

ACTIVITY BRIEF

Fiscal Decentralization Initiative and Local Government Information Network

USAID

Regional Services Center



LOGIN received an award from the Hungarian National Association of Local Authorities in appreciation for its outstanding service.

Partners:

Open Society Institute Budapest

Geographic Targets:

FDI: All countries in Southeast Europe, Caucasus, Central Asia and Moldova

LOGIN: Armenia, Bulgaria, Hungary, Latvia, Lithuania, Macedonia, Poland, Romania, Russia, Serbia, and Ukraine. Kosovo and Kyrgyzstan to be integrated online soon.

Project Duration:

2003 – 2006

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U.S. Agency for International Development

Activity Background

A stable, predictable stream of revenues is a prerequisite for strong local government that can be responsive to the needs of businesses and citizens. Open Society Institute, Budapest, implements a two-pronged program to facilitate this: the Fiscal Decentralization Initiative (FDI) and Local Government Information Network (LOGIN). FDI and LOGIN are multi-donor initiatives supported by the Open Society Institute, UNDP, World Bank Institute, and Council of Europe.

Core Interventions

FDI's regional forums, technical assistance and publications:

- Transfer regional experience and best practices within Southeast Europe (SEE) and beyond. Build a dialogue between national and local governments and NGOs. Increase awareness and build consensus for fiscal decentralization in Caucasus and Central Asia.
- To build long-term capacity, FDI also supports students from Europe and Eurasia to study fiscal policy in the Master's in Public Policy (MPP) program at Central European University (CEU).

<u>LOGIN</u> serves as an internet-based clearinghouse for local government information. Partnering with 14 local anchor organizations, LOGIN collects and disseminates information in 33 topics, 13 languages and 3 alphabets.

Activity Results

- FDI is providing technical assistance on financing of capital cities (Bosnia and Herzegovina, Serbia), on Land Directorate financing (Serbia), and on financing public education (Bulgaria).
- Final recommendations from FDI's technical assistance to Moldova on fiscal equalization are being used by Parliament working groups to draft changes to the legal framework for local government financing.
- As follow-up to three policy forums held in the Caucasus, FDI is providing technical assistance to Armenia on designing a fiscal equalization formula.
 FDI, together with UNDP and Czech Development Assistance, will also support a study trip of ministry and local government officials to see best practices of fiscal decentralization in the Czech Republic.
- In Kyrgyzstan, FDI organized a well-attended forum on local and delegated municipal government functions.
- LOGIN's database of information has expanded to over 9000 documents.
 Since October 2002, users have downloaded more than 220,000 documents

 the clearest sign of relevance.
- LOGIN's software management has been transferred to a local provider, a key step in future sustainability of the network.
- The MPP has been institutionalized within CEU, receiving core funding and increased number of applications.

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