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The System of Financing Local Self-Governments in Portugal And Slovenia – A Comparative Approach

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Abstract

This paper will consist of a comparative study that explores the systems of financing local selfgovernments in Portugal and Slovenia, shedding light on the unique approaches employed by each country. We will examine the fiscal frameworks governing local governance structures, the research aims to identify similarities, differences, and best practices that contribute to the effective functioning of local administrations. In Portugal, the focus is on the decentralized fiscal architecture that empowers local governments, so the analysis will encompass revenue sources, intergovernmental transfers, and the degree of fiscal autonomy granted to municipalities. Slovenia's model is examined with a keen eye on its progressive strategies for fiscal decentralization, revenue diversification, and mechanisms for ensuring financial sustainability at the local level. Such a comparative approach seeks to draw insights into how these two European Member States address the financial challenges faced by local self-governments. By assessing the impact of fiscal policies on local development and service provision, the research contributes to a broader understanding of the strengths and weaknesses inherent in the financing systems of Portugal and Slovenia. Ultimately, the findings aim to inform policymakers, researchers, and practitioners about potential avenues for enhancing the fiscal resilience and autonomy of local self-governments in diverse national contexts.

Keywords: Local self-government, comparative analysis, decentralization, Portugal, Slovenia