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DECENTRALIZATION OF THE CITY ADMINISTRATION AND COMPETENCES OF DECENTRALIZED CITY UNITS

The role of cities in the process of decentralization increasingly gains practical and scholarly importance, particularly given that more than a half of world's population lives in cities, according to the UN World Urbanization Prospects Report. The same report stipulates that the number is going to rise to 60% in 2030. In unitary states, the traditional division into regions and municipalities is further complicated by introducing cities as a second tier of decentralization. On the other hand, cities are faced with a growing need for changes in their legal position in order to adapt to their fast growing size. A balanced city system, coordination and cooperation between city units are necessary preconditions for effective city governance as well as for avoiding internal imbalances and underdevelopment of some city units. But, the question is how to achieve the required balance and equal development of all city areas. It is not always necessary to expand the autonomy of inner city units. Sometimes it is enough to strengthen the mechanisms of cooperation, coordination and information exchange in order to prevent disintegration of the city systems.

The first part of this paper focuses on the legal position of inner city units in European cities (primarily those in Central Europe and to a lesser extent those city units in city conglomerates and metropolitan areas), with specific reference to their competences concerning the effectiveness of their administration and democratic processes. Under the European Charter of Local Self-Government, a distinctive legal position of inner city units is not an imperative and, with a few exceptions, it is usually regulated within the framework of general local government legislation. The organization of city administration within many of the analyzed cities depends on their size; their organization is different from the traditional municipal organization because bigger cities usually have a status similar to that of the second tier decentralization units. Their competences usually include economic development, city and urban planning, city infrastructure, public transport, environmental protection and standard public services featuring elements of economies of scale.

In the second part of the paper, the author provides a comprehensive analysis of city administration and competences of city units in Serbian cities which are internally divided into city units designated as city municipalities (*gradske opštine*). It can be concluded that neither Serbian local government regulations nor Serbian legal theory have sufficiently defined the legal nature and position of city municipalities. It is easier to determine what the city municipality is not than what it is. In Serbia, only five out of the twenty-four Serbian cities (including the Capital) have established city municipalities. Due to the lack of normative provisions within the Local Government Act 2007, this analysis focuses on the Statutes regulating the internal organization of those five cities for the purpose of examining the administrative bodies and competences of Serbian city municipalities. These Statutes do

not regulate all the issues necessary for the successful operation of city municipalities; moreover, some city municipalities exist only in statutes rather than in reality. Bearing in mind the enacted legal provisions, city statutes and city municipalities' statutes, it is certain that the existing solutions can be improved and that there is a possibility to increase the role of city municipalities in the overall performance of the Serbian cities. Although the positive effects on internal city decentralization have their merits, they are significantly limited by the city size and the number of people living in each city, which is something that administrative reform creators often forget.

Keywords: decentralization, local government, cities, city municipalities, public administration.