**ABSTRACT**

The main purpose of the text is to identify and understand the issues of interorganizational relations in local government units. Briefly, IOR (Inter-organizational Relations) is concerned with relations between organizations, but it can be interpreted at different levels. That is why, it is commonly known that local government units are able to create relations, but on the other hand, to function in the region they are obliged to fulfill the needs of the community. In the contemporary world each local government unit must take care of the position in the region and as well as of gaining funds for further development. In order to be a cooperative leader in the region, local government unit should use inter-organizational relations with their all partners.