those now trying to help (a) municipalities prepare for the new local budget system; and (b) the newly-elected AO Heads.

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26 The 2-day training we had carefully prepared for mid-January for the 30 newly village mayors of Issyk-Kul Oblast (and a separate event for the 34 of Naryn) had to be postponed until May because the Presidential Office authorised one-day events for all AO Heads in January and February.

27 In fact donors were able to divide the country’s Oblasts between them for this purpose.
6.3 Core municipal competences
I now want to introduce the very important idea of “core municipal competences” – i.e. those competences whose absences undermine the very being of local government. Local government is – or should be – a very different animal from local state administration. But what exactly is the difference?

The difference stems basically from the very different accountabilities of the two systems – local government is elected by local citizens and is responsible to them. The basic task, therefore, of local government is to ensure that community needs are met. Of course, in trying to pursue the needs of the local community, the municipality has to obey the law – but its masters are the local community, not those who happen to form the central government of the day. It does not and should not take instructions from LSA – unless these are backed up by law.

This answer leads to another question – what skills are needed to pursue that basic task? Clearly the starting point is an understanding of local needs. How is that obtained? Not just by living in the area and asserting you know the local problems! It involves analysis – since you have to be able to prove to others what the priorities are. And all this requires skills of observation, listening and argument. Table 10 sets out the argument in more detail –

<table>
<thead>
<tr>
<th>Competence</th>
<th>Example</th>
<th>Skill Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Analyse local problems</td>
<td>• Requirement to collect statistics and draft reports</td>
<td>Analytical problem-solving</td>
</tr>
<tr>
<td></td>
<td>• Development of local strategies</td>
<td>drafting reports</td>
</tr>
<tr>
<td>2. Listen to citizens and report back to them</td>
<td>• complaints</td>
<td>Political communications</td>
</tr>
<tr>
<td></td>
<td>• Budget transparency hearings</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Annual reports</td>
<td></td>
</tr>
<tr>
<td>3. Identify and develop new projects</td>
<td>• Building a school</td>
<td>Project management</td>
</tr>
<tr>
<td></td>
<td>• Establishing municipal resource centres (annex 1)</td>
<td></td>
</tr>
<tr>
<td>4. Manage the municipal team</td>
<td>• Recruiting staff;</td>
<td>Basic management</td>
</tr>
<tr>
<td></td>
<td>• Weekly team meetings</td>
<td></td>
</tr>
<tr>
<td>5. Manage resources (money; land; property)</td>
<td>• Managing budgets</td>
<td>Professional skills of</td>
</tr>
<tr>
<td></td>
<td>• Land and property management</td>
<td>classification, measurement and valuation</td>
</tr>
<tr>
<td>6. manage services</td>
<td>• Waste management</td>
<td>General management</td>
</tr>
</tbody>
</table>

The question is how such competences are best developed. Unfortunately the project did not have the time or resources to be able to deal with this question in a systematic way. But our work on municipal support centres and with pilot municipalities as described in the next sections are examples of how this might be done.

6.4 Local Trainers
Various international donors use trainers they have generally trained. Most of them are resident in Bishkek – and are subject specialists. Table 5 below offers a possible typology which will hopefully stimulate discussion amongst organisations and donors. It indicates that different types of people are used as trainers – with each bringing something to the event which others don’t but, at the same, time having a certain weakness. Academics, for example, are subject specialists – used to telling their students what they have to do to pass examinations! And any practical experience they have is generally out-of-date. Those who are practising experts in Ministries are strong on the law – and probably have had reasonably recent experience of trying to apply it locally. But they will have had little training in structuring the knowledge to make memorable presentations!

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28 Section 1.3 (“basic principles of local government”) and Annex 3 of the final version of the Roadmap tried to deal with this question
29 1.3 of Roadmap
30 UNDP, Academy of Management and Urban Institute have their lists.
And then there are those (generally younger) who have been trained as trainers – but do not have the subject knowledge or experience to be trainers themselves. But they make excellent *moderators* – able to identify in advance what knowledge or insights a particular group of people need; able to find the trainer who seems most appropriate; and to structure the event in the most effective way. Such a person is necessary to try to ensure that expert trainers actually deal with needs of workshop participants.

### Table 11 Roles and strengths of different types of trainer

<table>
<thead>
<tr>
<th></th>
<th>Practitioner</th>
<th>Moderator</th>
<th>University Lecturer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bishkek-based</td>
<td>Strong on legal aspects; weak on problems of local implementation</td>
<td>Generally strong on moderation skills and encourages interaction</td>
<td>Strong on theory; weak on practice and problems of local implementation</td>
</tr>
<tr>
<td></td>
<td>Tends to use traditional non-interactive teaching methods</td>
<td>Can lack understanding of local context</td>
<td>Generally uses traditional non-interactive teaching methods</td>
</tr>
<tr>
<td>Resident in regions</td>
<td>Strong on local practice – sometimes weak on presentation skills</td>
<td>Reasonable understanding of local context</td>
<td>Strong on theory; weak on practice and problems of local implementation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Moderation skills not as developed</td>
<td>Generally uses traditional non-interactive teaching methods</td>
</tr>
</tbody>
</table>

6.5 Some adjustments

As we listened to the conversations in the workshops, we realised that lack of clarity in roles was undermining effectiveness (leading to conflict for example between the local kenesh members and officials) and that this issue was best tackled at the level of a single municipality. This, actually, is how we had started our work in 2005 in both IK and Naryn – but as it is labour-intensive, we had felt it then necessary to work with the target groups. And it was our local trainers who helped us develop a new approach which went beyond the boundaries of these selected target groups. At a workshop they suggested, very reasonably, that they should be part and parcel of the team planning, implementing and evaluating the workshops which our EU visitor (a German mayor) would participate in the following month. That would be the best way to learn about such processes. We decided to use that visit to test the various assumptions we had been making about target groups, subjects, types of trainers etc. In the first planning meeting, one of our (new) trainers suggested that the stand-off between the Kenesh members and the executive should be one of the main issues to be explored – and so we opted to run a workshop in her village. Although our visitor was already familiar with Kyrgyzstan, we arranged that he should spend the first day interviewing various individuals. The result was a great success – with a spirit of fatalism changing as the workshop went on to one of enthusiasm. “You have restored hope to us” was the verdict at the end of one of the workshops. And results followed (see chapter 7).

In a sense we have been trying to steer a path between the prescriptive model of national educational establishments and the other being a more organic model of local initiatives. Initially we expressed what we thought our “third” way was by arguing that we were concerned with the elected element in local government – the councilors, the chairmen of committees, the newly-elected AO Heads – who were perhaps being ignored with all the emphasis on technical subjects. We felt more emphasis needed to be given to what after all defines local government – these elected people, the skills they need and their accountability to local people. But then the phrase we found ourselves using was “the softer skills” – which are those involved in the roles and relationships which were one of the subjects of the consultancy-type work we started to do in April. The immediate focus of both the prescriptive and organic models is the individual - whereas the method we are struggling toward is more holistic. The prescriptive model is formal and disciplined; the organic is more anarchic. These differences are set out in table 12.
Table 12: three models of learning

<table>
<thead>
<tr>
<th></th>
<th>Prescriptive learning</th>
<th>Organic learning</th>
<th>Holistic learning</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Immediate Focus</strong></td>
<td>The individual student</td>
<td>The individual practitioner</td>
<td>The unit or organisation</td>
</tr>
<tr>
<td><strong>Style</strong></td>
<td>Hierarchic</td>
<td>Spontaneous</td>
<td>Disciplined but interactive</td>
</tr>
<tr>
<td><strong>Example</strong></td>
<td>University</td>
<td>Community development work</td>
<td>Consultancy</td>
</tr>
<tr>
<td><strong>assumption</strong></td>
<td>That missing knowledge is best developed through courses delivered through lectures</td>
<td>That new skills and knowledge is best developed through doing</td>
<td>That people will discover relevant action by structured dialogue</td>
</tr>
<tr>
<td><strong>problem</strong></td>
<td>Attention and memory span</td>
<td>People may not learn from mistakes</td>
<td>Leadership domination may not allow process</td>
</tr>
</tbody>
</table>

We don’t want to suggest that the holistic is a superior model – rather we want to suggest that each model is appropriate under certain conditions.

And we also started to wonder whether it is right to use the word “trainer” to describe the group of 15-20 local practitioners with whom we have been working. Perhaps this is too confining a term – these are change-agents and perhaps a phrase such as “champions of local government” is a better phrase for them. And, in recognising that we have effectively been focussing our work on 7-8 municipalities, perhaps these (rather than individuals) should be our target-groups? Perhaps we can help develop some “model” municipal systems which can, in future, be live subjects for inspection and discussion? What could be more logical? We say that “seeing is believing” – and have organised two local study-visits so far – allowing people to look at good and interesting practice in Kara-Balta and Batken which has then be a motivating force for change. And this, after all, is one of the ideas of the municipal support centres.

6.6 Pilot Municipalities

Our project had been given two pilot Oblasts and invited to work with the officials and councillors of the municipalities in these Oblasts of Issyk-Kul and Naryn. That is 130 municipalities and about 4,000 people – clearly far too many for a small project with a short life to make any impact on. What would be more sensible is to work intensively with a smaller number of municipalities. As we have already said in 6.2 above-

“Far better to work with motivated people and organisations which want to achieve something. When they succeed, others will want to replicate that success – and the motivation for change and learning spreads”. And so, hopefully, will municipal capacity! Indeed we now believe that this is one of the keys to the development of municipal capacity here.

The project was in fact able to build close relations with a small number of municipalities and with the newly-elected mayors of village municipalities in the 2 pilot Oblasts. The project aim was, in its final phase, to work with 6 village municipalities on –

- Improved financial management
- Extension and further development of the data base
- IT training
- Adoption of kenesh regulations and local charters – to help clarify, for example, the relationship between kenesh and executive; and between the municipality and citizens

The purpose will be to leave behind good practices which might be disseminated by local trainers and the municipal support centres and help improve operations of village municipalities.
7. A PILOT AND CONSULTANCY APPROACH

1. Introduction

We finished the last chapter by describing how we came to switch our focus in the last phase of the project from the broad target groups listed in table 9 to a smaller group of pilot municipalities. Box 3 gives one reason why we chose to do this. Annexes 5 and 6 describe how this work started in April 2006. This chapter is simply the notes of our EU expert’s last mission. Our expert is himself mayor of a German village. The mission had 3 elements –

- 2 follow-up or monitoring visits to village municipalities in Issyk-Kul (2 and 4) which had started this special consultancy approach with the project in April 2006
- A 2-day workshop with a new pilot municipality in IK (3)
- 3 monitoring visits village municipalities in Naryn (5-7) which had started this special consultancy approach with the project in November 2006


   a. Purpose and target

April 2006 had seen the first workshop here - and June and August monitoring visits to check progress. Now – almost 5 months later – came the 3rd monitoring visit to check on progress. The responsible secretary (RS) was the counterpart – since the mayor was called away at short notice.

   b. Consequences of the TACIS activities

April had set an agenda – and action has followed. Mention should also be made of the work done by the TACIS project team on the data base and financial management with municipal staff in the latter part of the year.

   c. development of the municipality

We were very pleasantly surprised at the extent of the progress –

- The auditorium is almost ready
- As is the fitness hall
- The 2 resource centres which were to be built in municipal premises are almost in place
- The small business are operating – and more are planned
- The suggestion about preserving Kyrgyz traditions has been taken up – particularly by the young people who are working on traditional sports – particularly riding. The municipality is putting some field at their disposal.
- The school will shortly be renewed
- The ideas about fish-hatching and mushroom collection have not been developed – but are still on the agenda
- The World Bank “clean water” project started – but was delayed due to the bankruptcy of the firm which was to have carried it out. Spring 2007 will see a new procurement.

The RS was very proud of progress. He emphasized the contribution which citizens had made – particularly the young people.

Progress was constrained by the fact that the illness of the mayor has meant a vacuum there. However, further measures are now being planned –

- In agriculture, there is some prospect of the problems of the last 10 years at last being tackled – the water system will be repaired with the help of the new Governor who has made 3000,000 soms available. ARIS is expected to grant another 100,000. The remaining 60,000 will come from the inhabitants. The improvement of the water system will allow 650 hectares of agricultural land to be irrigated – meaning more jobs; higher yields; and increased tax revenue for the municipality.
- A local pleasure park will be fenced
- The municipality is organizing the purchase of coal for the inhabitants
d. further plans
In contrast to the previous visit, the scale of the plans for 2007 was surprisingly large.

- Construction has increased the demand for bricks and a brick factory will be built by an investor
- A small mill for animal feed will be set up in a municipal building. 60% of the funding will come from ARIS; 33% from inhabitants and 10,000 soms from the municipality.
- A sports ground is planned for the school
- The establishment of saunas in 3 villages. This way all 3 villages will be provided with leisure facility for the population. The municipality is approaching private investors about this.
- The possibility of preschool classes are being discussed with the school Head – since the kindergarten no longer functions
- Discussions are underway for other activities such as a blacksmiths or car repair shop

e. conclusion
In April there was nothing! Now so much activity – after less than one year!
This demonstrates the need for the sort of “friendly support” which the project has been able to offer – and suggests a model for the municipal support centres.
Those with ideas need encouragement in order to become strong – and for their actions to become self-sustaining.
Participants emphasized several times that they can and want to stand on their own feet. All they need is some advice and coaching.

3. Workshop Village B; 3-5 January 2007

a. Background and purpose
This village lies west of Karakol on the south side of the Lake. It has 3 parts and 4,000 inhabitants. It lies at 1,700 meters and has 4 schools; 3 communal storage centres for grain; 3 first-aid stations and a renovated cultural centre. People depend on agriculture and cattle.
It was a new pilot for the project – and invited were-
- the mayor and his staff
- councilors
- active citizens

b. Opening remarks
As usual the mission was divided into 2 parts –
- A first day of interviews
- A workshop – a which the results of the interviews was presented; issues identified and an agenda for action developed

c. Interviews
The following were interviewed –
- AO Head (a year in his job)
- RS (6 months in post – although 13 years active in the municipality)
- Head of Finance (3 months in post – although active in LSG for 5 years)
- 3 councilors (one active for 6 years; the other for 2)
- A former mayor – 16 years a councilor

The AO Head interview lasted an hour – the others 35-40 minutes – and then a roundup session with the mayor.

d. The emerging agenda
The following problem areas were articulated –
- The community has 1,750 hectares of land which they may rent – but, in contrast to private land, are not irrigated. So they can in fact rent only 340 hectares – and at a low rental. The
rest of the land lies unused – although it’s of good quality. This problem has been with them for 10 years.

- The municipality has 17 hectares of orchards which also lie uncultivated
- Few work places
- The municipality didn’t make a bid for the WB Clean water programme. Drinking water has therefore to be brought 2 kilometers by buckets!
- The roads of the area are in very poor repair
- The revenue from fruit products is very dependent on the weather and brings in too little revenue.
- The council chairman is very difficult to reach – because he has no phone. So papers have to lay waiting for his signature.

However the general feeling was one of optimism – mixed with uncertainty about how exactly to deal with these problems.

e. How to deal with the problems

A short presentation was done about a German village municipality – focusing on the relationships between councilors, citizens and officials; Finances; the kenesh; and the functions. The EU expert then went into the key problems of the locality and suggested –

- That the area should process its agricultural products
- To encourage commercial activities to rent empty municipal property
- The drinking water issue for one of the villages can be solved if funds are raised. Some immediate measures would include – population must be informed about dangers of impure water; works could be collectively done; such works could be financed raised from population. EU expert suggested that half could be calculated from number of houses and the other by the numbers of people.
- That the financing of measures could be done with a communal bank (Syntash example)
- That the loss of revenue from lack of irrigation could be easily calculated – 1.65 million soms a year.

A very lively discussion took place on each point – but particularly the first and last ones.

f. solutions

The importance of consolidating the future of the area was clear to all – and therefore the search for relevant solutions was conducted in a positive spirit. Ideas which emerged included -

- Market analysis would be carried out on which empty municipal properties were suitable for renting. ARIS could help here
- Cooperative for agricultural marketing
- Mayor would talk with neighbouring municipality about the idea of a communal bank
- Drinking water issue would be further discussed in the kenesh – and the idea of an association for water conservation explored (Chui example)
- Office for council chairman
- The loss of revenue from the malfunctioning pumps shocked everyone. They all known about the problem – but its consequences had never so clearly been expressed.

The mayor expressed thanks to the Tacis group for having helped produce such practical ideas.

g. general remarks

The first day’s interviews were crucial for the success of the workshop. This ensured that the presentations done at the workshop were specific to the locality – not abstract – and therefore engaged and kept the interest of the participants.

The workshop itself was well organized – from the start it was clear to everyone that the agenda would allow people’s questions to be dealt with.

The room itself, however, was not good – it was the mayor’s and too small. Unfortunately the council room had no heating and was therefore unusable. At 15.00 the electricity failed – and so the heating. Because of the cold, the workshop had to be finished early at 16.30. This also affected the coffee break.
Other positive features were –
- The use of beamer
- The project documents and writing material which were given to each participant

Mention should also be made of the good work done by the Tacis project team on the data base and financial management with municipal staff in the latter part of the year.

Recommendations –
- Starting such work with municipalities really needs a 3-day session rather than two – with 2 days being needed for a workshop. In one day many issues could not be properly explored; group work not properly undertaken; and no case study properly used.
- Experience indicates that many questions come up after the workshop – and can be dealt with only in subsequent monitoring.


a. Purpose and target
April 2006 had seen the second workshop here - and June and August monitoring visits to check progress.

b. Consequences of the April workshop
This workshop was very positively seen – according to the mayor, people still spoke about it.
- After the case-study presentation, a department of energy saving was set up and was very active
- The attitude of the councilors has changed for the better. They think more about the common good and work better with officials. More proposals now come from the kenesh – which shows much more interest in the work of the municipality.
- Training of staff has intensified – and helped achieve a 100% success rate in the attestation – the best result of the Oblast. The National Agency gave them an award for this.

Mention should also be made of the work done by the Tacis project team on the data base and financial management with municipal staff in the latter part of the year.

c. development of the municipality
There is a lot of discussion about new ways to increase municipal revenue e.g. tourism. Social development will get a lot more emphasis.

However some authorities are very suspicious of such developments – and, as a result, carried out 20 inspections of the municipal activities. This is a great hindrance on initiatives. Despite this, our colleagues remain confident hat their situation can be improved.

d. further plans
- a plan for social development to 2010 will be developed
- they hope that the water saving measures can be ended by the end of 2007
- the long-awaited renovation of the town-hall is now stopped – because of an Oblast edict of 9 December 2006 ceasing such investments
- it is anticipated that activities in the fist half of 2007 will be reduced because of the mayoral election in May and the anticipated parliamentary elections in June.

e. remarks
People were very aware that the Tacis project was ending in February – and that the contact with the project and its staff had been so very positive for the development of the municipality. Of course support was continuing for the work of the municipal support centre – but other municipalities could not give a financial contribution without a decision from the rayon council. He mayor has written a letter to the National Agency about his – and the Agency has requested the support of the Akim.
Mention should also be made of the work done by the Tacis project team on the data base and financial management with municipal staff in the latter part of the year.

5. Monitoring Village D; 8 January 2007

a. Purpose and target
November 2006 had seen the first workshop here – so this was the first monitoring visit to check progress.
The counterpart was the new mayor (in post for 3 months)

b. Consequences of the November workshop
The mayor was grateful about the motivations which the November workshop had given everyone.
These were his comments -
- The idea of paving the streets had been well received. Neighbourhood committees had been set up to persuade the people. The kenesh had decided that the first streets to be done would be those whose inhabitants first did their own stretch. These would be used as a model for all. The work would begin in the summer – there was enough material in the area – as well as the necessary road metal for the base.
- The mayor had spoken with Raiffesen Organization – which wanted to come but has some reservations. The EU expert reported that he had talked with the organization in Germany to ensure they were properly motivated.
- The possibility of renting out municipal property would be examined. Two previous shops were mentioned – one of which had fallen into disrepair. A private kindergarten was a possibility for the other – but the mayor would prefer a car repair facility, helped by ARIS.
- Irrigation of agricultural fields will be regulated by an association – for which the following steps are necessary – founding of association; renewal of canal network (which will last until 2010); construction of water spokes; obtain credit lines for these from the Ministry of Water.

c. Development of the municipality
The mayor wants to restructure the municipality and renew the infrastructure -
- until March there will be a census and inventory of land and buildings. This will be the basis for further decisions and proposals to relevant bodies
- the number of neighbourhood garbage areas will be reduced from 42 to 21 and a new waste management system developed
- the position of the aksakal will be built up

The aksakal’s powers will be expanded – in future they will have tasks
- if anyone needs a certificate from the municipality they will first have to produce proof that they have made all payments
- they will provide monthly reports to the administration
- they will identify needs from population of their area e.g. coal or seeds
- remuneration still not clear – although there will be an award system
- programme of social mobilization being conducted by ARIS (1.25 million soms). 8 projects will be financed (40,000 each) – expected to show a profit. Rest will be used for social needs e.g. kindergarten repair, sports facilities. All this to be discussed shortly at a public meeting.

d. Further plans
The mayor awaits the results of the previously mentioned survey before developing concrete plans.
He’s emphatic about the need for manageable goals.
The EU expert suggested that a wall newspaper should be developed – for the 21 neighbourhoods and municipal buildings such as schools etc.

e. Conclusion
We were surprised at the progress which had been made in such a short period of time. Mention should also be made of the work done by the Tacis project team on the data base and financial management with municipal staff in the latter part of the year.

a. Purpose and target
A 2-day workshop had taken place in November. This was the first monitoring.

b. Sustainability of the November workshop
The issues had been further discussed by the kenesh and officials.
  - According to the mayor, the main problem was finance. This depended on government action
  - There is no municipal property for rent
  - Resource centres are no use since there are no computer specialists in the area
  - Communal credit is not seen as relevant since local people don’t have any money to save
  - In contrast to many other localities in the Oblast not all irrigated lands have been given for rent. Apparently even at a low rent of 100 soms a year per hectare, there are no takers

c. Development of the municipality
This is stagnating – and awaits the fiscal decentralisation. Land tax and small rent payment for 20,000 hectares of pastures have been transferred to Oblast and rayon. Thus revenue of 100,000 soms a year from pastures rent and 160,000 soms from land tax have gone to LSA. This is being used by LSA to pay staff salaries.
On the positive side, all municipal debts paid off – 200,000 soms

d. Further plans
The most urgent goal is to build a school with the help of ARIS. However the application has not yet been submitted. The municipality takes a positive attitude to investors – and is ready to support them when they come.

e. Conclusions
This was a disappointing visit. Little had happened – there is a passive attitude.


a. Purpose and target
November 2006 had seen the first 2-day workshop by the EU expert – so this was the first monitoring. The mayor was the counterpart.

b. Consequences of the November workshop
Councilors and officials alike are still impressed with the November event. Indeed they would have liked a third day both to go into more details of issues they covered and to deal with some they didn’t.

Since then, the following has happened –
  • The standing orders of the council were thoroughly discussed and reviewed – and a workshop held for all members of the rayon council
  • A roundtable was held as a preliminary to setting up a municipal enterprise for construction projects such as water systems. This will be a 100% owned subsidiary of the municipality using Rednitzhembach as a model (dually adjusted).
  • The idea of paving the roads is being intensively explored. The technical facilities are there – all that is missing is know how. The EU expert invited someone to spend 2-3 weeks at a German firm in Rednitzhembach to get that know-how – they cover the travel costs only. As a follow-up, a specialist could come in the summer to oversee things.
  • the Tacis project team also worked on the data base and financial management with municipal staff.

c. Development of the municipality
ARIS is committing 6 million soms for the following year – this will be confirmed in the middle of January and allow –
• The construction of water pipe system; Self-construction of school and sports hall
• All staff passed the attestation carried out by the national Agency; Chaek was the best in the rayon
• A municipal orphanage will be built – for 18 children – and run by the rayon (although with minimal resources)
• The registration of property and land plots has not been completed. Several conversations about this have taken place with the rayon Director of GosRegister. He requested written reports on the present situation – and has now received them.

d. further plans
Such develops will be of a big help to the area. The EU expert suggested a wall newspaper to make sure that the citizens were properly informed about such things. This could be placed at various points in the area.

e. conclusion
The village is well set now – all it needs is continued support to make sure that the process doesn’t stall. The mayor made a strong plea for a follow-up project to the Tacis one – with its very practical focus. Monitoring visits like this are very important.

8. Conclusion
One of the main issues raised by all 6 municipalities was the ending of the Tacis project. One mayor put it like this -

• The project sowed the seeds
• The first buds are now out but need some care to ensure they develop fully
• With the project ending, there is a danger the buds will wither

The Tacis process has been about confidence-building – and you can’t suddenly and arbitrarily cut that off. What these pilots have achieved in a very short period of time is very impressive and shows the powerful role a modest support system can play in developing the self-confidence which is so important in the development of municipal capacity here.

J Spahl
17 January 2007

Thought from TL – it would be good if a small practice note could be developed on this experience
8. WHY TRAINING FOR LOCAL GOVERNMENT IS DIFFICULT AT THE MOMENT IN KR

As we have indicated, we started our work in mid 2005 with a requirement to develop and carry out a training programme for municipal personnel in our 2 pilot Oblasts – but soon found out that various factors make it very difficult to mount a serious training programme of municipal personnel in KR –

- Lack of economic, legal and political preconditions.
- Lack of motivating conditions for learning
  - absence of job requirements (and therefore of accreditation) for key staff positions in local government
  - a large turnover of personnel.
- The costs and inconvenience involved either in sending trainers to remote regions or in having participants travel to focal points in the country
- lack of clarity about the role and definition of training – and its relationship with educational qualifications
- lack of guidance on how short-course training is best provided
- Lack of material – and of trainers in the right places
- lack of funding for courses – whether educational or training
- lack of continuity

8.1. Lack of economic, legal and political preconditions

Few municipalities are able to perform “functions of local significance” – so training for such a system has seemed a bit premature. Without (a) an agreed set of municipal functions and (b) the local finance system to fund such functions training makes little sense! Knowledge (about new laws for example) simply withers unless people are able to apply it immediately in the work-place. That is a basic principle of learning. That is why so much attention is being given to these two, interrelated issues - of functions and finance

But solving these problems is not just a technical issue – of producing the right proposals. It is also a profoundly political issue. One of the reasons why local government has not advanced is that those in positions of power at the centre judges that local government does not have the capacity to run services.31

8.2 Lack of motivating conditions for learning

Functions and Finance are dealt with in the basic Law on Local Government and in the Law on the Economic Base of local government respectively. The third crucial law is that on Municipal Services which places the focus on the personnel needed to make local government work. Three critical staff objectives of this law are to ensure –

- adequate numbers of staff for the functions local government can realistically perform
- adequate quality of such staff
- the conditions to retain them

The achievement of such objectives will require, in addition, -

- agreed job specifications for key personnel positions
- minimum qualifications for them
- an educational system which provides staff with such qualifications
- proper hiring (and firing) systems
- reasonable salary and promotion prospects
- motivating systems of work
- systems of career and skills development
- attestation which helps these things

Clearly this will take a long time – but a start has to be made. All local Government systems develop in their own way but require regular steps to be taken one after the other. The question is - which parts of this ambitious agenda should be the starting point - to give the best chance of creating the conditions for sustained progress?

31 See section 13.1 of Roadmap
8.3 absence of minimum job requirements for key staff positions in local government

One possible starting point is job requirements for those positions in municipalities for which there should be professional requirements. It is essential for the future of local government here that there is an official who has some minimum qualifications to be able to give the municipality clear legal advice. A proper qualification and curriculum should be established for the Responsible Secretary. Without such a requirement, the relevant standards will not be reached.

8.4 a large turnover of personnel

The elections of December 18 2005 of AO Heads saw a turnover of more than 70% in such positions – and a significant number of staff was subsequently replaced.

8.5 The costs and inconvenience involved either in sending trainers to remote regions or in having participants travel to focal points in the country

8.6 lack of clarity about the definition of training – and its relationship with educational qualifications

It is very important that people should be aware of what training can and cannot do. Training cannot be a replacement for the proper development of educational standards in the municipal workforce – although many people seem to think it can.

Training is the provision of short courses for those already in local government – designed to help them acquire practical understandings or skills required by their job which their formal education has not given them. “Short” would include courses lasting a few days. Attendance is normally voluntary – and does not normally lead to an accredited certification.

The Academy’s 1 year diploma qualification (and retraining activities) is, under this definition, not training – but a professional or educational qualification. Training involves adults – and requires a very different approach to learning from that found in schools and universities. Those taking part in short courses have immediate practical needs – and the courses have to be structured on a clear definition of those needs and delivered by those who have the experience and skills to help develop the relevant insights and skills. Many people in central governments throughout the world sadly see training as simply instructing local officials in how to carry out the latest fashion of people in central government. This is what a Scottish colleague of mine once unforgottably called “surgery of the mind”. There is a place for this but training can and should be much more!

8.7 lack of guidance on how short-course training is best provided

The workshops we have seen here have a variety of purposes – of which training is only one. Workshops can be used to -

- Pass on information (e.g. a new Law)
- Help people understand their role in a new project (e.g. the implementation of a local budget system)
- Explore needs and find solutions
- Build team spirit
- Stimulate people to see things in a different way
- Motivate people
- Help people understand how things work (e.g. good teams)
- Get them to behave differently
- Help develop new skills (e.g. negotiation)

Workshops can, of course, also be used as a substitute for dealing with the outstanding legal, financial and political issues which are blocking the development of local government here! Each of these purposes is very different – and will require a different structure to the workshops. Our project ran 66 workshops – but many of them were dialogues to allow us to have a better understanding of the situation in the municipalities – and to test some of our policy material. For example we ran a workshop for the committee chairmen of the Issyk-Kul towns and some AO Heads to discuss the project’s draft Roadmap. Of course people learned from reacting to the presentations
and listening to one another – but it was not strictly a training intervention with clear learning targets! It was more of a dialogue.

*The key question for the organisers of workshops is motivation – how do we ensure that the participants actually attend, learn – and then apply the lessons*.

**Box 4. Conditions for effective training**

- **practical** and successful methods (“measures”) have been developed locally of dealing with the various problems facing those undertaking the training;
- **legal systems** are operational to allow these measures to be implemented
- those **supplying the training** are accepted by the trainees as having the relevant skills and experience to do so
- the principles of adult education are used by the trainers
- the course is **structured in a way which fits the job pressures** of those taking it
- those attending the course are motivated to do so
- and receive the positive support of their employers to do so

**8.8 Lack of material – and of trainers in the right places**

The training material which we are aware of here (in Russian) is set out in Annex 3 of the projects’ Training Manual. At the moment the training needs are very basic – people need to understand the law.

And a lot of the training material is therefore a repetition or summary of the **basic seven Laws** for local government. This is necessary – but hardly what would normally call training material. **Training material should give examples, pose questions – allow people to understand how to solve problems.** Here the Urban Institute material on **property management, housing** and **budgeting** is very useful – and also accessible, unlike a lot of the other material which is closely guarded.

What is noticeable by its absence, however, is material to help develop **skills** – e.g.

- How to analyse problems;
- How to communicate;
- How to write reports;
- How to manage time;
- How to chair meetings;
- How to negotiate;
- How to manage projects;
- How to carry out surveys;
- How to draft proposals.

Given the uncertainties referred to in this paper, the development of such skills should be receiving a much higher priority. NGOs in fact have a lot of suitable material.

Some training of trainers has been undertaken – but much more is needed.

**8.9 lack of funding for courses – whether educational or training**

Funds are, of course, made available for “upgrading of municipal servants” – which allows the Academy of Management to organise some short-courses in its Bishkek and Osh centres. These seem, however, to be traditional legalistic courses.

**8.10 lack of continuity**

One-off training is of little use. There needs to be follow up (see 9.4 below).

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32 see Project’s Training Manual
33 by “practical” we mean within the capacity of the resources and skills which exist within their organisations
34 e.g. practical waste management schemes such as the Karabalta official presented at one of the project workshops
35 Their website http://www.ui.kg
36 The project has drafted a checklist – available on the CD Rom
37 See LGI (Budapest) manual (Eng and Ru) on this
38 E.g. Intrac – at [www.intrac.org](http://www.intrac.org)
9. TOWARD A STRATEGY FOR BUILDING MUNICIPAL CAPACITY

9.1 The argument so far
Let’s take stock at this stage of the story; try to show the connection between its various strands; and see where they are taking us.

We started with a brief overview of the situation in the municipalities in KR – and a summary of the different elements of Roadmap our project produced from its discussions with more than 1,000 municipal personnel in Issyk-Kul and Naryn Oblasts.

We then posed some basic questions about how to make operational the phrase municipality capacity and suggested that, rather than make disparaging judgements lack of municipal capacity, people need to

- Have a clearer agreement than currently exists about the basic tasks municipalities should be carrying out.
- Ensure that the constitutional requirement of delegated functions being paid for is actually observed
- Recognise the core competences we need from municipalities (at 6.3)

The framework we offered in chapter three for thinking about the development of individual competences posed questions which are not asked often enough – and gave choices.

Chapters four-six showed how one project had tried to use these questions in its work with the municipalities of 2 Oblasts.

Chapter six explained how we came to switch our focus in the last phase of the project from the broad target groups listed in table 9 to a smaller group of pilot municipalities. Box 3 gives one reason why we chose to do this. Annexes 5 and 6 describe how this work started in April 2006.

Chapter seven represents the notes of our EU expert’s last mission. And chapter eight identified the various difficulties in running training programmes at the moment – and argued that training in itself is not the way to develop municipal capacity!

9.2 Lessons for training
The work described in chapters 4 and 6 covers the elements of the conventional approach to training–

- target group identification
- Training needs assessment
- Training of trainers
- Testing of training methods
- Testing of training materials

But the experience does suggest that the types of trainers, materials and of methodology for a context which still lacks the proper framework for local government (such as KR) needs more careful attention than it has so far been given. And it needs to be more local and community-responsive than most national educational and training bodies are yet capable of.

Chapter 4.2 described – very briefly – the aim of the municipal support centres which the project has been helping. Each of the 7 centres is very different – and will develop in their own way. But our hope has been that this might produce a model which will be capable of being replicated throughout the country - because this is not an expensive way of helping the development of municipal capacity, requiring initially an annual fee of only $100 from each village for running costs.

The skills required to set up these centres include–

- Clarifying strategic objectives
- Negotiating with partners
- Project management
- Drawing up budgets
- Drafting job specifications
- recruitment

So this actual process in which we have been involved is a good example of a learning process!
9.3 How capacities develop
The capacity of an organisation is built as it has the opportunity to take decisions for itself and learns from doing. It is exactly the same process as good parenting. Of course inexperienced young people will make mistakes – but it is the job of responsible parents who care about their children to create the conditions in which their children learn for themselves – at minimal cost to themselves and others.

Box 5. How do we learn from experience?
People develop competences by actually applying their knowledge and skills – and learning from the results. Without that application, any training is wasted. But generally we are left to apply and draw the lessons ourselves – the training is given and then we are left on our own. So one ingredient of capacity building must be to ensure good subsequent “coaching” – that is someone willing and able to encourage the application of new skills and knowledge and the learning that goes with that. And that someone should be the boss! But how often is that done?

Organisational capacity therefore requires good management of the individual’s department – and that in turn needs good leadership of the organisation. The diagram below tries to make these various points. It should be read from the bottom up!

Diagram 1: how different types of training help individual and organisational learning

To build the capacity of an organisation or system therefore requires us to pay attention not only to individual skills but to the style, skills and structure of management and leadership. And, given the scale of delegated functions which Kyrgyz municipalities are given, this puts the structures and style of local state administration under the microscope. How well are these systems led and managed? And how can they realistically be improved?

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39 for a brief but very clear exposition of theories of learning as they apply to training in organisations see the chapter “Managing Learning” in Managing Public Services; implementing changes – a thoughtful approach by TL Doherty and T. Home (Routledge 2002) pp 414-439. In Russian – see the paper 3 on organisational learning from INTRAC (www.intrac.org)

40 See Action Learning by K Weisbrod

41 See Roadmap section 15
Here, of course, there are wider issues involved – about whether the Heads of State bodies are appointed on their merit or on other criteria and what incentives they have to operate in the public interest! Diagram 1 therefore actually needs another two levels added at the top – about (a) the extent to which rule of law exists and (b) public appointments are made on merit.

The implication of the diagram, of course, is that people can be competent – but if badly managed and led, the organisation will be incompetent. And perhaps vice-versa? At the moment when people talk about increasing municipal capacity here, they talk about expanding finances, clarifying functions and training in legal, financial and technical matters. But they ignore the organisational issues at their peril!

**Diagram 2; how state capacities develop**

<table>
<thead>
<tr>
<th>PROCESS</th>
<th>TRAINING INTERVENTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>NATIONAL SOCIAL CAPACITY</td>
<td>?? ??</td>
</tr>
<tr>
<td>RULE OF LAW</td>
<td></td>
</tr>
<tr>
<td>PUBLIC SECTOR CAPACITY</td>
<td>TWINNING</td>
</tr>
<tr>
<td>OPEN COMPETITIVE RECRUITMENT</td>
<td></td>
</tr>
<tr>
<td>ORGANISATIONAL CAPACITY</td>
<td>ORGANISATION SPONSORS THE TRAINING TO ASSIST SPECIFIC CHANGE</td>
</tr>
<tr>
<td>ORGANISATIONAL LEADERSHIP</td>
<td>MANAGER’S ACTIVE SUPPORT FOR THE TRAINING EVENT</td>
</tr>
<tr>
<td>DEPARTMENTAL MANAGEMENT OF A PARTICULAR FUNCTION</td>
<td></td>
</tr>
<tr>
<td>INDIVIDUAL COMPETENCE</td>
<td>ACTION-LEARNING</td>
</tr>
<tr>
<td>SYSTEMATIC LEARNING</td>
<td></td>
</tr>
<tr>
<td>CARRYING OUT NEW TASK</td>
<td>TRAINING FOR PARTICULAR RESPONSIBILITIES</td>
</tr>
<tr>
<td>INFORMAL LEARNING</td>
<td></td>
</tr>
<tr>
<td>INDIVIDUAL EXPERIENCE</td>
<td>PREPARATION FOR JOB OR PROJECT (INDUCTION TRAINING)</td>
</tr>
<tr>
<td>BASIC EDUCATION</td>
<td></td>
</tr>
</tbody>
</table>
9.4 implications for Kyrgyzstan
In para 6.4 we talked about the role of moderators – able to identify in advance what knowledge or insights a particular group of people need; able to find the trainer who seems most appropriate; and to structure the event in the most effective way. Such a person is necessary to try to ensure that expert trainers actually deal with needs of workshop participants.

And in para 6.5 and chapter 7, we showed a consultancy approach to training which consisted of –

- A practising and successful mayor carrying out interviews the day before the workshop
- His then making an initial presentation at the workshop to all staff and councillors about the issues which had emerged from those interviews – and some examples about how these issues had been dealt with in other places
- Participants then going into working groups to develop options
- The full group then assessing which options to develop
- The project sponsoring the event then organising regular follow-up, monitoring visits

It is this sort of process which, hopefully, municipal support centres (see 4.2) can assist – which gets people involved and motivated and feeling that there is someone out there who can supply a bit of information and encouragement.
10. Some preliminary conclusions

10.1 A journey
This paper started its life in January 2006 as an attempt to clarify what we saw as some confusion here between

- the **educational requirements** for local government – which demand a uniform approach to supply and test the knowledge basis of those who work in local government and are, therefore, properly the concern of national education bodies such as the Academy of Management, on the one hand, and
- **short-course training provision** – which needs to be more experimental and flexible; and very sensitive to the specific contexts and needs of the individuals at local level who are wrestling with ambiguity and under-funding.

Our project – like many other donors – had been given a vague instruction to “help train municipal personnel to enable them to play an important role in the process of decentralisation and the practice of local good government”. After more than 60 workshops and work with pilot municipalities, it is still not easy to suggest how that can best be done! Writing this paper has been an important part of that learning. One very important thing which happened toward the end of its creation is the realisation that we needed to switch the focus of attention from “training” to “capacity development”. But an equally important part of our journey has been to our questioning of the patronising (and centralising) assumptions which are normally wrapped up in that term.

The project’s 3 publications already contain the main elements which might figure in a strategy for building municipal capacity. The Roadmap suggests 9 elements – only some of which are currently covered by the decentralization strategy. It is 4 years since the decentralization strategy was approved – and it is difficult to suggest that much progress has been made in that period toward embedding local government. It is still too much part of the local state administration system.

<table>
<thead>
<tr>
<th>STRATEGIC ELEMENT</th>
<th>PROGRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Shared vision – and understanding of and support for core features of local</td>
<td>NO. And talk of “social mobilization” does not give</td>
</tr>
<tr>
<td>government – in society as a whole</td>
<td>this understanding and support.</td>
</tr>
<tr>
<td>2. Independent and representative municipal association (s)</td>
<td>NO</td>
</tr>
<tr>
<td>3. Lead structure for reform in government with political clout</td>
<td>YES – but National Agency has just started its work</td>
</tr>
<tr>
<td>4. Workable laws which ensure that municipal leaders are accountable to local</td>
<td>IMPERFECT AND CONTRADICTORY LAWS AND TERMINOLOGY</td>
</tr>
<tr>
<td>people for “own functions”; retain local taxes; and are free to set their local</td>
<td></td>
</tr>
<tr>
<td>budgets</td>
<td></td>
</tr>
<tr>
<td>5. Enforcement of laws and municipal rights</td>
<td>NO – imperfect local knowledge (extending to courts);</td>
</tr>
<tr>
<td>6. Locally-determined and financed municipal budgets and equalization grant system</td>
<td>NO – some initial training carried out by Min Finance</td>
</tr>
<tr>
<td>7. Staff capacity developed</td>
<td>Attestation carried out in autumn 2006</td>
</tr>
<tr>
<td>8. Reshaping of territorial public administration</td>
<td>NO</td>
</tr>
<tr>
<td>9. Effective local leaders</td>
<td>BIG TURNOVER (70% in 2005)</td>
</tr>
</tbody>
</table>

10.2. Issues for Government - Understanding why progress is slow
The Roadmap argues that -

- **effective strategies are more about process** than content. Good strategies recognize that not everyone wants the change – and build their work through identifying the obstacles and selecting mechanisms which will deal with them. And a strategy for strengthening local government needs to be open and inclusive.
- **Laws are only one of several mechanisms to achieve change** – and the paradox of trying to put too much detail into local government laws should be recognized. The whole point about
local government is to let local solutions emerge – and to allow central government to focus on the things it needs to do!

- Initially some work is needed on legal terminology – and some changes on the way legal-drafting is done

Possible reasons for slow progress (Table 4 of Roadmap)

<table>
<thead>
<tr>
<th>Possible reason</th>
<th>How true?</th>
<th>How deal with?</th>
</tr>
</thead>
</table>
| 1. Lack of legal-drafters?                          | Yes – and too many drafts therefore submitted by those with insufficient skills in drafting With the new constitution-making, there is now no consistent and agreed legal terminology | • restrict legal drafts to areas of very high priority  
• use policy papers as a first stage before legal drafting  
• resist the temptation to put too much detail in the law |
| 2. Lack of time – civil servants and parliamentarians| Yes – and situation getting worse!                                       | • Present unified and convincing proposals to policy-makers – which are properly justified and clearly have wide support  
• resist the temptation to submit quick legal drafts |
| 3. Lack of agreement amongst those proposing change  | Because discussions focus on legal detail there is considerable scope for disagreement | use policy papers as a first stage before legal drafting – and ensure proper scrutiny of proposed mechanisms. Will they actually work? |
| 4. Lack of commitment amongst policy-makers         | Some policy-makers imagine that local government is free of any sort of control (see table 3). Some Ministries fear loss of power The present crisis management makes it very difficult for anyone to focus on any single subject | Set up an independent commission to produce a clear statement of the benefits of local government and a clear analysis of the needs |
| 5. Lack of coherent proposals                       | Despite the intensive discussions, few proposals seem to emerge – and they have not been subjected to tough questioning about their feasibility. | Better civil service training |
| 6. Lack of push – at initial or final stages         | It will take time for the new National Agency to develop its role         | Stronger municipal associations |
| 7. Lack of money                                     | Yes                                                                      |                                                                                                 |
| 8. Lack of support of policy-makers for specific proposals | Unclear                                                                 | Municipal associations should focus on this lobbying role |
| 9. Lack of public support                           | Unclear – but probable                                                   | See table 18                                                                                   |
10.3 Issues for Donors - Some suggestions for helping create a vision
Table 18 of the roadmap brought various ideas together -

Table 18: ideas for strengthening public support for local government -

<table>
<thead>
<tr>
<th>Examples</th>
<th>What should be done?</th>
<th>By whom?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Some simple actions to demonstrate that LSG makes a difference</td>
<td>Set up competition – which would give annual award for most citizen-oriented village and town municipality – e.g. one which successfully made it easier for pedestrians to cross busy streets safely.</td>
<td>Joint LG Agency-donor scheme</td>
</tr>
<tr>
<td>2. Surveys</td>
<td>use Urban Institute survey experience to develop annual survey in association with 1 above</td>
<td>Joint LG Agency-donor scheme</td>
</tr>
<tr>
<td>3. Pilot municipalities</td>
<td>a. set up programme in which new developments (such as local budget; municipal support centres; data bases etc) are first tested in a small number of municipalities, lessons learned and then made available to all municipalities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. set up scheme which allows municipalities to request exemption from specified regulations – for a specified period.</td>
<td>(a) is already being done – but in an ad-hoc way. Donors should coordinate – with involvement of relevant academic bodies (b) Joint LG Agency-donor scheme</td>
</tr>
<tr>
<td>4. local study visits</td>
<td>set up fund to allow municipalities to request visits to look at “good practice” elsewhere.</td>
<td>Donors</td>
</tr>
<tr>
<td>5. Networks</td>
<td>Help establishment of network of local “change-agents”</td>
<td>Municipal associations and Academy of Management – with donor support</td>
</tr>
<tr>
<td>6. Independent review committee</td>
<td>Invite them – with the help of a secretariat – to assess the state of local government and make recommendations</td>
<td>Government</td>
</tr>
<tr>
<td>7. Journalist training and coverage</td>
<td>Set up programme to train journalists in this field</td>
<td>German-Marshall Fund has experience – and should be approached</td>
</tr>
<tr>
<td>8. Research</td>
<td>Set up special programme to encourage monitoring of developments in local government – and publication of papers</td>
<td>Academy of Management</td>
</tr>
<tr>
<td>9. Notes of guidance</td>
<td>Take case studies which several projects (e.g. EU Tacis project; Urban Institute) and bodies (e.g. municipal associations) have and write them up as guidance notes for municipalities</td>
<td>National Agency for Local Government</td>
</tr>
</tbody>
</table>

10.4 So what?
Many of these ideas are, of course, currently being pursued – but in an ad-hoc way without their significance perhaps being realized. Governments tend to look for “silver bullets” – e.g. perfect laws or local budget systems whereas the creation of local government is the result of a series of painstaking, courageous and often unseen initiatives at a local level.

Is more coordination needed?
We have to be careful about this word! It can have at least four different meanings –
- To pool information – to help avoid duplication, for example.
- To share experiences – to help develop effective training material and practices
- To engage in joint work
- To control – to decide who will do what sort of training
The first already happens in an informal and ad-hoc way – and we are not aware of any overlaps or duplication (except that caused by the recent PO initiative!!). But clearly more sharing of information can be done.

This information could usefully be collected – and perhaps lead to the establishment of a joint initiative for training of trainers?

And, in the new context of 2007, it certainly would seem useful for organizations to share their training plans.

But more than that is needed – at the moment training is an ad-hoc activity – carried out whenever those with money feel able or inclined to do something. Effective training is when there is a client – who asks for something specific. Of course, we are at a very early stage of development of training for local government in KR. People are experimenting. But that is precisely when a forum could be useful to allow people to share their experiences – and help identify for example -

- effective working practices which can be replicated throughout the country.
- Scope for joint initiatives

The question is who should be responsible for such a forum. The new National Agency for LG, the municipal associations and the Academy of Management clearly have important roles in this field – one as a supplier, the other as a strategic actor defining needs and, eventually perhaps, funding. But neither of them can be said to represent the customer. The nearest we have to a customer are the municipal associations – who also supply some training from time to time.

10.5 View capacity building like body-building!!

My final comment is to invite you to look at the development of municipal capacity in the same way as body building. There are some exercises or habits which are good for the body and will help it grow – and there are others which stunt its growth.
MUNICIPAL BODY-BUILDING

Positive Exercises
- Citizen initiative, pressure and voice
- Active, responsible councillors
- Coherent, observed and funded functions
- Professional staff
- New systems (financial, technical)
- Linked training

Negative Exercises
- Patronage pressures
- LSA commands
- Unfunded responsibilities
ANNEXES
ANNEXES

Annex 1; Map of Training Material Available

Annex 2; Notes on Karakol workshop

Annex 3; Notes on Kochkor workshop

Annex 4; Notes on Baetovo workshop

Annex 5; Notes on Ak-Chiy workshop

Annex 6; Notes on Bokonbaevo workshop

Annex 7; Notes on Naryn workshop with newly-elected AO Heads

Annex 8; Notes on Cholpon-Ata workshop with newly-elected AO Heads

Annex 9; About the Project
## ANNEX 1

**Support to the Strengthening of Local Government in the Kyrgyz Republic**  
*The Project is funded by the TACIS Programme of European Commission*

Содействие в усилии местного самоуправление в Кыргызской Республике  
Проект финансируется Программой ТАСИС Европейской Комиссии

### Analysis of the literature available in local and international organizations located in the Kyrgyz Republic

<table>
<thead>
<tr>
<th>№</th>
<th>Theme /Organization</th>
<th>I</th>
<th>II</th>
<th>III</th>
<th>IV</th>
<th>V</th>
<th>VI</th>
<th>VII</th>
<th>VIII</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Organization and legal basis of Local Government</td>
<td>Local budget / Municipal property</td>
<td>Strategy of LG development</td>
<td>Human resources development</td>
<td>Social and economic development</td>
<td>Project management</td>
<td>Housing management</td>
<td>Monitoring &amp; assessment</td>
</tr>
</tbody>
</table>
| 2 | UNDP | - Collected articles of LG legal issues in KR, 2005;  
- Model draft Charter of local community in KR, 2005  
-Municipal service manpower policy in LGs, 2005;  
- Training manual for councilors of | - Recommendations on local budget forming, 2005;  
- Recommendations on public hearings 2005;  
- Financial & economic basis of LG, 2005;  
<table>
<thead>
<tr>
<th>No.</th>
<th>Organization</th>
<th>Activities</th>
</tr>
</thead>
</table>
| 3   | World Bank ("Local budgets transparency & accountability" Project) | - Organizational and legal basis of local government  
- Effective land management of the fund of agricultural lands reallocation, 2005;  
- Financial & economic basis of local government.  
- Public hearings on local budgets  
- Effective land management of the fund of agricultural lands reallocation |
<p>| 4   | UNIFEM | Women rights for land |
| 5   | Ministry of Finance KR | Set of normative and legal acts, methodical guidelines, theoretical and methodical researches of |
|   |                               |   |   |   |   |   |   |
| 7 | ARIS                          | - Social mobilization of communities and forming of village profile, 2005 | - Development of social and infrastructural micro-projects, 2005; | - Ecological assessment of micro-projects’ impact to environment, 2005 |   |   |   |
|   |                               |   |   |   |   |   |   | - Business-planning and marketing; Payment procedure &amp; conducting of business accounting at local communities level, 2005 |</p>
<table>
<thead>
<tr>
<th></th>
<th>Association of villages and settlements</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>- LG manual 2005</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Association of towns</td>
<td></td>
<td>Book on best practices from Polish experience</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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<tr>
<td>10</td>
<td>“For democracy and civil society”</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Coalition NGO</td>
<td>Manual for councilors of local keneshs, 2004.;</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>CDF in KR</td>
<td>processes in policy/ (Compact Disc), 2005</td>
<td>Monitoring and assessment; Data collection and analysis and IT (Compact Disc), 2005</td>
</tr>
<tr>
<td>12</td>
<td>EU/TACIS</td>
<td>LG Manual, 2005;</td>
<td></td>
</tr>
</tbody>
</table>
These signs mean identification of the following classification:

- means that this manual is used as a training material

- means that this manual expresses statement of a Law or Articles of a Law

- means that this manual expresses statement of information

- means case-study (of some town; model draft document to be used as an example for LG body to create its own one)

- electronic spreadsheet
Training Report  
«Municipal Property – as an economic category”

Date of training: June 21, 2005  
Location: Hotel “Issyk-Kul” Karakol

1) Preface  
**Workshop goal:** to assist local councilors, LSG workers to gain a better understanding in a municipal property as one of the main and major component of the LSG’s economic bases.  
**Objectives:**  
- To acquaint with main principals of ownership, using and disposal of municipal property establishments; registration and control the key assets movements of municipal property  
- to understand owner’s role in the municipal property management

It is planned to participate only 20 people, however, in fact 26 participants took part during the training. It makes clear that there is a high needs and urgency in such field of learning. There were 3 people from Balykchy, and 3 from Cholpon-Ata.

2) Course/march of training  
Training began a half an hour late, because all were waiting participants from Balykchy. As planned all non-residential participants would arrive in one day before, but, in view of being busy at the workplace, they arrived lately.

Training methods consists in the information presentation, adducing of instances from the real situation others cities, and after that questions and answers from the participants. Second part was more popular at the seminar. Participants asked many questions about municipal lands, moot point on municipal property and gaps in the legislative issues.  
Also Dr. Klaus Kilimann shared his experience in municipal issues with the participants, accenting their attention on the imperfection of the normative basis in the aria of municipal property.  
During the training participants have marked the following problems and potential ways of solution:

<table>
<thead>
<tr>
<th>№</th>
<th>Problems</th>
<th>Possible solutions and recommendations</th>
<th>The role of TACIS/EU project</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lack of definition of “Municipality” in the Law “On communal possession of property”, in the Law “On LSG and LSA”, in the Law “On financial and economic bases of LSG”</td>
<td>Lobbying including of this definition in mentioned Laws through city council. Advancement of recommendations to Jogorku Kenesh</td>
<td>Promotion of amendments through the Minister of LSG</td>
</tr>
<tr>
<td>2</td>
<td>Unclear definition of “Municipal property”, i.e. in fact it comes that 2 subjects posses municipal property (they are LSG bodies and local community)</td>
<td>Lobbying including of this definition in mentioned Laws through city council. Advancement of recommendations to Jogorku Kenesh</td>
<td>Promotion of amendments through the Minister of LSG</td>
</tr>
<tr>
<td>3</td>
<td>Inventory of municipal property was held not completely (not thorough) too many objects including uninhabitable are not recorded</td>
<td>Hold complete and thorough inventory of objects</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>It is not clear who carries what functions. In ideal, the State registrar should only register property. In fact it carries many additional functions. Particularly manages municipal property and</td>
<td>Create land-management service under Department on Municipal Property Management (further <strong>DMPM</strong>), which will take over part of State Registrar’s functions. Appeal to the Government on this</td>
<td></td>
</tr>
</tbody>
</table>

67
duplicates activity of the Department on municipal property management (DMPM) issue.

Also it was spelled out that we have Laws but not sub-law acts that would comment and explain laws

Decisions of city councils on accepting all the land within city borders a property of municipality will be legitimate

Municipal property is not registered in electronic databases. Weak technical base

Organize electronic recording of property with complete technical description of objects.

Delivery of computers and software to DMPM

Absence of a body on municipal property management in Cholpon-Ata

Create an enterprise outside the administration (gor. uprava), make a contract on management of municipal property

Include amendments and supplements to the Civil Code in the sphere of transferring municipal property to an enterprise with limited responsibilities or joint-stock company on contract basis but not an administrative establishment

Pay attention to Cholpon-Ata and cooperate with the Association of towns. Include this issue in the agenda of city council’s meetings. Assist in the situation analysis and make a plan of joint activities. Consult city council in developing regulations or decisions on creation of such a body (DMPM)

The society has no control mechanism over municipal property

Use the experience on holding hearings on municipal property.

A Social Municipal Board is created in Karakol with 15 members. We could cooperate with them. The board could consider incomes and expenses of municipal property – as a form of people participation.

Problems with agricultural lands within the city borders. It is unclear who posses them

Appeal to the government on including in the Register agricultural lands under city’s possession. A statement of the government is required

Lack of municipal property management program

Each city should have such a program

Additional incomes from municipal property

Use the experience of other cities on issuing municipal securities and insuring municipal property as a possible income source

3) Professionalism of trainers
We would like to mention the professional level of trainers – representatives of the Association of towns. Practically all questions of participants received a quality response. Handouts were also interesting and participants noted them as very useful.

The presentation of Dr. Klaus Kilimann was very useful. He presented German experience on municipal property management. Participant asked also many questions to him.

4) Feedbacks
At the end of the seminar participants were given evaluation questionnaires, to receive feedback from them. The result of questionnaire analysis is as follows:
- Usefulness of the seminar – 90% participants
- Understanding seminar materials – 80% participants
- Used methods in the seminar – 85% participants marked as “excellent” and “good”
- The most complicated topics were related with land use – 50% participants
The most interesting topics were the concepts of municipal property management
80% participants need in additional trainings on such topics as:
- property privatization issues
- housing and communal services
- financial and economic activities of municipal property
- reformation of enterprises
- land code
- budget processes
- attraction of grants from donors

**5) Recommendations.**
Recommendation to work with Cholpon-Ata, because namely from this town there’s a high need and motivation of LSG bodies.
As well to work on those topics shown in the table 2

**6) On the result of the seminar a folder containing following documents was created in the office:**
- seminar program
- list of participants with signatures
- invitations
- approved budget of the seminar
- handouts
- trainers’ resumes
- evaluation questionnaires (originals)

*Report prepared by:*
Inna Rakhmanova
June 23, 2005

*Translated by:*
Azamat Ryskutiev
June 25, 2005
Short Note on the visit of the Tacis project “Strengthening of LSG in the KR”
to the center of Kochkor Rayon village Kochkor 2005, Oct.31

Consultations and talks to the deputies and municipal servants
in Kochkor village of
2005-October 31

Participants:
- Deputies of the local Kenesh
- the Chairman of the Kenesh and head of ayil okmotu
- the staff of the municipal administration,

List of participants

<table>
<thead>
<tr>
<th>№</th>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Soltonkulov A</td>
<td>Businessman</td>
</tr>
<tr>
<td>2</td>
<td>Satarova Gulzina</td>
<td>Director of school</td>
</tr>
<tr>
<td>3</td>
<td>Muktarov Mukanbetjan</td>
<td>Ayil okmotu worker</td>
</tr>
<tr>
<td>4</td>
<td>Bekishova Aykanysh</td>
<td>Head of kindergarten</td>
</tr>
<tr>
<td>5</td>
<td>Junisov Talantbek</td>
<td>Deputy chief of Rayon Redistribution Fund</td>
</tr>
<tr>
<td>6</td>
<td>Nurmukanbet uulu Nurkan</td>
<td>Specialist of rayon state administration</td>
</tr>
<tr>
<td>7</td>
<td>Sabyrbek kyzy Kalbyby</td>
<td>Tax inspector</td>
</tr>
<tr>
<td>8</td>
<td>Syiunaliev Kubanychbek</td>
<td>Chief architect</td>
</tr>
<tr>
<td>9</td>
<td>Jumakadyrov Erkinbek</td>
<td>Head of ayil okmotu</td>
</tr>
<tr>
<td>10</td>
<td>Omurob Anarbek</td>
<td>Veterinary</td>
</tr>
<tr>
<td>11</td>
<td>Muratalieva Guljan</td>
<td>BYC inspector</td>
</tr>
<tr>
<td>12</td>
<td>Erjanova Nurjan</td>
<td>Accountant</td>
</tr>
<tr>
<td>13</td>
<td>Asanalieva Rita</td>
<td>Accountant-cashier</td>
</tr>
<tr>
<td>14</td>
<td>Kurmanalieva Upagul</td>
<td>Economist-statist</td>
</tr>
</tbody>
</table>

Program of the visit

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Activity</th>
<th>With whom</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.10.2005</td>
<td>10.00</td>
<td>Arrival to Kochkor</td>
<td></td>
</tr>
<tr>
<td>10.00-11.00</td>
<td></td>
<td>Meeting ayil kenesh chairman and</td>
<td>Erkinbek Jumakadyrov</td>
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<td></td>
<td></td>
<td>head of ayil okmotu</td>
<td></td>
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<tr>
<td>11.00-12.30</td>
<td></td>
<td>Consultation: Municipality functions (tasks of</td>
<td>Ayil kenesh deputies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>local significance, delegated authorities, joint functions)</td>
<td></td>
</tr>
<tr>
<td>12.30-13.00</td>
<td></td>
<td>Consultations</td>
<td>Ayil kenesh deputies</td>
</tr>
<tr>
<td>13.00-14.00</td>
<td></td>
<td>Lunch break</td>
<td></td>
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<tr>
<td>14.00-16.00</td>
<td></td>
<td>Municipality functions (tasks of local</td>
<td>Municipal employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>significance, delegated authorities, joint functions)</td>
<td></td>
</tr>
<tr>
<td>16.00-17.00</td>
<td></td>
<td>Consultations</td>
<td>Municipal employees</td>
</tr>
</tbody>
</table>

Preparation

Since the starting conference at the end of May the head of the local administration in Kochkor maintained very tight relations to the project staff in Naryn. He took part in several round table meetings about the allocation of the equipment and a sustainable operation of the planned regional and local centers. He was the first to draft a charter of a non-commercial fund, founded by LSG of the region, which could be the addressee of the equipment. In the consequence of the talks he declared to withdraw the offer of Kochkor being one out of the planned local centers because the degree of equipment in Kochkor is relatively high.
The Consultations

The target group of the consultations was the group of 20 counselors and 18 officials of the LSG. In comparison with the town of Naryn with 44 000 population and 14 officials the number of municipal servants per capita of population (15 371) is here almost 4 times higher. A similar ratio we observed in other villages. At the beginning the project team had a

1. meeting with the head of the Ayil Okmotu, (who apologized for missing heating in the office premises). The talk was about the budget of Kochkor and the relationship between the LSG and the LSA.

The most important features concerning the budget were:
- the total budget 2005 is about 2,5 Mill Som
- the categorical grant is about 1,5 Mill Som (exclusively for salary of teachers)
- 1 Mill Som they obtain from local taxes
- it is nearly the sum they need for the salaries of the LSG
- half of it comes from the land taxes (90% remains in the local budget)
- the second half comes from other local taxes as for possession of cars or lorries.
- during the last 10 years the amount of local taxes was increased up to 50%
- the village does not receive an equalization grant.
- nevertheless they can not freely dispose the own funds. Every quarter they have to ask LSA for permission to spent “special accounts”
- in the Kochkor rayon however the LSA does not take away the surplus of local taxes collected by LSG (“ They would not allow for”, Head of Kochkor AO)
- this is the practice observed in the Jumgal rayon.
- the tax for waste management was 5 Som/homestead and must now be increased up to 25Som/homestead

2. Consultation to the counselors

In the meeting with the counselors participated 8 members (out of 20) of the kenesh. It was started with the questions:
"What you need LSG fore? Why you don’t want to be the fourth level of the state administration?"

The answers came quickly to the point: LSG is the most democratic and economically the most effective way of administration.

The obstacles on the way to a perfect LSG were discussed:
- there is no shared vision – and understanding of core features of local government – in society as a whole
- not even national and international experts do share the same point of view
- state structures consider the LSG a threat rather than a support
- the sphere of jurisdiction displays a lack of knowledge and readiness to obey the law
- the legislation is contradictory and does not work
- fiscal decentralization makes no progress
- the staff is lacking skills and motivation – high turnover
- etc

Another subject of discussion was the role of the Kenesh as the representative organ of LSG.
- Counselors understand the rights and duties they have
- Tasks of local significance were discussed. The LSG tries to deliver the services included in the list of the law on LSG (art.15)
- They do it taking into account the specific situation of a Kyrgyz village
- Water supply (the utilities are mainly in municipal property) is not centralized of course
- Waste management is organized by the administration of the village. It was rebuilt after an unsuccessful privatization of the former state company.

42 The thesis of the «Roadmap” that in towns this ratio is higher then in villages seems not to be true.
LSG is trying to organize a wholesale of coal to the population
The number of officials in the administration is not an appropriate criteria for the capacity of the administration to deliver municipal services
Councilors learned that direct intervention of LSG into the economy is not task of local authorities

3. consultation to the officials of the village administration
In the afternoon 7 civil servants (out of 18) took part in a consultation round. The following issues were discussed:

- The participation of the village Kochkor in the competition of IT.
- The visit in the Information center “Internet in the village” convinced the project team, that the improvement of IT skills for the civil servants of Kochkor can easily be realized.
- As everywhere, the delegated state functions occupy the mayor part of working time. Particularly the “certificates”, necessary almost in all situations of life, are very time consuming. This issue should be analyzed in more detail.
- However, in case of these certificates one can not blame the state he is not financing this delegated functions. Due coming from the population remain in the local budget.
- The administration of village maintains a data bank for almost all other state and civil institutions (defence, police, social fund, banks etc.) Bankers e.g. require a certificate of credibility from their clients, which those obtain in the administration.
- The yearly count over of population and cattle, including chicken (!), seems just an instrument of control, which lost its original sense.
- The upcoming elections of the head of LSG. The actual head of Aiyl Okmotu had not yet decided in that moment, whether he will run for this position once more December 18.

Lessons and recommendations
A new moment we learned in Kochkor was that even in case of relative financial independency (no equalization grants!) municipalities can not freely dispose their resources. This is however an essential of LSG. The fact underlines once more the importance of the demand formulated beneath; control figures should just give an overall frame for the local budget.

We found confirmation for our conclusions we made after September consultations in Baetovo (Aktalaa Rayon).
Therefore we want just to remember, what they were about:

1. Delegated functions
   - should be refused by LSG if they are not due to legislation
   - this refers particularly to statistical and economic tasks, which in market economy are sake of entrepreneurs
   - municipalities and their Associations (towns and villages)should insist in a full financing of state functions, which are delegated to the municipalities

2. Fiscal decentralization and budgeting
   - The categorical grants are designated to pay the salaries of state servants (teachers and medical staff). They have nothing to do with the real municipal budget. They do only inflate the amount transferred to the municipality (80% of the entire budget). This makes the impression of a big amount of money the LSG is operating, but in fact the municipality is just a clearing center. Moreover, municipal servants are monthly occupied by a very time consuming work in order to calculate the salary for every of those state servants. The money could be transferred directly from the Ministries of Education and Health to the schools and hospitals. This would improve the transparency of the municipal budget and avoid the wrong impression in the population, that municipalities are very rich.
• The control figures coming from the state and forming the framework of the municipal budget should give only an overall frame and not restrict the creativity of the LSG in the details

• The municipalities and their Associations should fight for the Law on financial fundamentals of LSG. This law does not solve all problems but it would be a big step towards a fiscal decentralization

3. Improvement of economic situation

• The farmers need a system of co-operatives, which are professionally running the marketing of produced agricultural goods and the supply of farmers needs – seeds, fertilizers, irrigation devices etc. (German Raiffeisen model)

• The farmers also need a bank, which is based on those co-operatives and can give an initial momentum to the development

• The systems of irrigation should be transferred into municipal property as it corresponds to the idea of LSG. The Associations of users of water could rent it for a long term

• Co-operatives could revive the processing industry of agricultural goods

4. As a result of the consultations in Kochkor we decided to organize a two day seminars for the deputies and servants on Budgeting and Municipal property in February 2006.
Short note on TACIS/EU Project “Support to the strengthening of local self-governance in the Kyrgyz Republic” visit to Baetovo village, Aktalaa Rayon
11 November 2005

Short note on the seminar
«Basis of municipal property management»

Date: November 11 2005

Place: Building of Baetovo ayil okmotu

Number of participants: Heads of Aktalaa Rayon ayil okmotu - 4 people
Municipal employees of Baetovo Ayil okmotu -14 people
Financiers from ayil okmotus of rayon -7 people
Responsible secretaries – 5 people
Local Kenesh deputies – 7 people
Project experts - 2 people

Total participants 39 people
(Full list of participants is attached)

Seminar objectives:
- To acquaint with the legal issues, concerning municipal property rights for immovable property in municipalities
- To learn the issues of market grouping and operation of immovable market
- To exchange experience in problems of municipal property onto ownership.
- To develop the seminar recommendations

Preparation to visit
Project experts Dr. Klaus Kilimann and Anara Sartmanbetova had a consultation visit to deputies of Ayil kenesh and LSG employees of Aktalaa Rayon in September 19-20 2005 in Baetovo village. Representatives of local self-governance from neighbouring villages of Rayon did also come to this meeting. Totally 39 participants take part at the meeting.

As the result of consultation visit of one-day seminar on the problems of municipal property was planned.
On the basis of list of questions suggested by deputies and municipal property management employees the next seminar program was made up.

Seminar program:

| 9:00-9:35  | Opening. Head of Baetovo ayil okmotu Orozaliev S.  |
|           | Expert Sartmanbetova A                             |
| 9:35-10:35| Municipal property and LSG (lecture and discussion) K. Kilimann |
| 10:35-11:00| Coffee-break                                         |
| 11:00-11:30| Training part 1                                      |
| 11:30-12:00| Questions – answers                                  |
| 12:00-14:00| Lunch break                                          |
| 14:00-14:30| Municipal property in Karakol city (lecture and discussion – expert Morgachev I.A.) |
| 14:30-15:00| Methods of municipal property management (lecture and discussion – K. Kilimann) |
| 15:00-15:30| Coffee-break                                         |
| 15:30-16:00| Training part 2. Questions – answers                |
| 16:00-16:30| Resolution of participants                          |
| 16:30-17:00| Seminar results                                      |
Seminar was opened by head of Baetovo ayil okmotu Saparaly and introduced Participants of the seminar and project team as well. Seminar moderator Anara Sartmanbetova introduced participants to the seminar program and suggested to take an active part in the discussions.

Long-term expert of the Project K. Kilimann made a report on “Municipal property and Local self-governance”
There were discussions during the report.

Main questions of participants were:
1. How do we state the original cost of land in sale?
2. What is the evaluation committee’s staff in the privatization of property? Who are the members of the committee?
3. Former municipal economy was reorganized into joint-stock companies in the interests of some people. All of the equipment (planting of greenery in streets, irrigating and harvester machines) were privatized, and some of them disappeared at all. It was necessary to form the village enterprise which could benefit them. How can we restore all this?
4. How can we pass the main facilities of land-improvement branch, belonged to ayil okmotu to the use of Association of water users
5. According to order #95 from 05.06.2005 Rayon state administration passed the channels, irrigative systems and main facilities of land-improvement branch (free of charge). Is this correct?

During the presentation most of the participants got answers for questions interested them concerning municipal property for ownership.

At the end of presentation Dr. Klaus Kilimann made next results: The issue of rights to land on privatized buildings is the important for most of businessman. Development of privatization processes supposes that lands belong to the owners of enterprises, buildings exercising their rights as ownership, but at the level of legislation everything is not so simple.

Morgachev presented an interesting case study to participants where he pointed out the reasons of problems:
- Unwillingness of land user to conclude a contract and his bilk of rent payment.
- Neglecting (land user) Article 178 of KR Land Code
- Absence of municipality in KR Civil Code, as the special subject of civil legal relationships.
- How can they use in practice Articles 6, 7 of KR Law “On management of agricultural lands” from January 11 2001
- Vagueness in interpretation by law “Is it possible that there are lands of agricultural purpose within the precincts of a town or only land of the general use can be there?"
- If yes, so how can we understand and use this in practice Articles 6, 7 KR Law “On agricultural land management” from January 11 2001

To decide this problem Morgachev made next conclusions:

Recommendations and suggestions
1. Direct the official notification of our disagreement with condition of the payment of the rent (lease) since big amount in 224 300 thousand soms does not enter in local budget.
2. To explain the correct interpretation of Article 178 of KR Land Code to the leaders of JC “Mamyr”
3. Prepare writ statement to court on economic questions for forced conclusion of agreement of rent and payments by renter since the moment of the addressing to JC “Mamyr”
4. In the event if this problem is not decided to apply to court with writ statement about impressments of used land of “Mamyr” JC and transfer of it to those who need and ready to pay the rent on the conditions of acting normative-legal acts and laws of KR.
5. Attract the lawyer, capable to protect the interests of the municipality concerning all questions.
Recommendations:

a. Privatization of municipal property is one of the significant actions

b. Privatization of municipal property creates the favourable conditions for businessmen’s aspiration to move to market economy.

c. Accent was made on private business as the most efficient method of business management.

d. Legislation regulates this issue contradictory enough.

e. Issues on ownership rights for land were privatized before introduction of KR Land Code (June 16 1999).
## Ak-Chiy Workshop REPORT

**Date:** April 7, 2006  
**Time:** 9.30 – 17.00  
**Location:** School

### # of participants:
- 35 - total:  
  - 10 - councilors  
  - 10 - staff  
  - 5 - active people from community

### Agenda:

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<th>Time</th>
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<tr>
<td>9.30 – 10.00</td>
<td>Registration. Greetings.</td>
<td>Inna Rakhmanova</td>
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| 10.10 – 11.30 | **Initial Reflections from a local government politician from Germany**  
|               | – who has worked with Kyrgyz municipalities  
|               | ➢ introduction to his municipality  
|               | ➢ key issues for a municipality – setting the priorities and the budget; getting the best out of councillors and officials;  
|               | consulting with the people;  
|               | ➢ how his municipality deals with them  
|               | ➢ questions and discussion                                                                                                                 | Mr. Spahl         |
| 11.30 – 11.50 | Coffee breaks                                                                                                                            |                   |
| 11.50 – 12.30 | **The importance of a municipal charter**  
|               | Questions- answers                                                                                                                        | Mr. Spahl         |
| 12.30 – 13.00 | **“A Councilor RECALL”** – case-study presentation                                                                                       | Usenov S. – local trainer |
| 13.00 – 14.00 | Lunch                                                                                                                                    |                   |
| 14.00 – 15.00 | **What kind of German experience can we use to the Ak-Suu rayon**  
|               | Group Discussions (councillors and officials separately)                                                                                   | Usenov S Rakhmanova I. |
| 15.00 – 15.30 | Reporting back                                                                                                                           |                   |
| 15.30 – 16.00 | **Preparing for the local budget system of 2007**                                                                                          | Usenov S – local trainer |
| 16.00 – 16.30 | General discussion                                                                                                                        |                   |
| 16.30 – 17.00 | Closing up.                                                                                                                              | Rakhmanova I.     |

### Process:

One day before the workshop Mr. J. Spahl held an interview with the key people from the executive staff, Kenesh, and with the active group of people. Received information allowed identifies and analyzes the current problems in Ak-Chiy. The interview process was made in that way that people themselves gave ways (ideas) of solving problems.

Workshop started from the SSLG Project presentation. The participants were received information about the goals and objectives, about achievements, publications, about workshops, resources centers, about competition etc.

Then Mr. J.Spahl presented his municipality Rednizthembach (Bavaria). He told about the structure of municipality, about local Kenesh, about budget formulation, about sources of revenues, about relations between Kenesh and executive staff, and consulting with the people; about problems and ways of solving such problems.
During the workshop Mr. Spahl underlined participants’ attention to the current problems in Ak-Chii and gave those practical examples how his municipality has been solved the similar problems in Germany. Also Mr. Spahl gave examples of success stories of AO in Kyrgyzstan.

Mr. Spahl mentioned 2 main types of problem in Ak-Chii (according interviews):

1) Problems in agriculture
   - lack of the crop rotation
   - lack of seeds
   - Falling of productivity of grown up production
   - 96% of incomes of rural people from agriculture
   - Absence of a commodity market from production
   - Poor quality is large-horned livestock

2) Problems on irrigation system
   - clearing of channels was not made
   - Arable lands have turned into non-irrigative grounds, not suitable for crop
   - Lack of watering

During the discussion the participants proposed some ideas and possible ways of solving such problems.

Mr. Spahl’s presentation was very exiting and participants asked many questions about his municipality, in particular:
- Due to what means schools, kindergartens, hospitals contain?
- What have been done on the organization of youth leisure and prevention of narcotics and alcoholism problems?
- How work of Kenesh and Committees is organized?
- What kind of relationships between Kenesh and executive staff in Germany?
- Etc.

Then local trainer Mr. Usenov – presented a case-study about “Recall of a councilor” – as a tool of increasing the quality of councillor’s work. The presentation was very exiting too and participants asked many questions. After that the information about new budget system has been given.

Then there was discussion in small groups and the results are the following:

**Group 1. Councilors:**
- To reconsider the Rules of AO and Kenesh in details
- To organize check analyze of AO activity on performance of the local budget
- To organize work of fiscal bodies once in 3 years
- To improve work of committees in Kenesh
- To create the commission on protection of the consumers rights - as one of mechanisms of local budget revenue due to the revealed penalties. To approve at Kenesh session tariffs for administrative penalties.
- Regular improvement of professional skill of AO employees and deputies (training)
- To start to monitor (the control from Kenesh) construction of buildings according to the Building Plan
- To open the credit unions and cooperativeness on selling production by principle Raifaising.

**Group 2. AO staff**
- To open a credit union at AO - as one of sources of increasing local budget
- To organize mini-shop on processing milk, vegetables and fruit, on a batch of bakery products
- To create cooperative society on purchase agriculture products.
- To open joiner's shop
- To open a combing clearing wool shop

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• To open mini-shops of consumer services (the hairdressing salon, repair of footwear, hours, sewing shop, a bath)
• To create cultural center for population’s leisure
• To create a sport complex for village youth
• To create a fire-fighting service
• To organize water supply association
• To renovate roads

**Group 3. Active leaders from community**

- To create a CBO
- To create the credit unions
- To open sewing shops, combing shops, on processing the agriculture products
- To open a kindergarten
- To organize a land improvement in the village (to plant trees and shrubs, to scavenge the garbage, illumination)
- To open the cultural center, medical center, information centre
- To find sources of hypothecary (mortgage lending) crediting

**Observations and conclusions:**

- Ak-Chi AO has potential to work, though originally participants have been adjusted very pessimistic. After a seminar, representatives of executive staff have started to work actively concerning planning ideas on income profit’s projects
- It was a good idea to invite Mr. Spahl to participate at seminars, because he has shared practical examples from his experience, not academic, but real of practice. Participants were inspired with his success stories and now are measured to work in full force.
- Local Kenesh has weak potential and capacity. Deputies poorly know about the rights and powers, are not informed on role of kenesh. The Commissions do not work in general. But it is pleasant, that after workshop carrying out, deputies also have planned to strengthen their work and have expressed desire to be trained on the themes, concerning the deputy’s role
Bokombaev Workshop Report

Date: April 11, 2006
Time: 9.30 – 17.00
Location: AO office

# of participants:
- 30 - total:
  - 15 - councilors
  - 10 - staff
  - 5 - active people from community and mass media

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   - introduction to his municipality
   - key issues for a municipality – setting the priorities and the budget; getting the best out of councillors and officials; consulting with the people;
   - how his municipality deals with them
   - questions and discussion | Mr. Spahl             |
| 11.30 – 11.50 | Coffee breaks                                                              |                      |
| 11.50 – 12.30 | The importance of a municipal charter Questions- answers                   | Mr. Spahl            |
| 12.30 – 13.00 | Relations between r – case-study presentation                               | Nurmetova D. – local trainer |
| 13.00 – 14.00 | Lunch                                                                      |                      |
| 14.00 – 15.00 | What kind of German experience can we use to the Ton rayon Group Discussions (councillors and officials separately) | Nurmetova D Rakhmanova I. |
| 15.00 – 15.30 | Reporting back                                                             |                      |
| 15.30 – 16.00 | Preparing for the local budget system of 2007                              | Erkinbaeva J – local trainer |
| 16.00 – 16.30 | General discussion                                                          |                      |
| 16.30 – 17.00 | Closing up.                                                                | Rakhmanova I.        |

Process:
One day before the workshop Mr. J.Spahl held an interview with the key people from the executive staff, Kenesh, and with the active group of people. Received information allowed identifies and analyzes the current problems in Bokombaev. The interview process was made in that way that people themselves gave ways (ideas) of solving problems.

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During the workshop Mr. Spahl underlined participants’ attention to the current problems in Bokombaev and gave those practical examples how his municipality has been solved the similar problems in Germany. Also Mr. Spahl gave examples of success stories of AO in Kyrgyzstan.
Mr. Spahl mentioned 2 main types of problem in Bokombaevo (according interviews):

1) Lack of finance
   - It is unclear how many taxes stay at the local budget.
   - Closing up the Special means

2) Lack motivation from the community
   - The passiveness of population

During the discussion the participants proposed some ideas and possible ways of solving such problems.

Mr. Spahl’s presentation was very exiting and participants asked many questions about his municipality, in particular:

- Due to what means schools, kindergartens, hospitals contain?
- What have been done on the organization of youth leisure and prevention of narcotics and alcoholism problems?
- How work of Kenesh and Committees is organized?
- What kind of relationships between Kenesh and executive staff in Germany?
- Etc.

Further local trainer Nurmetova D- has told about a practical example (case-study) on a theme “Mutual relations of suppliers and consumers in a countryside on the electric power”. The local trainer has stopped on the role of municipality during providing qualitative services to population. The presentation has caused the big interest at the participants.

Also the information on preparation for new budgetary system in 2007 has been offered. The local trainer has presented new structure of inter-budgetary attitudes on the basis of introduction of Law KR “About financial and economic bases in LSG”. Also she has briefly stopped on the cores principles of budgetary, and process of local budget formation. Participants - Deputies have expressed desire more to learn about budget process and they have asked to lead for them additional training on budgetary system.

Then there was discussion in small groups and the results are the following:

**Group 1. Councilors:**
- To attract investments finds for the small enterprises development.
- Eco-tourism development (to design a horse riding trips, hiking tours, falconry). To provide Tourists services
- To start partnership with tourist firms
- To lead an audit on presence income profits objects for revealing payment of taxes
- To reconsider the plan of deputy work taking into account the population opinions
- To develop offers on entering amendments and changes in Tax Code. (that 50 % of all collected taxes have remained in the local budget)
- Processing grown up production up to an end-product (a potato – to chips, meat - pel'menis)
**Group 2. AO staff**

- To inform the population on problems and planned steps under the problems decision.
- To organize detours of inhabitants, meetings, release of bulletins - on involving the population at the planning process
- To train regularly AO staff and local Kenesh (to give the application in the Resource centre)
- To increase revenues sources in the local budget by renting ground, buildings and woods

**Observations and conclusions:**

- The strong capacity of local Kenesh and weak AO staff
- A Head of AO is an Initiative man. The community positively responds about his as a specialist.
- However there is no close cooperation between the AO staff and Kenesh.
- Strong local the trainer (under the finance especially)
- On results of a workshop deputies have made a decision to hold extraordinary local kenesh session and to lead the Kenesh decision those ideas which have been registered and sounded in small groups’ discussions.
Short notes on seminar
“Role and responsibility of LSG heads in activity of local communities”

Date of seminar: May 27 2006
Place: Conference hall of Naryn rayon state administration
Time: 9.00 – 18.00
Participants:
- 34 newly elected heads of LSG of Naryn oblast
- Dyikanbaev Kurmanbek – Chairman of Association of villages and settlements of KR
- Janboev Jekshen – Councilor for President of Association of local communities
- Nurunbetov Suimuk – leading specialist of inter-budget relations of KR Ministry of Finance
- Abdygaziev Isabek – first deputy-governor of Naryn oblast
- Jeenalieva Jipar – head of department for organizational work and local self-government of Naryn oblast state administration
- Apsamatov Askatbek – head of Naryn oblast state administration’s staff

Introduction

Seminar’s objectives
- Introduce with organizational and legal bases of local self-government bodies (KR Law “On local self-government and local state administration”)
- Introduce with local budget (KR Law “On financial and economic bases of local self-government”)
- Study role of Charter of local communities
- Role of interrelation between LSG bodies and bodies of national government

Coordinator of Tacis/ EU Project “Support to the strengthening of local self-government in the KR” in Naryn oblast Anara Sartmanbetova introduced LSG representatives from Bishkek and all newly elected LSG heads. Then she presented the Project’s activity during the year and told about all activities done by Project to strengthen local self-government in oblast. She told about the development of Road Map for newly elected heads of local self-government bodies that became as manual or guide for LSG representatives. Exchange visit of LSG representatives to Batken gave its good results and soon almost all of the LSG bodies will be supplied with database of economic book. She told also about development of paper Case study, which is aimed to learn to define the problems and make conclusions.

Then first deputy-governor of Naryn oblast Isabek Abdygaziev told about Tacis Project’s activities, which support LSG bodies to increase their potential through providing computer equipment and supplying necessary information. Besides this, UNDP Program in Naryn oblast supplied LSG bodies of Atbashy and Naryn rayons with necessary standards acts. He expressed his wish that such training seminars would be efficient in activity of newly elected LSG heads as many international organizations like UNDP, ARIS and other non-governmental organizations work in the sphere of improving the potential of LSG in Naryn oblast.

Organizational and legal bases of local self-government – Presentation of Janboev Jekshen

Then after introduction, Jekshen Janboev begun his presentations and since Omuraliev Tolobek was absent due to his state of health Jekshen Janboev made two presentations:
- Organizational and legal bases of local self-government
- Interrelation between LSG bodies and state bodies

Janboev noted that this is the third meeting with newly elected LSG heads; first was in Issykkul seminar, the second is meeting in President Administration and the third is this seminar, from which all of the participants expect some push to their experience. He expressed his hope that this seminar that had been put off so long time will have efficient outcomes in the activity of newly elected LSG
heads. One of the first questions to Jekshen Janboev was issue concerning authority of LSG heads – they are divided into two according to February 2006 Law, which says that head of LSG body, is chairman of local Kenesh and at the same time head of executive-administrative organ. However, there is no active mechanism of this law. Therefore, it does not begin to work. National Agency for issues of local self-government introduced a motion to Jogorku Kenesh to explain the mechanism of this law. That is why all of us are far from saying that LSG activity will be efficient if Kenesh separates from ayil okmotu. People elect LSG heads and that is why they must lead a close activity with people and local community. He also noted the importance of planning their expenses according to their incomes and told about self-financing in 2007 and municipal property, which is basis of LSG bodies and work with communities.

Then participants gave their questions. Most of them were concerning

**Head of Janbulak LSG, Naryn rayon Osmonaliev Joldoshbek** expressed his opinion about planning self-financing of local self-government bodies and if there is no financial incomes in their LSG body so they will be liquidated.

**Local budget**

**Presentation on Reform of inter-budget relations - Nurunbetov S.**

Leading specialist of KR Ministry of Finance made a presentation of reform of inter-budget relations on terms of budget decentralization. He introduced participants with basis legislative acts of Kyrgyz Republic, acting structure of local budgets and system of budget interrelations and main objectives of reform of inter-budget regulation as well:

- Delimitation of authorities between state levels
- Determining the revenue potential of LSG body
- Defining standard deductions from state taxes
- Levelling of budget provision of regions
- Upgrading LSG body employees

Along with defining basis legislative acts and learning the system of budget relations, seminar participants tried to define unsolved issues:

- No optimal political division
- Absence of the normative basis on delimitation of authorities on expenses (rayon and oblast institutions)
- Not divided properties between state power and LSG bodies
- Absence of social-economic forecasting and forecast on income
- Low level of professional preparedness of staff and poor material and technical basis of LSG body
- Municipal property management and lands of Redistribution fund (FPS)
- Suspense of issues concerning debts of LSG bodies (loans, credits, credit debts)

Most of the questions to Nurunbetov were concerning

- **Salary** – land specialist, secretaries of most LSG bodies work half salary. Specialists on land issues have to work hard even on Sundays and with no transport to visit and control lands. Is it possible to raise salary of these LSG employees?
- **LSG bodies will proceed to self-financing in 2007** – head of Karakoun LSG, Atbashy rayon Orozaliev A. was indignant explaining the situation in their village: every spring glaciers of the rayon melt and lands of the village expose the soil erosion. Therefore, if there are no revenue sources in village, so this LSG body will be liquidated
- **Stimulating grants** – most LSG bodies give their projects for stimulating grants but no results.
Significance and role of Charter of local communities in activity of LSG bodies – Presentation of Dyikanbaev K.

The next part of seminar was presentation of Dyikanbaev Kurmanbek on significance of Charter of local communities. One of the objectives of this seminar is showing up the vitality of laws in activity of local self-government bodies. There are two Constitutions for LSG bodies:
1. Main Constitution
2. Charter of municipality

It is important to include amendments and additions, which are immediate constituents of legality of LSG bodies’ activity. Today there are still big mistakes in paper work of LSG bodies; some of them still have stamps of Soviet times “Selsovet”. LSG body and ayil Kenesh are representative bodies and not only LSG body must have Charter, it must be available for whole village population. In a number of such problems, Kurmanbek Saporovich noted the difficulties in their work – for example, LSG workers have to go more that 100 km to rayon center to give reports, whereas they do not get travel allowance. They get too many tasks and no conditions to execute. In many LSG bodies specialists work for half salary. In 2001, a separate Regulation of conducting kurultays (tailings) was published and the terms of kurultay must be indicated in Charter– how many times it must be conducted in year. Besides this, Charter must include an inhibitory item forbidding municipal property to be given with no consideration of Kenesh. There are many court examinations for last 5 years because of facts when LSG heads sell municipal property and today criminal cases brought against 72 out of 472 LSG heads show the irresponsibility of LSG heads concerning destiny of people. Then he briefly told about exchange visit to Germany in November and similar experience of LSG heads there.

Presentation of Case study of Askar Bektenov – ex-head of Kazankuigan LSG, Naryn rayon
Project’s trainer Askar Bektenov – shared his impressions concerning his negative experience during 4 years in Kazankuigan LSG. He expressed his opinion that Case study could become some kind of manual for newly elected LSG heads in their activity.

Presentation of Askar Bektenov consisted of describing three conflicts:
1. Conflicts during appointment of responsible secretary
2. Trainer’s conclusion of Articles 31 and 44 of Law “On local self-government and local state administration” concerning solution of his conflict.
3. Significance of stamps of Ayil okmotu and Ayil Kenesh and correct use of stamps.

He shortly dwelled on each case and made his conclusions according to his experience. After presentation of Bektenov many LSG heads had their questions concerning correct use of stamp and economic book. Many of them back up exchange visit to Batken that will give a good opportunity for them to get electronic economic book. Head of Semizbel LSG of Kochkor rayon Abdykadyrova A. expressed her supportive opinion of Case study concerning correct use of stamps and said that above described problem does exist in every LSG organ.

After all presentations and case study, seminar participants divided into 5 groups to make analysis of seminar results according to three questions given in seminar program. On completion of group works, they presented their work:
1. What was new for them in this seminar?
2. Their action on their arrival to LSG body.
3. What help do they need?
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<td>Atbashy rayon</td>
<td>* Defining information on municipal property&lt;br&gt;* Regulation on municipal property&lt;br&gt;* Implementation of Law “On municipal service”&lt;br&gt;* Declare a moratorium to division of LSG from Ayil Kenesh</td>
<td>* To pass middle and remote pastures to LSG bodies&lt;br&gt;<em>To bring in coefficients according to local conditions (investment, salary)&lt;br&gt;<em>To put an end to frequent check-ups&lt;br&gt;</em> To open village Bank&lt;br&gt;</em> Interrelation of Ministry departments with LSG bodies on delegated authorities</td>
<td>* To cancel entrance fee 1000 som in Ayil Kenesh&lt;br&gt;* Wage raise of LSG employees&lt;br&gt;* Organization of upgrading trainings for LSG employees&lt;br&gt;* To bring child (pre-school) institution into budget</td>
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<td>Aktalaa rayon</td>
<td>* Making alterations in to Charter of village&lt;br&gt;<em>Submit proposal to Constitutional reform&lt;br&gt;</em> Clear separation of functions between state bodies and LSG bodies&lt;br&gt;* Implementation of Law “On local self-government and local state administration”&lt;br&gt;* Activate local people through by defining additional means on municipal service&lt;br&gt;*With a view of an effective use of middle and remote pastures to pass them to LSG bodies</td>
<td>* Renewal of kurultays and raising the role of communities according to law&lt;br&gt;* Prevent internal migration in Rural area&lt;br&gt;* Leading cooperation with public organizations in the sphere of raising capacity of local people&lt;br&gt;* Correct use of Ayil okmotu and ayil Kenesh stamps</td>
<td>* Cooperation with donor-organizations and investors&lt;br&gt;* Opportunity to receive credit for technical equipment&lt;br&gt;* Wage raise of LSG employees</td>
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<td>Kochkor rayon</td>
<td>* Laws which acts and do not act&lt;br&gt;* 10 year work done on decentralization&lt;br&gt;* Importance of development of village Charter and its legal effect&lt;br&gt;*Connection between Ayil Kenesh and LSG body&lt;br&gt;<em>Development and confirmation of functional duties of LSG employees&lt;br&gt;<em>Submit proposal to Constitutional reform&lt;br&gt;</em> Importance of cooperation with donor organizations&lt;br&gt;</em> Close cooperation with population</td>
<td>* Seminar for LSG staff and deputies of ayil Kenesh&lt;br&gt;* Introduction with LSG Laws&lt;br&gt;* Preparation to certification&lt;br&gt;* Analysis of replenishment potential of revenue part of budget</td>
<td>* Training for heads of LSG bodies on self-financing&lt;br&gt;* Introduction with experience of other LSG bodies&lt;br&gt;*Legal Training for LSG employees&lt;br&gt;<em>Information on donor organizations&lt;br&gt;</em> Opportunities to write grant projects to receive computer equipment and inventory;</td>
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| Naryn rayon | * Revise Charter of village and make alterations  
* Submit proposal to Constitutional reform  
* Information on LSG (Ayil Kenesh and Ayil okmotu)  
* Regulation on Kurultay  
* Information on municipal service | * Lead an activity on acceptance of Charter  
* Development and confirmation of Regulation on public kurultay  
* Renewal of Ayil Kenesh work  
* To develop order of labor, labor contract with LSG employees  
* To make stamp of Ayil Kenesh  
* defining taxes | * Work on bringing investment  
* Work with communities |
| Jumgal rayon | * Importance of development of village Charter and its legal effect  
* Importance of cooperation with donor organizations | * Introduction with LSG Laws  
* To develop order of labor, labor contract with LSG employees  
* Leading cooperation with public organizations in the sphere of raising capacity of local people  
* Correct use of Ayil okmotu and ayil Kenesh stamps | * Legal Training for LSG employees  
* Information on donor organizations  
* Organization of upgrading trainings for LSG employees |

Presentation of heads of LSG bodies of all rayons summed up the seminar and Isabek Abdygaziev concluded seminar. He noted that Tacis/EU Project leads a close cooperation with key people of local self-government and that is why many good ideas appear. He expressed his thanks to seminar organizers and representatives of LSG from Bishkek and his hope that outcomes from this seminar would effect on activity of newly elected heads of LSG bodies.

Then moderator of seminar Anara Sartmanbetova summed up results of seminar and thanked all participants.
Theme: Role of LSG at the local community

Date: June 10th, 2006

Location: Ak-Bermet resort place

Participants: 38 people
- Heads of AO – 30
- Trainers – 3
- Project staff – 5.

Target group: Newly elected Heads of AO from Issyk-Kul region

1. Planning Process:
During the planning process of this workshop the main attention was oriented more to the practical part. Because we’ve learnt the lessons from Naryn oblast where participants mentioned that the workshop had a lecture tendency. Therefore we have been revised the structure oriented to the practical point.
The Wednesday prior to the workshop Roza and Inna restructured the event in the light of not only Mr Omurlaev’s absence but also of the experience of the Naryn workshop and the unexpected attendance of Spahl. And a good informal session the evening before was able to ensure that everyone was properly briefed.

The decision was taken that the process would be looked as a following: first of all to identify the current problems, and during the session the trainer should try to search the opportunities for solving such problems.

2. Opening remarks.
In Ronald’s introductory remarks, he traced the events of the previous few months – explaining the delay in holding the workshops, referring to their contacts with the Karakol office for the PC competition and the 13 April event when Mr Omurlaev and Mr. Spahl had had a preliminary discussion with them to help plan this event; and emphasised the interactive nature of the workshop.

Roza explained that we wanted to start by collecting their concerns and putting these on the flipchart and that Spahl would kick that session off by summarizing the discussion of April 13.

3. Problems
In the beginning of the workshop the participants identified the following problems:
1) Shortage of taxes
2) Low wages of AO staff
3) A budget formulation still takes principle of “Top – down”
4) Abolished of Special means
5) Imperfect Tax Code
6) There is an obligatory item in each local budget as a “Transferred means”
7) Lack of PCs and furniture in AOs
8) Unclear issues in Land property for the pastures
9) High rent time/period for the lands
10) Lack of farmland, homestead land
11) The problem in the relationship between Rayon and AO
12) Lack of irrigation water
13) The Land Law doesn’t work properly
14) Lack of knowledge at the AO staff
15) Overpressure from the state structures
4. Presentations

4.1 Mr. Juergen Spahl – expert from Germany – briefly presented his AO’s experience, about municipality of Rednitsimbah (Bavaria). He has told about structure of the municipality, about local Kenesh, about the budget and revenue sources, about relationships between Kenesh and AO staff, between municipality and the population, and about problems facing municipality and how it searches for ways of the problems decision.

4.2 Further Mr. Jekshen Janboev presented information about legal aspects of LSG. Always he took into account the mentioned current problems of AOs and explained them in a light of legal frames.

4.3 Expert of finance – Ms. Roza Suranchieva presented information about preparing to new budget system 2007. She explained a scheme of cash flow between 2 levels (republican and local). She told also about amendments at the TAX Code in particular changes at the list of taxes. Only 8 types of local taxes from 16 have been left such as:

1. resort tax
2. advertisement tax
3. parking tax
4. rubbish tax
5. hotel tax
6. local tax of 4%
7. real estate tax
8. car drives tax

Also she explained that the size of income tax has been diminished and become as 10%. Besides, it is planned that land tax will stay 90% at the local budget, and 10% - will be transferred to the rayon. She informed participants that the Government is giving sum of 65 million som to the Stimulate grants in total, and 45 million som of total sum – will be transferred for AO.

For the participant’s question “Why the mechanism of new Law KR "About financial and economic bases of LSG" introduction is braked and not entered up so far?” - the expert Roza has answered, that there are still not clear the allocation of functions between LSG and state bodies. That’s why the Ministry of Finance KR cannot start the given mechanism.

According the participant’s view – there is a crucial problem facing AO – the closing up the Special means. The Government produced a Regulation, not involving local people for the discussion (without consideration). And now the AO staff cannot pay salaries to the technical staff (yard-keeper, charwoman etc)

Also Mr. Spahl has stated his point of view concerning new budgetary system of 2007 in KR. Due to his opinion, this system is again developed "from above-downwards", because the Ministry of Finance KR again will lower money resources from above to down, thus for LSG nothing has changed. There is a system mistake in the structure and there is no logic in system. In new system not clearly means for levelling grants whence will gather. (the formula is not developed yet).

Lunch

5. Municipal charter
The next presentation was given by Mr. Dyikanbaev, who told briefly about the importance of Charter for the local community. He gave to participants many materials as handouts about sample of Charter. Interests of participants in it have quickened and there was no enough time to cover all questions.

6. Case-study
Mr. Bektenov – described a case study of Kazan-Kuygan AO about the Head’s work and some gaps at the legislative. Such case study was given in order not to allow mistakes by other Heads in future.
7. Small group discussion:
Participants were divided into three groups to explore the following three questions -
1. What new information have you got at the workshops so far?
2. Your action plan after returning back to your sites?
3. Any additional help for AO Heads and how can Project react to it?

8. Flipcharts notes:

Group 1
- Mr. Spahl’s experience was really interesting
- Very useful information was about new budget system
- Useful info about Charter of local community
- There is additional help needed about municipal property, about budget functioning and income sources, and issues about Land Code.
- And additional help on training aids/appliances, manuals, handbooks etc.

Group 2
- Very helpful was the case-study presented by Mr. Bektenov.
- Very useful information was about new budget system
- There were good materials as handouts

- Additional help is required on IT trainings for the AO staff
- It’s needed to organize experience exchange between AO of KR

Group 3
- We’ve learnt about LSG structure
- Very useful information was about new budget system
- We’ve learnt about links between Kenesh and AO
- Received info about Charter
- We’ve learnt how the Decree # 91 from February 23, 2004 was used
- It’s needed to provide new information about legislative in LSG
- There is a lack of PC in some AOs and it would be good if there will be installation of equipment
- To choose some AO as a pilot and work with them as a model on new reforms
- More knowledge on legal issues is required
- Try to work closely with Kenesh and AO staff

9. Summary of Issues raised
During the workshop there were raised many questions. In general the questions can be structured to the following main groups:

1) Rural land issues
- Whose property can be the pastures at the AO territory?
- Where the land rent amount goes?
- Why the Land Code doesn’t work properly?
- What is the tax size of the hunting ground?
- Is it possible to increase the rent time?

1) Lack of finance resources
- When AO will be able to formulate the local budget by itself?
- There is no enough money at the AO to run internal expenditures. Heads of AO said that they need car facilities, and some extra machinery and equipment. Where and who is responsible to solve this sort of problem.

2) Office management and Attestation of municipal personnel
• Some Heads told that there is no information (knowledge) on how to work with staff personnel well. And there is no proper information about attestation issues.
• There are many tensions between Kenesh and AO staff. What should be done to improve this situation?

3) Properties
• Can the farms pass to the municipal property?
• Can AO take some free lands into its property?

4) Legal mechanisms
• Some participants asked about legal mechanisms of AO’s interest and rights protection. How AO can reference to the court system in order to protect municipal rights?

10. Lessons from workshops
• structure and style really worked!
• Make sure that room layout keeps participants involved – the table was too long
• Kyrgyz preferred language for this group

11. Follow-up
• copies of Roadmap to those who asked for it
• copies of these notes to be distributed to all participants – perhaps also to our trainers?
ABOUT THE PROJECT

1. The project started officially in May 2005. By August 2006, it was expected to achieve 9 outputs -
   - staff in national lead bodies assisted to perform their role of driving, at central level, political decentralisation to LGs
   - a clearly defined statement of division of central and local responsibilities drafted and disseminated – with implications for municipal service delivery clearly spelled out
   - a comprehensive review of progress achieved in fiscal decentralisation – with bottlenecks and remedies identified and submitted to government
   - Road Map, indicators and next steps for decentralisation set out and
   - Significant number of key members and staff of LGs in 2 pilot Oblasts trained to enable them to play an important part in the practice of good local government
   - Development of IT capacity in municipalities in two pilot Oblasts
   - Financial management and budgeting significantly improved in pilot LGs and ways of increasing revenue for the LGs identified.
   - civil society organs active in two pilots in promoting participatory local governance trained and advised
   - recommendations on how LGs in the whole country be assisted

2. The Pilot Oblasts were identified in the original Terms of Reference – and are Issyl-Kul and Naryn.

3. The project is based in 2 rooms in the ex-Minister’s building – and has regional offices in Karakol and Naryn. At least one local expert are located in each of these 3 offices – as well as administrative staff.

4. Project work is planned on a four-monthly basis.

5. It has a Steering Committee consisting of the leaders of
   - the new Agency
   - the municipal associations
   - local state and local government bodies in the 2 pilot Oblasts
   - the Academy of Management
   - the European Delegation to Kyrgyzstan
   - the German company ADB as contractors
   - the project itself

About Ronald Young
Ronald Young was a local and then Regional Councillor in Scotland from 1970 to 1990. During this period he held various important local government positions and was responsible for many innovations concerned to challenge bureaucracy – particularly the encouragement of community development and more open approaches to policy-making. In the 1980s he was also one of the UK members of the Council of Europe’s Standing Committee for Local and Regional affairs. Since 1990 he has lived in central Europe and Central Asia – leading various EU programmes of administrative reform.