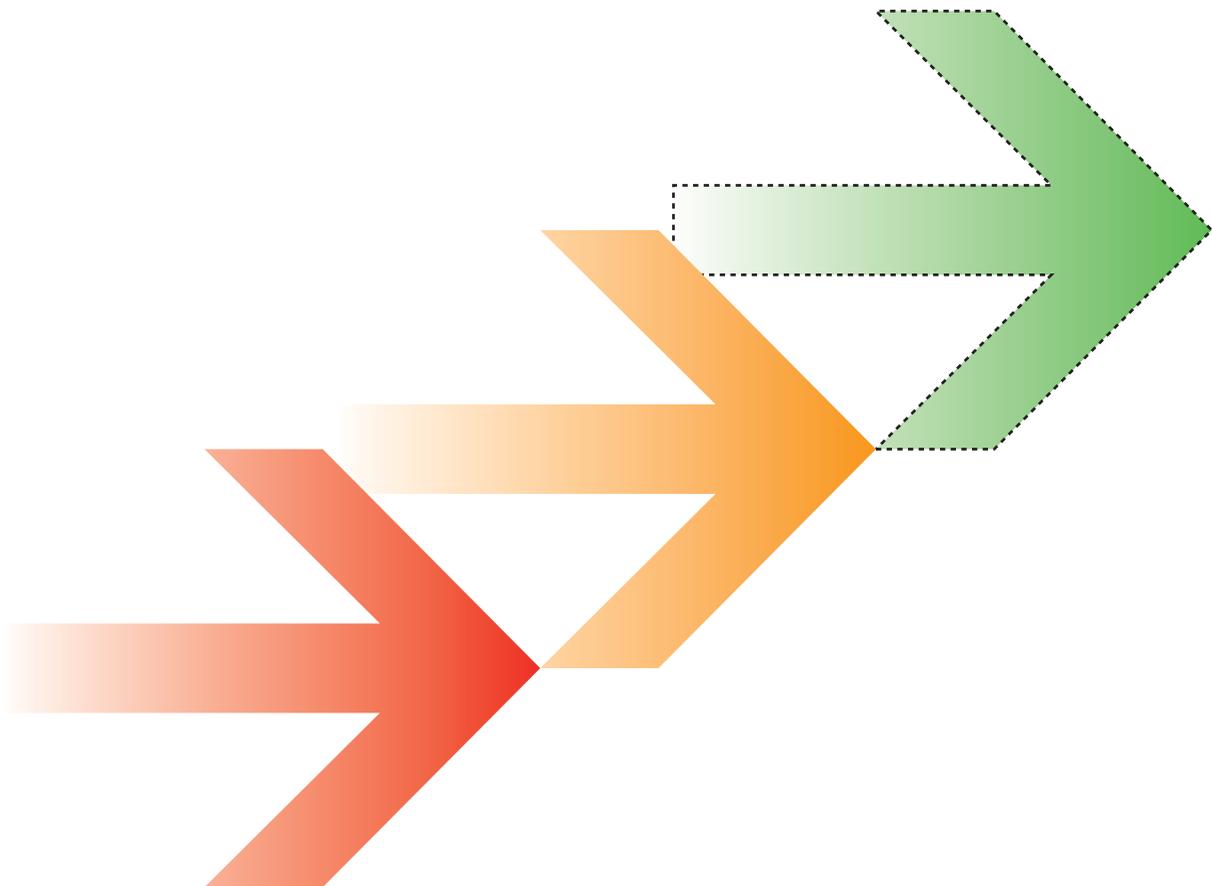

UCLG Position Paper on Aid Effectiveness and Local Government

Understanding the link between
governance and development

Including the Support Paper
and a Compilation of Case Studies



Coordinated by the UCLG Capacity and Institution Building (CIB) Working Group

Prepared by: Federation of Canadian Municipalities (FCM), in collaboration with the UCLG World Secretariat and the CIB Working Group Secretariat

Technical Chair: Peter Knip, Director of VNG International

Vice Chair: Tim Kehoe, Director of FCM International

Secretariat: Carrer Avinyó, 15
E-08002 Barcelona (Spain)
+34 933 428 753
cib@cities-localgovernments.org

© United Cities and Local Governments

Photos:

- Page 8 Federation of Canadian Municipalities, Mayors Roundtable at the 3rd World Urban Forum.
- Page 14 Federation of Canadian Municipalities, Participants of the Federation of Sri Lankan Local Government Authorities' 2008 Annual Conference.
- Page 26 Grand Lyon, Inauguration of the well drilling in the Bekaa Valley in Lebanon.
- Page 36 Sara Hoeflich, Construction project in Aceh, Indonesia.
- Page 44 City of Lahti, South Africans and Finns jointly developing waste management.
- Page 52 Renske Steenbergen, View of a suburb of Guayaquil, Ecuador.

Design: STV Disseny (www.stvdisseny.com)

Preprinting, printing and binding: Cevagraf

Legal Deposit: B-00.000-2009

December 2009

Printed on BIO TOP 3, 100% chlorine free (TCF), made of fibres sourced from sustainable forestry (FSC).

This publication has been made possible with financial support from:

VNG International, the International co-operation Agency of the Association of the Netherlands Municipalities (VNG) in the framework of its LOGO South Programme funded by the Dutch Ministry of Foreign Affairs, and

the Federation of Canadian Municipalities (FCM), under the auspices of its Municipal Partnership Program (MPP) funded by the Canadian International Development Agency (CIDA)

Table of Contents

Acronyms	5	4. The Local Government Association of Zambia's participation in the 10 th European Development Fund Programming <i>ACP Platform (2007)</i>	39
Foreword	6	5. Coordination and complementarities: Spain Uses Key Tools and Programmes to Achieve More Effective Aid <i>Spanish Federation of Municipalities and Provinces (2009)</i>	41
UCLG Position Paper on Aid Effectiveness and Local Government	8	6. Harmonization of efforts to enlarge local tax base and improve municipal service delivery in Ghana <i>VNG International (2009)</i>	45
Support Paper on Aid Effectiveness and Local Government	14	7. Alignment in strategies for housing development in South Africa <i>VNG International (2009)</i>	47
1. The policy context: an emerging consensus on Aid Effectiveness	16	8. Carbon Compensation Scheme with locally designed, owned and managed projects <i>Local Government Association and the Lancashire County Council (2009)</i>	49
2. Reviewing the progress of the Paris Declaration	16	9. Municipal partnership between Herent (Flanders, Belgium) and Nimlaha'kok and Nimlasa'chal (Guatemala) promotes local ownership of development strategies <i>Association of Flemish Cities and Municipalities (2009)</i>	53
3. Local Governments as Development Actors	18	10. Building the capacity of the local environmental administration in Bojanala Platinum District Municipality, South Africa <i>Association of Finnish Local and Regional Authorities and the City of Lahti (2009)</i>	56
4. Principles of Aid Effectiveness: A Local Government Perspective	20	11. Incentivizing performance: the Bosnia and Herzegovina Beacon Scheme <i>Local Government Association (2008)</i>	59
5. Conclusions: Localizing the Aid Effectiveness Agenda	24	12. The Twinning Cooperation between the City of Liege (Wallonia, Belgium) and the City of Lubumbashi (Congo) <i>Union of Cities and Municipalities of Wallonia and the Association of the City and Municipalities of the Brussels-Capital Region (2008)</i>	61
Bibliography	25		
A Compilation of Case Studies	26		
Overview of Case Studies	28		
1. The CIB Working Group: Harmonization of Municipal Development programmes <i>UCLG Capacity and Institution Building Working Group (2009)</i>	29		
2. Tanzania's Health Basket Fund Improves District Level Health Service <i>Federation of Canadian Municipalities in collaboration with the Association of Local Authorities of Tanzania (2009)</i>	34		
3. The Establishment of the Federation of Sri Lankan Local Government Authorities A case study of Aid Effective Programming in the Local Government Sector <i>Federation of Canadian Municipalities in collaboration with the Federation of Sri Lankan Local Government Authorities (2009)</i>	37		

13 Urban Rehabilitation of the Al-Nasser District Gaza City, Occupied Palestinian Territories	
<i>City Council of Barcelona (2009)</i>	63

Acronyms

AAA	Accra Agenda for Action
ACB	Association Capacity Building
CIB	Capacity and Institution Building
DAC	Development Assistance Committee
DCF	Development Cooperation Forum
EC	European Commission
ECDPM	European Centre for Development Policy Management
EU	European Union
FCM	Federation of Canadian Municipalities
LGA	Local Government Association
MDGs	Millennium Development Goals
MIC	Municipal International Cooperation
NGO	Non-Governmental Organization
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PRSP	Poverty Reduction Strategy Paper
SWAP	Sector-Wide Approach
UCLG	United Cities and Local Governments
UN	United Nations
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
VNG International	International Cooperation Agency of the Association of Netherlands Municipalities (VNG)

Foreword

Dear Colleagues and Friends,

It is our great pleasure, as technical chair and vice-chair of the UCLG Capacity and Institution Building (CIB) Working Group, to present to you the UCLG Position Paper on Aid Effectiveness and Local Government.

The position paper, adopted at the 2009 UCLG World Council in Guangzhou (China), is the result of a research led by the Federation of Canadian Municipalities in partnership with the CIB Working Group and the UCLG World Secretariat, and seeks to give voice to the local government perspective on the emerging Aid Effectiveness agenda.

The document consists of three parts: the Position Paper with political recommendations, a Technical Background Paper providing arguments to support the recommendations and more in-depth views on the key issues. In addition, a number of illustrative case studies have been included to demonstrate the effectiveness of aid delivery in the local government sector. The paper, which through the various consultation rounds received contributions from UCLG members and partners, emphasizes the need for the full acknowledgement of local and regional governments as development partners occupying an equitable place in the international Aid Effectiveness debates. It highlights the limitations of the Paris Declaration aid effectiveness principles in addressing local level development and sets out recommendations for the international community, as well as national, regional and local governments.

Bringing together local government associations (LGAs) and individual local governments active in international development cooperation, the CIB Working Group was mandated by the UCLG Executive Bureau to build a common understanding and position among members and develop a formal policy position for international advocacy.

Particularly since the 1990s, local governments and their associations from Europe and North America have increased and enhanced their international development cooperation programming. The overarching objective has been to develop the capacity of local governments to facilitate local development processes, poverty reduction, and the attainment of the Millennium Development Goals.

Even though to date the most important documents related to the effective delivery of aid, such as the Paris Declaration on Aid Effectiveness (2005), have been mainly donor-driven and excluded other development actors in their formulation, the donor community is slowly beginning to recognize the considerable contributions that local governments make to development assistance. Further, donors have acknowledged that, in order to make aid more effective, all stakeholders, including local governments, should be consulted and taken into account. As highlighted in the discussions around the 3rd High Level Forum on Aid Effectiveness in Accra (September 2008), true ownership of national development strategies can only be effective if *all* stakeholders are being consulted on the needs and constraints; and in order to ensure this ownership, the capacity of all stakeholders has to be developed.

The efforts pursued thus far have led to the recognition of UCLG as the voice of local and regional authorities in the OECD Working Party on Aid Effectiveness and as a member of the Advisory Board of the United Nations Development Cooperation Forum. Avoiding a top-down approach to the delivery of international aid and boosting aid directly channelled to local governments are both UCLG objectives. Within our World Organization, we will continue to advocate for the involvement of local governments and their associations in the discussions around the development and implementation of sector policies and poverty reduction strategies. At the same time, knowing that only a very small percentage of Official Development

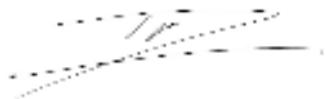
Assistance (ODA) is dedicated to local governments and even less is managed by local governments directly, a priority for UCLG will be to demonstrate that a higher allocation of funds by donors and central governments for creating stronger local governments and local government associations is crucial to ensure real change.

We hope we can count on your support and participation in meeting the challenges that are detailed in the Position and Background Papers, and we look forward to working with you towards achieving more effective development co-operation.

Sincerely,

Peter Knip

Tim Kehoe



Chair of the CIB Working Group

Vice-Chair of the CIB Working Group

Director of VNG International, the
International Cooperation Agency
of the Association of Netherlands Municipalities (VNG)

Director, International, Federation of Canadian
Municipalities (FCM)



**UCLG Position Paper
on Aid Effectiveness and
Local Government**

UCLG Position Paper on Aid Effectiveness and Local Government¹

Localizing the Aid Effectiveness Agenda: The Case for Stronger Local Government Involvement in Development

The 2005 Paris Declaration on Aid Effectiveness, signed by all OECD countries and endorsed by many developing countries, reflects a consensus on a series of recommended actions which official development agencies and partner countries could undertake to enhance the delivery and management of aid. These actions include, amongst other things: i) local *ownership* of development strategies; ii) *alignment* with national development strategies; iii) *harmonization* of development interventions; iv) managing for *results*; and v) *mutual accountability* and transparency.²

This policy consensus is shaping the way that donors define their priority sectors, focus countries, and select the mechanisms through which they deliver aid. There is however a growing consensus that the Paris Declaration has fallen short in its objective of enhancing aid effectiveness. Part of this failure can be attributed to the great emphasis placed by donors on the mechanics of aid delivery rather than the development impact generated by aid. Another key weakness that has been highlighted is the absence of key development stakeholders (i.e. civil society and local governments) in the policy discussions.

1 In this paper, local government refers to a governing institution which has authority over a sub national territorially defined area; in federal systems, a sub state territorially defined area. These include towns, cities, counties, districts and regions governed in most cases by locally elected officials. Local governments' jurisdictional and administrative authority varies depending on the degree of decentralization and the national governance structure in a given country.

2 Development Cooperation Directorate (OECD, March 2005).

3 The Millennium Development Goals (MDGs) adopted by the United Nations in 2000 are eight time-bound targets to end extreme poverty by 2015.

Local Governments are Agents of Development

Approximately half the world's population currently lives in urban areas and it is estimated that this will grow to as much as 60% by 2015. Virtually all of this growth will occur in the developing world, resulting in severe social and economic inequities and escalating rates of poverty. This extraordinary rate of urban growth is transpiring alongside widespread rural exodus, placing an enormous burden upon both rural and urban local governments, as they struggle to put in place responses to deal with the effects of these unprecedented demographic shifts. In this context, local and regional authorities will become both key development actors and the target of development cooperation.

In addition, fast growing urbanization is giving rise to a major and pressing need for future infrastructure projects that are expected to cost some USD 200 billion per year over the next 25 years. However, these infrastructure needs are currently being unmet. Failure to invest in infrastructure has already impacted severely upon the daily lives of millions of citizens in developing countries. The achievement of the main international development commitments such as the Millennium Development Goals³ and the global fight against climate change and its impacts will be won or lost in the urban areas of the planet and particularly in the slums where one out of five persons will live by 2020.

As politically legitimate and accountable community leaders, local governments play a valuable convening role that brings together development stakeholders (civil society, community groups, policy makers) to help shape and implement development policies and programs. Given their responsibility to ensure equitable delivery of essential services, including in many cases social services around health, welfare, and housing, combined with their ability to replicate successes for community-wide benefit, local

governments occupy an important niche and must be recognized as valued partners by the development community.⁴

Furthermore, local governments, through decentralized cooperation⁵, are playing an important role in the delivery of aid through peer-to-peer cooperation. Local governments and their associations mobilize community assets and significant resources that complement the financial contributions from donors. The delivery of these resources through programs and projects that are co-managed by southern and northern partners promote mutual accountability and enhance local capacity to plan, manage, implement and report on results.

Awareness about the role of local governments in development cooperation is gradually increasing. The Accra Agenda for Action (AAA), which was the result of the mid-term 3rd High Level Forum on Aid Effectiveness in Accra, Ghana (2-4 September 2008), includes specific timelines and recognizes the importance of democracy, improvement of governance, social progress and environmental challenges as prime engines of development. The role of local governments has explicitly been recognized in the development of national development policies. The AAA⁶ also recognizes the need to support capacity building initiatives of local authorities and emphasizes the importance of local resources in the provision of technical cooperation. In recognition of the value added brought by local governments in these policy discussions in Accra and New York, UCLG has been invited to become a permanent member of the OECD/DAC Working Party on Aid Effectiveness and it will also be working with

the UN Development Cooperation Forum in an advisory capacity.

Much remains to be done to translate this awareness into policy. The actions to be undertaken will need to be twofold: 1) inform donors, national partner governments and other development stakeholders on how local governments can contribute to aid effectiveness; and 2) identify key issues that should guide future discussions with the international community. This document aims at tackling both aspects.

Local Governments Call For Action

Donors, multilateral and bilateral financial institutions, central governments and international organizations are called on to:

1. Formally recognize local governments as development actors in future development compacts and promote their participation in a systematic way in all stages of the development process.
2. Support the recognition of local governments and their associations (LGAs) as legitimate development partners in the 2008 Accra Agenda for Action, and welcome the recognition of the World Organization of United Cities and Local Governments to become members of the OECD/DAC Working Party on Aid Effectiveness and the Advisory Board of the UN Development Cooperation Forum. This recognition should be expanded to all national and donor led consultations.
3. Attach a fundamental importance to decentralization as an important building block for good governance and effective development assistance at the local level.
4. Given its relevance as an indicator of a country's development performance, governance⁷ should be a cross-cutting theme for central governments and donors in the same manner as gender equality, human rights and environmental sustainability so that it receives greater consideration during policy and program development.
5. Adopt a more integrated approach to strengthening local governance that combines working locally, nationally, regionally and globally. This approach will

4 United Nations Millennium Development Goal 8 calls for a global partnership that brings together the private sector, NGOs, civil society and foundations to help leverage resources for the implementation of pro-poor urban and rural development strategies. Local governments should play a central role as partners in development.

5 Decentralized Cooperation is used here to describe the publicly and privately funded aid provided by and through local authorities, local government associations, networks and other local actors.

6 Third High Level Forum on Aid Effectiveness, *Accra Agenda For Action*, 2-4 September 2008, Accra – Ghana, art. 12 and 13.

7 Governance refers to the process or approach for managing political, economic and administrative authority. The system of governance will determine how governments are selected or changed and the process through which citizens and groups define their interests and interact with institutions of authority, as well as with each other. *Good governance* accomplishes this in a manner that is essentially free of abuse and corruption and with due regard for the rule of law.

facilitate the scaling-up of successful practices and enable local community leaders to engage in dialogue at the national level to positively influence public policies that will lead to transformative change and sustainable development at the local level.

6. Put in place formal consultation mechanisms to strengthen coordination between local and national governments and donors, particularly with respect to policy formulation, planning, implementation, monitoring and evaluation of national development strategies.⁸
7. Offer a balance of aid delivery mechanisms (e.g. projects, program based approaches, budget support and technical assistance) to support governance and decentralization that will ensure that local authorities have the mechanisms to respond with sufficient flexibility in different contexts. Aid channelled through budgetary support and sector-wide approaches (SWAps) must be designed in a manner that recognizes and reinforces the legitimate role of local authorities as credible public institutions and agents of development.
8. In the context of decentralized cooperation, put in place mechanisms that allow local governments and/or local government associations to directly manage international cooperation programs that focus on: strengthening the capacity of the local government sector; promoting democracy at the local level, and; supporting decentralization.
9. Strengthen the capacity and strategic partnering role of local governments to engage in multi-stakeholder dialogue on national development strategies and in policy discussions with the OECD Working Party on Aid Effectiveness and the United Nations Development Cooperation Forum.

8 Consultation with local government can help ensure closer alignment of central government and donors' plans and programs with community needs, particularly where local governments are involved in participatory municipal planning and budgetary processes.

9 UCLG proposes that at least 20% of public development aid (about USD 20 billion) be allocated directly to local governments or through decentralized cooperation. *UCLG Policy Paper on Local Finances*, UCLG (2008): p. 13.

10. Strengthen the resources accessible to local authorities. It is proposed that 20 per cent of international aid (currently provided in the form of budgetary support and sector wide approaches) be earmarked to support decentralization processes and the capacity building of local government.⁹
11. Improve the transparency of aid management, such that resource flows to various sectors, including local government, can be monitored.

Local governments and local government associations are called on to:

12. Engage in a dialogue with donors, and central governments to ensure that the needs and concerns of local governments are clearly understood and supported by relevant policies and programs.
13. Ensure that the voices of the full diversity of the community are heard by promoting participatory processes further applying this principle to decentralized co-operation which should be based on strong demand from the beneficiary.
14. Ensure that decentralized cooperation approaches, such as municipal international cooperation (MIC) and association capacity building (ACB), are well coordinated and developed within the framework of southern-driven agendas that take into account the local cultural context, country processes and governance reform programs, concretized in country strategies for municipal sector development.
15. Strengthen the voice of national and regional associations, as well as the World Organization of United Cities and Local Governments, to advocate local governments' interests internationally.
16. Develop a community of practice that will facilitate the sharing of knowledge, tools and lessons learned in the areas of MIC and ACB, which builds on the experience of the existing Committees and Working Groups of UCLG, particularly the CIB (Capacity and Institution Building Working Group).
17. Promote long-term partnerships between local governments and partner countries, international

organizations, bilateral and multilateral donors, in addition to other key stakeholders such as parliamentarians and civil society.

N.B. For a more detailed overview of the role of local governments and local government associations in each of the Paris Declaration principles, see chapter 4 of the Support Paper.



Support Paper on Aid Effectiveness and Local Government

1. The policy context: an emerging consensus on Aid Effectiveness	16
2. Reviewing the progress of the Paris Declaration	16
3. Local Governments as Development Actors	18
4. Principles of Aid Effectiveness: A Local Government Perspective	20
5. Conclusions: Localizing the Aid Effectiveness Agenda	24
Bibliography	25

Support Paper on Aid Effectiveness and Local Government

1. The Policy Context: An Emerging Consensus on Aid Effectiveness

Since the mid-1990s, official development agencies, under the leadership of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD), have been re-examining the way they deliver aid in an effort to generate greater impact in terms of social and economic development.

The 2005 Paris Declaration on Aid Effectiveness, signed by all OECD countries and endorsed by many developing countries, reflects a consensus on a series of recommended actions which official development agencies and partner countries could undertake to enhance the delivery and management of aid. These actions include, amongst other things: i) local *ownership* of development strategies; ii) *alignment* with national development strategies; iii) *harmonization* of development interventions; iv) managing for *results*; and v) *mutual accountability* and transparency.¹⁰

This policy consensus is shaping the way that donors define their priority sectors, focus countries, and select the mechanisms through which they deliver aid. The drive to harmonize, align, and manage development assistance for greater impact has been gaining momentum since the Monterrey Conference on International Development Finance in 2002 and subsequent high level forums in Rome (2003) and Marrakesh (2004) which focussed on issues related to enhancing aid effectiveness (i.e. Harmonization and Managing for Results respectively).

¹⁰ Development Cooperation Directorate (OECD, March 2005).

¹¹ Indicators include, for example: "Partners have operational development strategies"; the target for 2010 is that 75% of Southern partners will have operational strategies. Another indicator is the "use of common arrangements". For this, the target for 2010 is that 66% of aid flows are provided in the context of program-based approaches. (OECD, August 2005: 4).

In Paris, donors resolved to take concrete, effective and timely action in implementing all agreed commitments on aid effectiveness. The Declaration provides a well defined road map (with performance indicators¹¹) for increasing development effectiveness by enhancing partnership commitments, aligning donor support to partner countries' development strategies, harmonizing donor actions, and improving mutual accountability for development results.

The Aid Effectiveness agenda has been marked by a significant shift in the methods by which development assistance funding is spent and managed. In an effort to more effectively coordinate and harmonize development assistance, a much higher volume of funds are being pooled in a comprehensive budgetary process (through mechanisms such as Budgetary Support, Program Based Approaches and Sector Wide Approaches) over which the central government, in collaboration with coalitions of donors, plays a leadership role in determining where and how resources will be allocated. This is in contrast to more traditional means where donors would plan projects and contract the services of development partners, either from their own country or third party countries, to provide specific goods or services to recipient countries. The result has been that in a growing number of countries the centre of decision making and influence over the allocation of program funding is gradually shifting from donor headquarters in the north to host governments in the south in an effort to strengthen local ownership.

2. Reviewing Progress of the Paris Declaration

As the mid-point in the implementation of the Paris Declaration has recently been reached, donors, recipient governments and other development practitioners undertook a review of the agreement to assess whether it has had the desired effect of fostering more effective and accountable development.

In preparation for the mid-term 3rd High Level Forum on Aid Effectiveness in Accra, Ghana (2-4 September 2008), several consultative processes have taken place. At an Advisory Group International Forum that was held in Canada in February 2008 to prepare civil society's policy position on aid effectiveness for the Accra High Level Forum, local government was represented by the Federation of Canadian Municipalities. Although local governments are not seen as part of civil society, their involvement in the consultations was well received given their shared interests in promoting community development, providing essential services and fostering citizens' engagement in local decision making processes. As in the case of civil society, there has been no systematic process for engaging local authorities in the dialogue and consultations that have informed the development of the Paris Declaration.

At a preparatory meeting for the United Nations Development Cooperation Forum (DCF), a multi-stakeholder forum was organized in collaboration with UCLG, the Inter-Parliamentary Union and CIVICUS (the worldwide alliance of civil society). The stakeholder forum, which took place in Rome, Italy (June 12-13th, 2008) brought together local governments, parliamentarians and civil society in an open and interactive dialogue that reviewed their roles in contributing to effective development cooperation. For the first time local government had been given recognition as a partner in the aid effectiveness debate, and it provided an important venue to engage in a dialogue on key policy issues affecting the quality and impact of development cooperation. This involvement also led to the participation of UCLG in the DCF in New York (June 30-July 1st, 2008).

Following these interventions, a UCLG delegation was given two speaking slots at the Accra 3rd High Level Forum on Aid Effectiveness. The final outcome of this Forum, The Accra Agenda for Action (AAA), includes specific timelines and recognizes the importance of democracy, improvement of governance, social progress and environmental challenges as prime engines of development. The role of local governments has explicitly been recognized in the development of national development policies. The AAA¹² also recognizes the need to support capacity building initiatives of local authorities and emphasizes the importance of local resources in the provision of technical cooperation. In recognition of the value added brought by

local governments in these policy discussions in Accra and New York, UCLG has been invited to become a permanent member of the OECD/DAC Working Party on Aid Effectiveness and it will also be working with the UN Development Cooperation Forum in an advisory capacity.

What has emerged from the discussions and consultations is a growing consensus that the Paris Declaration has fallen short in its objective of enhancing aid effectiveness. Part of this failure can be attributed to the great emphasis placed by donors on the mechanics of aid delivery rather than the development impact generated by aid. Another key weakness that has been highlighted is the absence of key development stakeholders (i.e. civil society and local governments) in the policy discussions. While many of the principles of the Paris Declaration (i.e. ownership, harmonization, better coordination) are widely supported by the development community, there is a growing concern that the Paris Declaration fails to recognize civil society, local governments or other non-state actors for their role in development and the contribution they make to aid effectiveness.

From a local government perspective, there has been limited analysis on the impact that the Paris Declaration has had on the relationship between national and local governments although the European Centre for Development Policy Management (ECDPM) had conducted research on the impact from the increased usage by donors of sector and budget support mechanisms. Based on the ECDPM analysis there is some initial evidence that these new delivery mechanisms have reinforced the responsibility of central governments in the planning and implementation of sector policies and programs, while marginalizing the role of local governments. It has been suggested that local governments have been relegated to the role of an executing arm of line ministries, as influence and decision making authority is consolidated with national governments and donors. In countries where sector and program based approaches are more prevalent, there is the risk of undermining decentralisation efforts if too much authority is consolidated in the hands of the national administration. This trend may also compound the challenge for local governments to establish themselves as credible public institutions which can be a factor in them becoming politically and administratively marginalized.¹³

Of equal concern is the lack of involvement of local government representatives, or other non-state actors, in helping to inform and shape the planning and design of

¹² Third High Level Forum on Aid Effectiveness, *Accra Agenda For Action*, 2-4 September 2008, Accra – Ghana, art. 12 and 13.

¹³ G. Kasumba, A. Land (January 2003).

development policies and programs, such as national Poverty Reduction Strategy Papers (PRSP). Civil society has strongly criticized the fact that the process of developing PRSPs has not been sufficiently inclusive and has not recognized the important role played by non-state actors in contributing to poverty reduction at the country level. This oversight has underlined the importance of local governments and civil society to work together in raising awareness and building recognition of the roles they have to play as development actors.

The historical lack of engagement of local governments in the development dialogue has not gone unnoticed by the European Commission which recently issued an official Communication on local authorities¹⁴ and their role as development actors. The Communication has two objectives: firstly, it seeks to recognize the significant expertise of local authorities, not only in terms of service delivery but also as catalysts for change, conflict prevention, decentralization and confidence-building in the development process; secondly, it attempts to put in place a process for building a strategy that will allow local authorities to more systematically participate in the design and implementation of development activities. To this end, the European Commission is taking the lead amongst the international development community in encouraging the engagement of local authorities in a more coordinated and structured approach to shaping development policy and in coordinating local governments' involvement in program implementation¹⁵.

3. Local Governments as Development Actors

Although local government is a specific order of government, international organizations consider local governments as part of civil society. However, being part of the State, local governments are characterized by a level of legitimacy and responsibility that is not shared by other development actors. As democratic institutions comprised

of elected officials that are accountable to both their citizens as well as to senior levels of government, local governments must maintain the trust and confidence of the electorate and operate with a high degree of transparency.

As the order of government closest to the people, the municipal sector has an acute awareness of the challenges and opportunities facing society. Local governments have deep roots into the social, political and economic fabric of communities, which has placed them in an advantageous position to act as convenors of partners in the community such as civil society, policy makers, power brokers, the private sector and other influential stakeholders. Local governments are uniquely positioned to promote democracy, contribute to poverty reduction, the achievement of the Millennium Development Goals (MDGs) and to empower citizens to improve the quality of life in their communities.

Around the world, local governments have demonstrated that they can provide an effective decision-making framework for establishing social development priorities by fostering an environment of collaboration and dialogue with their citizens. This collaboration enhances the capacity of local governments to engage marginalized groups, particularly women and youth, in municipal decision-making processes that contribute to the formulation of more inclusive public policies and programs. By enabling otherwise disenfranchised stakeholders to participate in shaping local development priorities and influence decision-making, local governments have the capacity to design services that are more relevant and appropriate to the needs of all their citizens. This is genuine local ownership.

Box 1 – Local ownership and social mobilization in Guatemala

The Government of Guatemala introduced new legislation in 2002 that aims to stimulate the participation of all communities – including indigenous – in local government. The legislation regulates the process of decentralization, recognizing indigenous identity and the right to preserve and strengthen indigenous forms of local authority. If correctly applied, the framework will eventually allow indigenous communities to directly manage development funds earmarked to their communities,

14 The European Commission uses the term Local Authority to include the large variety of sub-national levels and branches of government i.e. municipalities, communities, districts, counties, provinces, regions etc. Concerning development cooperation there is substantial heterogeneity in the mandate, finance and functions at each level and within each level.

15 European Commission, Communication from the Commission to the Council, the European Parliament and the European Economic and Social Committee and the Committee of the Regions, *Local Authorities: Actors for Development*, Brussels, 2008, COM (2008) 626 Final.

which take into account their own cultural identity and traditional values.

The Nimlaha'kok and Nimlasa'chal micro-regions requested support from and collaboration with Herent (Belgium) in order to strengthen their governance, local capacity and autonomy. They elaborated a set of criteria as pre-conditions for a good working partnership, which included support for the indigenous group of Maya-Q'eqchi's who seek recognition as a social entity and strive for self-governance. The most important claim is to return a percentage of the municipal tax revenue to the micro-regions so that they can decide where to allocate resources associated with their self-defined development priorities.

While the governance structure is quite complex and relatively new in its set-up, the local communities are now clearly represented in the micro-regions, which enables them to have a voice in the municipality. The partnership is an excellent example of how the strengthening of democratic local government can lead to real progress in achieving a locally owned, people-centred approach to development.

Source: case study 9

These conditions – good governance, democratic institutions, accountability and transparency, inclusive decision making processes, equitable service delivery – are largely determined by the social, economic and political context and the actions of local policy makers.

Building sustainable communities requires a strong foundation, *an enabling environment*, which allows local governments to operate as agents of development, as catalysts for economic growth, and as advocates for social justice and equity. In order to accomplish this, it is necessary to have an efficient decentralization framework with clear core competences and required transfer of resources to local governments to carry out their responsibilities effectively and efficiently; strong local leadership that can build consensus on a vision for moving forward; and a strong management and administrative capacity within an unambiguous policy environment that provides key stakeholder groups with a degree of predictability, transparency and accountability.

Clearly, the conditions required for local governance to flourish do not exist in all countries. The absence of an effective local government structure that is capable of planning, managing and delivering essential services, developing long-term plans, coordinating inter-governmental relations, establishing policies and implementing local programs creates an enormous barrier to addressing poverty and achieving development priorities. The failure to create an enabling environment for strong local governance also fuels mistrust by citizens, civil society and the private sector.

Box 2 – Local Government support in conflict areas

Local governments can, and often do, contribute to peacebuilding and conflict management through their dual role in promoting the democratic process at the local level and in delivering basic social services, which lie at the heart of building and maintaining social stability.

In September 1998, the mayors of the cities of Barcelona, Tel Aviv-Yafo and Gaza signed a friendship and cooperation agreement which sought to establish a bridge of union and joint work between their inhabitants. A year later, in Barcelona, APLA (Association of Palestinian Local Authorities) and ULAI (Union of Local Authorities of Israel) signed their first collaboration agreement as well.

Due to the context of the conflict, direct relations between Gaza and Tel-Aviv have been extremely difficult. The difficulties in visiting and leaving the Gaza Strip, the military blockade that prevents the entry of numerous basic materials, and the internal political instability of the area have been substantial but fortunately not decisive obstacles. Despite these challenges, the partner local authorities have been able to overcome the dynamic of the conflict and focus their maximum interest on improving the living conditions of the district's inhabitants. The political determination of both city councils and the support and confidence shown by the Catalan Development Cooperation Agency, APLA and ULAI, have been indispensable elements for successful cooperation.

Source: case study 13

For more than two decades, local governments have played a key role as international development actors. Local governments, in collaboration with their national, regional and global associations, are playing a vital role in the development process by sharing their experience and approaches to assist others in finding appropriate ways to solve their own issues and problems. Through decentralized cooperation programs that are built on the foundation of partnerships and peer-to-peer exchange, local governments in the north and the south are working together to reinforce the local capacity to respond to an unending series of development challenges including poverty and disease, environmental degradation, social decay, corruption and economic collapse. These programs, for which part of the funds are being mobilized by the local authorities themselves¹⁶, commonly take the form of Municipal International Cooperation (MIC) or Association Capacity Building (ACB)¹⁷. In particular ACB programs involve activities that strengthen the ability of the local government sector to participate in national political dialogues, which reinforces mutual understanding, strengthens public policy and enhances accountability between local and national governments.

Box 3 – The local voice in national political dialogues in Sri Lanka

The establishment of the Federation of Sri Lanka Local Government Authorities (FSLGA) brought all three tiers of local government together under one umbrella for the first time in the country's history. "The local government association is an important structure to discuss common issues and concerns. It helps us to access experience and knowledge from fellow members", said Sampath Athukorola, Chairman of the Niyugama rural local authority and member of the Galle District Local Leaders Association.

The FSLGA is possibly the only truly national forum in Sri Lanka that has brought local government voices together. The Ministry of Local Government Affairs

now seeks FSLGA's assistance in selecting representatives to sit on the national committees established for local government policy reforms, and the FSLGA is the sole association attending monthly coordination meetings at the Ministry of Local Government Affairs and Provincial Councils. These measures are helping to ensure that local governments and their communities are accounted for in the setting of national development policies and priorities that affect them.

Source: case study 3

Local governments are therefore important development actors, as partners, beneficiaries and donors. As development actors, local governments, civil society and central governments must work together to cultivate the enabling framework for democratic governance which is a fundamental building block for the achievement of the Millennium Development Goals.

4. Principles of Aid Effectiveness: A Local Government Perspective

To understand how local governments could contribute to aid effectiveness, it is necessary to look at the five principles of the Paris Declaration (Ownership, Alignment, Harmonization, Managing for Results and Mutual Accountability) through the lens of local governments. As an order of government and as an agent of development, local governments can make a unique contribution in analysing and strengthening the aid effectiveness principles. Below is a summary of some of the ways in which local governments and local government associations (LGAs) can contribute to strengthening aid effectiveness:

4.1 Ownership – Democratization of the process: Development strategies require ownership by sub-national levels of government to advocate for community interests

Local governments should:

- be involved more directly and systematically in all stages of the development process, from the design and implementation of policies and programs to the monitoring and evaluation, to strengthen

¹⁶ OECD, *Aid Extended by Local and State Governments*, DAC Journal, Vol. 6 No. 4.

¹⁷ Association Capacity Building is emerging as a strategic intervention by local government associations as they focus on strengthening and enhancing the effectiveness of the local government sector on a national scale.

democratic ownership of development strategies at the *local* level;

- **demand, through their national associations**, that their voice be heard in national consultations leading to the preparation and monitoring of national development strategies, operational plans and PRSPs;

Box 4 – Involvement of LGAZ in national consultations in Zambia

In early 2006, local governments were advised by the African Caribbean Pacific (ACP) Local Government Platform to establish contacts with the Delegation of the European Commission in their country in order to participate in the dialogue on strategies and programmes of ACP-EU cooperation 2008-2013.

Despite the fact that the framework for international cooperation recognises local governments as key development actors that should participate in all aspects of the process, the efforts of the Local Government Association of Zambia (LGAZ) to get involved in the process were initially rejected.

Both the Platform and LGAZ worked with the ACP EU institution headquarters and the EC delegation to rectify the situation, which resulted in the formal invitation for LGAZ to participate in a meeting with the EC delegation. The LGAZ is now fully involved in all meetings related to the ACP-EU cooperation 2008-2013. Its comments on the Country Strategy Paper have been taken into account in the finalisation of the document, and provisions have been made for local government priorities that are aligned with the strategy.

Source: case study 4

- **ensure social mobilization** (particularly the poor, excluded and the discriminated) in a process to help inform and articulate development priorities and strategies at local and national levels;
- **ensure that decentralized co-operation is demand-driven** and based on a strong ownership and participation of local governments in the planning, management, implementation and monitoring of the projects and programmes.

Example: Currently, in ACB programmes, local government associations work towards ownership through a system of **co-management** that promotes equitable and broad based ownership. This means that northern and southern LGA partners share the responsibility and accountability for planning, managing, implementing and reporting on results.

4.2 Alignment – Development cooperation and national development strategies must be aligned with existing decentralization frameworks and must contribute to strengthening local autonomy and promoting sustainable community development.

Local governments will cooperate to:

- **strengthen southern local government capacities** in planning, budgeting and financial management and improve public procurement systems to reinforce their basis for the implementation and management of development programmes;
- **support inter-governmental consensus-building mechanisms** (local, regional and national) to ensure greater coherence in the elaboration, planning and implementation of development policies between local and national levels;
- **strengthen the capacity of local governments to engage citizens**, community organizations and the private sector in participatory municipal planning and budgetary processes, and to help ensure closer alignment of central government and donors' plans and programs with community needs;
- **ensure that cooperation programs respect decentralization processes and local autonomy:** Sector Wide Approaches should involve local governments in the elaboration and implementation of their local components; budgetary support should partly grant funds directly to the local level or contribute to the strengthening of budget transfer mechanisms at national level to ensure transparency, regularity and predictability of funding;

Box 5 – Sector Wide Health Approach in Tanzania

In 2000, eleven Development Partners (Canada, Denmark, Germany, Ireland, Netherlands, Norway, One UN, Switzerland, UNFPA, UNICEF and World Bank)

began pooling un-earmarked resources in support of Tanzania's Health Sector Strategic Plan (FY04-FY09) and its MKUKUTA (Poverty Reduction Strategy). Creating a common fund (known as the Health Basket Fund) for the health system represented an effort to harmonize development cooperation in the sector and remove distortions in sector allocation priorities, which would commonly occur before the reforms, when there were multiple distinct health interventions.

A central feature of Tanzania's Health Basketed Fund is that it places greater responsibility for, and control of, health services planning and delivery in the hands of regional and local governments, while ensuring that this planning is aligned with the Health Sector Strategic Plan and the Government of Tanzania's poverty reduction strategy. The Fund has enabled resources to be redistributed in individual districts, providing additional funds per person. According to the Joint External Evaluation of the Health Sector in 2007, "The Health Basket Fund has played a particularly important role in supporting the meaningful implementation of decentralization of responsibility for health services to Local Government Authorities".

Tanzania's sector wide approach to health care has, no doubt, achieved significant improvements in health outcomes that are unparalleled in other countries – between 1990 and 2004, annual death rates in children under five in Tanzania fell by 40 percent and between 2000 and 2004 alone, by 24 percent. An April 2008 study published in the British medical journal *The Lancet* showed that, if its trend of improved child survival is sustained, Tanzania could reach the fourth Millennium Development Goal (MDG) — a reduction of mortality in children under five by two-thirds — during the period between 1990 and 2015.

Currently, only a handful of countries request that donors give funds to their general budget rather than to specific projects, and only 2% of donor money directed to maternal and child health is allocated this way.

Source: case study 2

- ensure that decentralized cooperation approaches (MIC/ACB) are developed within the framework of southern-driven agendas that take into account the local cultural context, country processes and governance reform programs, concretized in country strategies for municipal sector development.

Example: With support from northern counterparts, many southern LGAs are developing **national strategies for municipal sector strengthening** through broad stakeholder processes. Aligned with the country's Poverty Reduction Strategies (PRSP) and other national development strategies, these country strategies help focus (MIC) between southern and northern LG players and are a legitimate expression of "local ownership" and alignment.

4.3 Harmonization – Local governments should take the lead in harmonization of development cooperation in communities.

- Local governments can rely on the Aid Effectiveness principles as a basis to **demand and develop a clear division of tasks at the local level that reflects the complementarities** between the different development actors (States, cooperation agencies, NGOs etc.);
- Local governments of the South should promote action plans in their communities that are based on priorities defined in participatory planning processes, to favour **coordination and complementarity of action of different development actors**;
- **Decentralized cooperation actors should coordinate their interventions** to enhance the efficiency of their cooperation, avoiding duplication, overlap and fragmentation of development aid.

Box 6 – Coordination by the UCLG CIB Working Group

At the global level, through the UCLG Capacity and Institution Building (CIB) Working Group, member LGAs work to enhance program coherence and coordination, promote collaboration on policy analysis, share practical knowledge and lessons learned from the collective experience of northern and southern LGAs, and reduce administrative burden on local partners. Wherever feasible, they implement coordinated diagnostic assessments, planning,

information sharing, environmental impact assessments, and monitoring & evaluation missions.

Northern LGAs have organized joint regional workshops in the various regions in which they are working. This collaboration has facilitated the participation of a larger pool of LGAs from the regions and has engaged expert capacity building resources on various priority themes. Typically, these workshops are co-organized with the regional section (member) of UCLG in order to strengthen its capacity, increase its visibility as a provider of valued services to its members, and ensure longer-term sustainability.

Partners of the National Association of Communes and Sangkats (NLC/S) in Cambodia, such as FCM and VNG International, have also made a concerted effort to work with NLC/S in program coordination. Based on the strategic plan of NLC/S, the partners are providing technical assistance in areas of comparative expertise. For example, while VNG International is focusing its capacity building on member services and financial sustainability, FCM is helping to develop the systems, guidelines and tools to perform more effective communications and advocacy on behalf of the members of NLC/S. This has resulted in better coordinated, more efficient interventions that are characterized by strong ownership on the part of NLC/S.

For more information on the harmonization efforts carried out by the CIB Working Group, please see case study 1.

Source: case study 1

Example: Northern local government associations, cooperation funds and platforms are trying to improve coordination of decentralized cooperation efforts at the national level in conjunction with local government partners in the South, which are promoting participatory planning with international partners to define complementarities and a common approach. At the global level, through the UCLG Capacity and Institution Building (CIB) Working Group, member LGAs work to **enhance program coherence and coordination**, promote collaboration on policy analysis, share practical knowledge and

lessons learned from the collective experience of northern and southern LGAs, and reduce administrative burden on local partners. Wherever feasible, they will implement **coordinated diagnostic assessments**, planning, information sharing, environmental impact assessments, and monitoring & evaluation missions.

4.4 Managing for results – Decentralization and local development as components of good local governance should be expected results of development cooperation

- Local governments should advocate for local development and decentralization as important factors to achieve poverty reduction and the MDG targets;
- Local governments and development actors should have an enabling framework to develop, based on local plans defined in participatory processes, **harmonized results-oriented reporting**, and monitoring frameworks;
- Decentralized Cooperation can be **process or project oriented**, which contributes to long-term performance enhancements.

Example: LGAs are compiling a common set of result indicators that will make it easier to characterize and measure the development effectiveness of local governments.

4.5 Mutual Accountability - Strengthening transparency and accountability for development results

- Northern and southern local governments should work toward true co-management of MIC/ACB programs, holding each other **mutually accountable** for results of their cooperation through participatory approaches to planning and assessing progress in implementing country strategies and programs;

Box 7 – Mutual accountability in decentralized cooperation between Finland and South Africa

The Bojanala Platinum District Municipality (South Africa) and the City of Lahti (Finland) have been involved in a municipal partnership for several years to encourage and facilitate the building of environmental management that is adapted to local needs. The partners have emphasized participatory

approaches to cooperation, and in the spirit of mutual accountability, planning and monitoring is done together annually with the partners' local authority officers or elected representatives. Through a peer-review process, the development assistance has increased transparency and accountability in local government and has produced positive results in the area of environmental sustainability.

Source: case study 10

- Local governments should commit to **increasing the predictability, transparency and accountability** of development assistance for strengthening local governments.

Example: Through the CIB Working Group, northern and southern local government associations have agreed to work toward a **code of ethics** reinforcing mutual accountability and transparency to each other as partners, to their constituents and to donors.

5. Conclusions: Localizing the Aid Effectiveness Agenda

The challenges that lie ahead for local governments are many. Whether it is meeting the pressures of rapid urbanization, advancing decentralization or mobilizing the enormous investments required to finance local infrastructure, these are tasks that are beyond the means and scope of responsibilities of many local governments. Solutions to these challenges can only be found through a collaborative effort that involves all levels of government, the private sector, civil society and international funding organizations. Local governments are uniquely positioned to create the space for citizens and community leaders to participate in decision making as a way to strengthen local ownership in the development process.

An important first step to enable local governments to play this facilitating role is for national governments and donors to recognize them as key and legitimate agents of local development and welcome their participation in

development planning and policy discussions. Following the lobbying efforts of local governments in Europe, the European Commission is encouraging greater involvement of local governments in development cooperation, based on the realization that local governments are strategically positioned to contribute to reducing poverty and mainstream democratic governance¹⁸. Thanks to a sustained effort on the part of UCLG, local government has been invited to participate in the OECD/DAC Working Party on Aid Effectiveness and the United Nations Development Cooperation Forum. These policy forums will provide local governments with the opportunity to share their knowledge and experience in international development with other development practitioners and to demonstrate their value added as development actors. Through constructive engagement in these policy forums, local governments will be able to build valuable alliances with other stakeholders, strengthen their overall effectiveness as development actors.

While these accomplishments represent significant progress, it is not sufficient. It must also be accompanied by policies that strengthen political, administrative and fiscal decentralization that support the devolution of responsibilities, as well as the financial resources, to local governments so that they can play a leadership role in promoting development. The absence of a clear policy framework on decentralization can significantly impede inter-governmental cooperation and lead to a more fragmented approach to development. Local governments are on the front lines in combating many development challenges, yet in the majority of cases they are not involved in shaping development strategies. This must change if aid is to become truly effective.

Local governments are an important partner for national governments and donors and their collaboration is essential if countries hope to meet the Millennium Development Goals. Local governments occupy a critical niche in the development of a country. They deliver essential services which respond to basic human needs and they provide a vehicle to allow the collective concerns of a community to be heard and prioritized which makes for more inclusive and effective development. Empowering local governments to fulfill their potential as development actors and allocating the resources required to lead change and strengthen local governance must be given the priority it deserves by both national governments and international donors.

¹⁸ European Commission, Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions, *Local Authorities: Actors for Development*, Brussels, 2008, COM (2008) 626 Final.

Bibliography

Development Cooperation Directorate /OECD (March 2005),
Paris Declaration on Aid Effectiveness

European Centre for Development Policy Management
(January 2003), Sector-Wide Approaches and
Decentralisation: Strategies pulling in Opposite Directions?,
Kusumba, G. & Land, A.

European Commission, (2008), Communication from the
Commission to the Council, the European Parliament, the
European Economic and Social Committee and the
Committee of the Regions *Local Authorities: Actors for
Development*, Brussels, COM (2008) 626 Final

IDS (2004), Decentralisation and poverty reduction in
Africa: the politic of local central relations, Richard C.
Crook. *Public Administration and Development*, vol 23,
January 2004

IDS (2007), Decentralisation and Service Delivery: Lessons
from Sub-Saharan Africa, Diana Conyers. *IDS Bulletin* 38
(1)

OECD/DAC (August 2005), Baselines and Suggested Targets
for the 12 Indicators of Progress – Paris Declaration on Aid
Effectiveness, Paris

UCLG (2008), UCLG Policy Paper on Local Finances,
Barcelona



A Compilaton of Case Studies

Overview of Case Studies	28	8 Carbon Compensation Scheme with locally designed, owned and managed projects <i>Local Government Association and the Lancashire County Council (2009)</i>	49
1 The CIB Working Group: Harmonization of Municipal Development programmes <i>UCLG Capacity and Institution Building Working Group (2009)</i>	29	9 Municipal partnership between Herent (Flanders, Belgium) and Nimlaha'kok and Nimlasa'chal (Guatemala) promotes local ownership of development strategies <i>Association of Flemish Cities and Municipalities (2009)</i>	53
2 Tanzania's Health Basket Fund Improves District Level Health Service <i>Federation of Canadian Municipalities in collaboration with the Association of Local Authorities of Tanzania (2009)</i>	34	10 Building the capacity of the local environmental administration in Bojanala Platinum District Municipality, South Africa <i>Association of Finnish Local and Regional Authorities and the City of Lahti (2009)</i>	56
3 The Establishment of the Federation of Sri Lankan Local Government Authorities <i>Federation of Canadian Municipalities in collaboration with the Federation of Sri Lankan Local Government Authorities (2009)</i>	37	11 Incentivizing performance: the Bosnia and Herzegovina Beacon Scheme <i>Local Government Association (2008)</i>	59
4 The Local Government Association of Zambia's participation in the 10 th European Development Fund Programming <i>ACP Platform (2007)</i>	39	12 The Twinning Cooperation between the City of Liege (Wallonia, Belgium) and the City of Lubumbashi (Congo) <i>Union of Cities and Municipalities of Wallonia and the Association of the City and Municipalities of the Brussels-Capital Region (2008)</i>	61
5 Coordination and complementarities: Spain Uses Key Tools and Programmes to Achieve More Effective Aid <i>Spanish Federation of Municipalities and Provinces (2009)</i>	41	13 Urban Rehabilitation of the Al-Nasser District Gaza City, Occupied Palestinian Territories <i>City Council of Barcelona (2009)</i>	63
6 Harmonization of efforts to enlarge local tax base and improve municipal service delivery in Ghana <i>VNG International (2009)</i>	45		
7 Alignment in strategies for housing development in South Africa <i>VNG International (2009)</i>	47		

Overview of Case Studies

The case studies included in this compilation provide some illustrative examples of how the local government sector can contribute to the effectiveness of aid delivery. They explore how various interventions support or are consistent with the Paris Declaration principles of i) local *ownership* of development strategies; ii) *alignment* with national development strategies; iii) *harmonization* of development interventions; iv) managing for *results*; and v) *mutual accountability* and transparency.

The CIB Working Group: Harmonization of Municipal Development Programmes describes how professional practitioners of local government associations (LGAs) and individual local governments active in international cooperation are working to improve the quality, coordination and alignment of their development cooperation interventions.

Tanzania's Health Basket Fund Improves District Level Health Service illustrates how the implementation of a sector-wide approach to planning and management of the health sector in Tanzania, which has included a pooled fund from multiple donors, has improved district level health service and health outcomes.

The Establishment of the Federation of Sri Lankan Local Government Authorities demonstrates that development programming supporting the establishment of a national local government association in Sri Lanka has led to improved coordination of local governance interventions and has enabled local governments and their communities to exert a greater voice and ownership over their own development.

The Local Government Association of Zambia's Participation in the 10th EDF Programming illustrates the important role that a national local government association can play in ensuring that local level development priorities are incorporated into, and aligned with, country level development programming. It also highlights the essential support and coordinating role that regional local government networks play in ensuring that local governments access development funding and opportunities.

Coordination and Complementarities: Spain Uses Key Tools and Programmes to Achieve More Effective Aid describes how the Spanish Federation of Municipalities and Provinces (FEMP) and the Spanish Ministry of Foreign Affairs (in Spanish: MAEC) are collaborating to ensure that Spanish international cooperation in the local government sector is better coordinated and aligned with national level priorities in partner countries.

The last seven case studies explore the effectiveness of various development interventions led and implemented, and in many cases, funded by, local governments and local government associations. Local governments, through municipal international cooperation programmes and decentralized cooperation¹⁹, are playing an important role in the delivery of aid through peer-to-peer cooperation. Local governments and their associations mobilize community assets and significant resources that complement the financial contributions from donors. The delivery of these resources through programs and projects that are co-managed by southern and northern partners promote mutual accountability and enhance local capacity to plan, manage, implement and report on results. This set of case studies provides some examples of the results gleaned from such initiatives.

¹⁹ *Decentralized Cooperation* is used here to describe the publicly and privately funded aid provided by and through local authorities, local government associations, networks and other local actors.

1 The CIB Working Group: harmonization of municipal development programmes

Prepared by the UCLG Capacity and Institution Building Working Group, September 2009

The UCLG Capacity and Institution Building (CIB) Working Group gathers professional practitioners of Local Government Associations (LGAs) and individual local governments active in international cooperation, with the overall objective to improve the quality, coordination and alignment of their development cooperation interventions.

The UCLG CIB Working Group as a pool of information and expertise

The UCLG's Capacity and Institution Building (CIB) Working Group is the successor of the CIB Platform which existed for many years within the International Union of Local Authorities (IULA) as an informal gathering of staff members of local government associations (LGAs) involved in the field of municipal international cooperation (MIC) and association capacity building (ACB). In addition to information exchange, the CIB Platform undertook specific initiatives such as a World Bank-funded program supporting ACB in several countries. With the founding of UCLG in May 2004, the CIB was integrated into the structures of the new world organization, and its membership was expanded to also include staff members of international departments of cities active in international cooperation.

In 2007, the CIB members²⁰ decided to bring greater structure and rigor to the group's work in order to ensure concrete results and increased aid effectiveness through better harmonization of the initiatives of local governments and their national associations. Terms of reference and a three-year work plan were adopted, and a project officer position was established in UCLG's World Secretariat in Barcelona²¹.

²⁰ See annex 1

²¹ Funded by VNG International

²² <http://www.cities-localgovernments.org/cib>

The CIB set out to tackle four main areas: i) exchange of experiences, best practices and work methods; ii) program coordination to harmonize interventions and promote collaboration among LGA implementing agencies working in the same southern country or region; iii) preparation of technical papers to inform UCLG policy related to MIC and ACB and its advocacy with multilateral donor institutions; and iv) development of an international professional code for local government organizations involved in development cooperation.

Information sharing

In the Working Group's annual meetings, members noted that a lack of information on each other's work in municipal international cooperation (MIC) and association capacity building (ACB) had led to duplication or overlap in programming. For example, two or more northern LGAs would be working in a given country with a southern LGA partner on the same topic without even being aware of the other's work. This, of course, has led to inefficiencies such as separate workshops being organized with the same partners around the same dates.

As an important first step towards harmonization of efforts, a CIB website was designed to foster information exchange and to identify opportunities for collaboration²². The CIB website tracks "who is doing what and where" in terms of municipal development programmes (i.e. association capacity building, decentralized cooperation and municipal international cooperation) and maps the interventions of all CIB members and their main publications and tools. Within the website, a membership-only area has been created to enable online discussions and exchange of more sensitive documents: i.e. monitoring and evaluation tools, impact indicators, financial information and contact details.

Programme coordination – concrete examples

In addition to the regular exchange of information, the Working Group has selected five pilot countries in which CIB members have agreed to pay special attention to harmonizing their ACB and MIC programmes. In these countries (Mali, Ghana, Nicaragua, Burkina Faso and Zimbabwe), one CIB member together with the partner country LGA serves as the focal point for strengthening coordination and harmonization.²³ It was further agreed that the partners would work within programme coordination guidelines adopted by the CIB at its annual

meeting in July, 2008. These guidelines outline a continuum of options ranging from straightforward documentation and sharing of information on each other's programs, to eliminating overlaps, identifying concrete opportunities for collaboration, and organizing with the southern LGA partner a formal table for dialogue with donors and implementing organisations. This could lead to using the outcome of projects of one organisation as the starting point for the project of another organisation, pooling expertise and financial resources for the technical assistance offered to the partner organisation(s), pooling local human resources, co-organising of workshops, development of joint information material, joint approaches to donor organisations, and so on.

Program coordination in the five pilot countries begins with the identification of possible overlap or duplication of activities. The lead CIB partner, together with the partner country LGA, assembles information on ACB and MIC activities and identifies opportunities for collaboration. The objective of these exchanges, mainly through coordination sheets and regular contact, is to be able to pool expertise and financial resources for technical assistance, local human resources, and the co-organization of workshops.

For example, in Ghana, VNG International and the National Association of Local Authorities of Ghana (NALAG) undertook an analysis of current cooperation with northern partners. Upon learning of the multiple interventions related to waste management in Ghana, VNG International, the German aid agency GTZ, and NALAG have harmonized their efforts such that they are enlarging the local tax base, while improving municipal waste management services. (For more information see case study *Harmonization of efforts to enlarge local tax base and improve municipal service delivery in Ghana*, page 45)

23 i) Mali, Cites Unies France (CUF) /Association of Municipalities of Mali (AMM); ii) Ghana, VNG International./National Association of Local Authorities of Ghana (NALAG); iii) Nicaragua, Federation of Canadian Municipalities (FCM)/Association of Municipalities of Nicaragua (AMUNIC); iv) Burkina Faso, Union of Cities and Communes of Wallonia/ Association of Municipalities of Burkina Faso (AMBF); v) Zimbabwe, Local Government Association (England and Wales)/Urban Councils Association of Zimbabwe (UCAZ).

24 This workshop built on a similarly co-organized workshop with associations in Asia in Manila in May, 2008.

25 This paper will present the experience and expertise of local and regional governments in the area of decentralized cooperation and outline principles and guidelines for the international action of local governments and their associations in the field of development cooperation.

Coordination does not *only* occur within the selected pilot cases. The connections made between organizations through the CIB Working Group has enabled coordination to become more frequent and gives some inspiring examples of harmonization. VNG International and FCM have organized joint regional workshops in the various regions in which they are working. Typically, these are co-organized with the regional section of UCLG in order to strengthen its capacity, increase its visibility as a provider of valued services to its members, and ensure longer-term sustainability.

For example, in February 2009, FCM and VNG International co-organized with the Association of Cities of Vietnam (AVCN) and UCLG ASPAC the 3rd Asia Pacific Local Government Association Partners Workshop in Hanoi, Vietnam.²⁴ This collaboration facilitated the participation of a larger pool of LGAs (14 LGAs from the region) as well as engaged expert capacity building resources from the two northern partners on two themes: policy advocacy and financial sustainability planning.

In addition, CIB members have found opportunities to coordinate the planning of projects and programmes in non-pilot countries. For example, when FCM and VNG International learned that they both had a common partner in Cambodia, the National Association of Communes and Sangkats (NLC/S), they made a concerted effort to design projects in a coordinated way. The strategic plan of NLC/S was taken as the point of reference for design, with each organization providing technical assistance in areas of comparative expertise – i.e. VNG International on member services and financial sustainability and FCM on developing the systems, guidelines and tools to perform more effective communications and advocacy on behalf of its members. This has resulted in better coordinated, more efficient interventions by the two northern partners and greater ownership of the initiatives on the part of NLC/S.

Policy and advocacy

The CIB Working Group serves as a technical resource base for the political committees of UCLG on issues related to MIC and ACB, in particular the Committees on Decentralised Co-operation, City Diplomacy, and the Millennium Development Goals (MDGs). In this capacity, it has been supporting the development of three policy papers: (1) aid effectiveness and local government, (2) local government and development cooperation²⁵, and (3)

local government and economic stimulus²⁶. These papers are meant to inform the practice of UCLG members and provide a policy basis for dialogue with the international donor community and multilateral institutions.

The aid effectiveness paper is a good case in point. The 2005 *Paris Declaration on Aid Effectiveness*, signed by all OECD countries and endorsed by many developing countries, reflects a policy consensus that is shaping the way that donors define their priority sectors and focus countries, and select the mechanisms through which they deliver aid. Although potentially local governments are impacted significantly by this new approach to aid delivery, they were not included in these policy discussions.

Mandated by UCLG's Executive Bureau, the CIB Working Group in collaboration with the UCLG World Secretariat consulted UCLG members worldwide and developed a formal policy position for international advocacy as well as to build a common understanding and position among members. This position paper calls for the full acknowledgement of local and regional governments as development partners and outlines a number of policy recommendations directed to donors and central governments as well as to local governments and their associations on improving aid effectiveness.

The emerging local government position on aid effectiveness enabled UCLG to participate with an informed voice in multilateral discussions assessing progress on aid effectiveness, chiefly with the OECD/DAC (Working Party on Aid Effectiveness) and the United Nations Development Cooperation Forum (including parliamentarians, local governments and civil society).

Already we are beginning to see modest progress. For example, the Accra Agenda for Action (AAA), which was the result of the mid-term 3rd High Level Forum on Aid Effectiveness in Accra, Ghana (2-4 September 2008), includes explicit recognition of the role of local governments in the development of national development policies. The AAA also recognizes the need to support capacity building initiatives of local authorities and emphasizes the

²⁶ UCLG has collected case studies from its developing country network on the impact of the global financial crisis on local and regional governments. This paper will help support international advocacy, arguing for increased investment at the local level by national governments and international institutions (i.e. UN, financial institutions and development banks)

importance of local resources in the provision of technical cooperation. In recognition of the value-added brought by local governments to these policy discussions in Accra and New York, UCLG has been invited to become a permanent member of the OECD/DAC Working Party on Aid Effectiveness and it will also be working with the UN Development Cooperation Forum in an advisory capacity.

Challenges in Coordination

Even though work has progressed since 2007, the CIB members face significant challenges to ensure true harmonization of efforts. First of all, most northern LGAs receive funds for MIC and ACB programmes through their respective Ministries of Foreign Affairs or Agencies responsible for official development assistance. Due to the often rigid regulations that accompany these funds (i.e. specific reporting requirements, eligible thematic areas of focus, geographic concentration and types of capacity building assistance), it is not always possible to coordinate with other LGAs or to pool financial and human resources. This creates a gap between the enthusiasm of CIB members to coordinate and the reality of programming and contractual restrictions. It is therefore recommended that, in order to increase aid effectiveness, donors should allow for increased flexibility in the implementation of ODA programs delivered through LGAs.

Secondly, to ensure real ownership of the programmes, coordination of northern partner interventions should ideally be initiated and led by the southern partner LGAs and local governments. Clearly, a stronger southern LGA voice is needed at the CIB table, but additional financial resources are required to facilitate the participation of partner country/regional LGAs. It is important to raise donors' appreciation of the importance of providing funding for partner country participation in multilateral committees and forums addressing aid effectiveness.

Finally, CIB members themselves also need to invest greater efforts and resources in the sharing of information and program coordination. While LGAs in both the south and the north are growing in their understanding and appreciation of the principles of aid effectiveness, much more must be done to change entrenched approaches which lead to good results in the local-level projects but which often do not add up to broader sectoral and country-level impacts due to a lack of alignment with national development priorities and harmonization with the investments of other actors.

Much already has been done within the international local government family to work toward greater coherence in the implementation of MIC and ACB programmes. The CIB Working Group has been and continues to play a key role in the identification of overlap and opportunities for cooperation as well as in providing an opportunity for strengthening relations amongst its members. We must build on the modest but real successes to date through refining our coordination of development cooperation – including new tools and indicators to measure our work – in order to more successfully apply the principles of aid effectiveness.

*For more information, please contact the CIB Working Group Secretariat,
cib@cities-localgovernments.org*

Annex 1 – CIB Membership

Though there has never been a formal membership list, the following local government associations and individual cities are regularly participating with their staff members in the CIB meetings:

PRESIDENT	VNG International, the International Co-operation Agency of the Association of Netherlands Municipalities (VNG)
VICE-PRESIDENT	FCM International, Federation of Canadian Municipalities
<hr/>	
AFRICA	
Burkina Faso	Association of Municipalities of Burkina Faso (AMBF) City of Ouagadougou
Kenya	Association of Local Government Authorities of Kenya (ALGAK)
South Africa	South African Local Government Association (SALGA)
Zimbabwe	Urban Council Association of Zimbabwe (UCAZ)
<hr/>	
ASIA	UCLG Asia Pacific
Pakistan	Local Councils Association of the Punjab (LCAP)
South Korea	Korean Local Authorities Foundation for International Relations (KLAFIR)
<hr/>	
EUROPE	
Belgium	Council of European Municipalities and Regions (CEMR) Union of Cities and Municipalities of Wallonia (UVCW) Association of Flemish Cities and Municipalities (VVSG)
Denmark	Local Government Denmark (LGDK)
Finland	Association of Finnish Local and Regional Authorities (AFLRA)
France	Cités Unies France (CUF) City of Lyon Regional Council of Pays de la Loire
Italy	European Association of Communes, Provinces and Regions (AICCRE) City of Rome
Netherlands	VNG International (Chair)
Norway	Norwegian Association of Local and Regional Authorities (KS)
Spain	Andalusian Fund of Municipalities for International Solidarity (FAMSI) Catalan Fund of Cooperation and Development City of Barcelona Province of Barcelona Spanish Federation of Municipalities and Provinces (FEMP)
Sweden	SKL International Development Agency (SKL International) Swedish Association of Local Authorities and Regions (SALAR)
United Kingdom	Local Government Association (LGA)
<hr/>	
LATIN AMERICA	Latin American Federation of Cities, Municipalities and Associations (FLACMA)
Brazil	National Confederation of Municipalities (CNM)
Chile	Chilean Association of Municipalities (AChM) Municipality of El Bosque
Colombia	Federation of Colombian Municipalities (FCM)
Ecuador	Association of Ecuadorian Municipalities (AME)
Mexico	Association of Municipalities of Mexico (AMMAC)
<hr/>	
MIDDLE EAST-WEST ASIA	UCLG Middle East and West Asia
<hr/>	
NORTH AMERICA	
Canada	Federation of Canadian Municipalities (FCM)
United States of America	National League of Cities (NLC)

2 Tanzania's Health Basket Fund Improves District Level Health Service

Prepared by the Federation of Canadian Municipalities (FCM) in collaboration with the Association of Local Authorities of Tanzania (ALAT), September 2009

This case study illustrates how the implementation of a sector-wide approach to planning and management of the health sector in Tanzania, which has included a pooled fund from multiple donors, has improved district level health service and health outcomes. The case study draws heavily on the information found on the Tanzania Health Development Partners Group website.²⁷

Tanzania has developed a strong reputation for its good management of aid and investment in its healthcare system. Between 1990 and 2004, annual death rates in children under five in Tanzania fell by 40 percent and between 2000 and 2004 alone, by 24 per cent. An April 2008 study published in the British medical journal *The Lancet*²⁸ showed that if its trend of improved child survival is sustained, Tanzania could reach the fourth Millennium Development Goal (MDG) — a reduction of mortality in children under five by two-thirds, in the period between 1990 and 2015.

Much of the gains in health outcomes in Tanzania have been attributed to health system reforms that were initiated in 1999. The reforms feature a sector-wide approach (SWAP) for planning and managing resources in the sector, and include an agreement between the Government of Tanzania and international donors through which they pool their funds into what is commonly referred to as the *Health Basket Fund*.

Approach – How the Health Basket Fund Works

Since 2000, eleven Development Partners (Canada, Denmark, Germany, Ireland, Netherlands, Norway, One UN, Switzerland, UNFPA, UNICEF and World Bank) began pooling un-earmarked resources in support of Tanzania's Health Sector Strategic Plan (FY04-FY09) and its MKUKUTA (Poverty Reduction Strategy).²⁹ Creating a common fund for the health system represented an effort to harmonize development cooperation in the sector and remove distortions in sector allocation priorities, which would commonly occur before the reforms, when there were multiple distinct health interventions. The willingness to pool funds also demonstrated a commitment by both the international community and the Government of Tanzania (GOT) towards a more effective and efficient use of aid resources that is line with the Paris Declaration.³⁰

The Basket Fund mechanism has ensured that ownership of health sector planning and implementation rests with the GOT. Basket resources complement the GOT's own resources and are planned, budgeted and reported using Government procedures. While partners meet with the GOT on a regular basis to review progress through the semi-annual basket financing meetings and through the more general Sector Wide Approach meetings involving all stakeholders in the health sector, they do not engage in how such resources should be programmed. Their main interests lie in ensuring that funds are being targeted to the agreed priority interventions as elaborated in the Health Sector Strategic Plan and the poverty reduction strategy.

A central feature of the basket fund is that it places greater responsibility for and control of health service planning and delivery in the hands of regional and local governments, while ensuring that this planning is aligned with the national Health Sector Strategic Plan and the GOT's poverty reduction strategy. Responsibility for oversight and co-ordination of the implementation rests with the Ministry of Health and Social Welfare, in close collaboration with the Prime Minister's Office Regional Administration and Local Government. At the local level, the Councils and District Executive Directors are responsible for preparing the Comprehensive Council Health Plans and their subsequent implementation. The Ministry of Finance and the Ministry of Planning, Economy and Empowerment (now under one Ministry of Finance, Planning and Economic Empowerment) are

27 See Tanzania Health Development Partners Group website: <http://hdptz.esealtd.com/index.php?id=4>

28 Child survival gains in Tanzania: analysis of data from demographic and health surveys, *The Lancet*, Volume 371, Issue 9620, Pages 1276-1283, April 2008.

29 http://hdptz.esealtd.com/fileadmin/documents/Key_Sector_Documents/Induction_Pack/MKUKUTA_FINAL.pdf

30 <http://hdptz.esealtd.com/index.php?id=4>

responsible for allocating the annual financial ceilings, approving the plans, and releasing the resources on a regular basis to the health sector.

Between 2002 and 2007, the basket fund has channelled approximately USD \$234 million in support of the health sector, and has provided both recurrent budget support to Ministry of Health & Social Welfare headquarters as well as recurrent grants to Local Government Authorities. The fund has also supported day-to-day operations within the health sector and various projects within the development budget.

Between 1999 and 2004, public expenditure in health doubled and the sector was decentralized. The 'basket fund' has enabled resources to be redistributed in individual districts, providing additional funds per person. Some of the improvements have included increased coverage of key child-survival interventions, such as integrated management of childhood illness, insecticide-treated nets, vitamin A supplementation against blindness, oral rehydration therapy against diarrhea, immunization, and exclusive breastfeeding.³¹

Experts say the reforms have worked because they're based on an investment in health systems, instead of specific health intervention projects. According to the *Joint External Evaluation of the Health Sector, 2007*, "The Health Basket Fund has played a particularly important role in supporting the meaningful implementation of decentralization of responsibility for health services to Local Government Authorities." The *Evaluation* recommended that the basket fund and direct Government of Tanzania grants to councils for the operation of health services, based on a transparent resource allocation formula, should remain a feature of the sector during the next Health Sector Strategic Plan. In 2008, the Government of Tanzania and Development Partners subsequently signed a new Memorandum of Understanding for a Health Basket Fund.

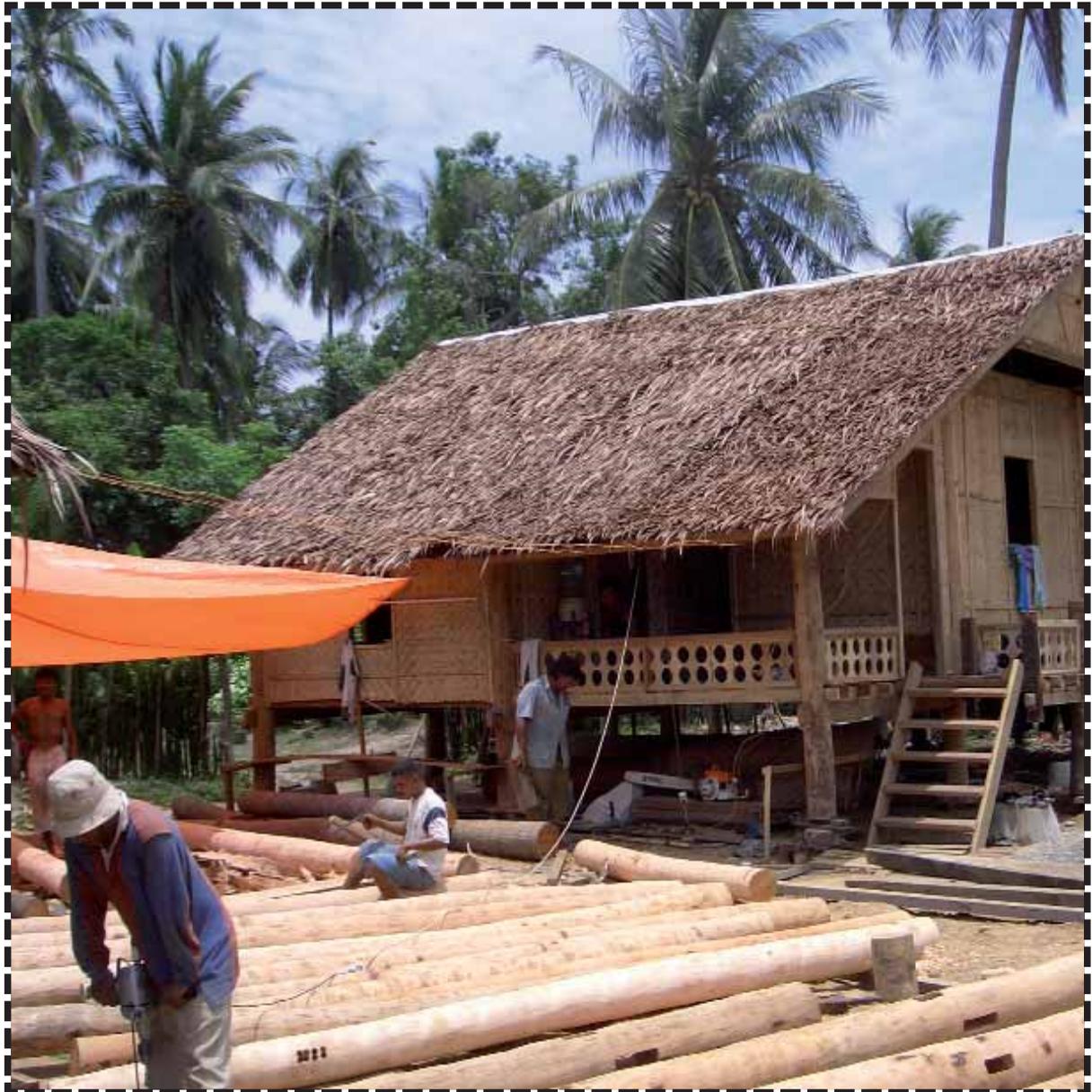
Currently, only a handful of countries request that donors give funds to their general budget rather than to specific

projects. Liz Mason, director of the Department of Child and Adolescent Health and Development at the WHO, said only 2% of donor money to maternal and child health is given in this way, even though Tanzania's success has shown that through this approach the authorities were able to secure a much more reliable source of support.³²

For more information, please contact ALAT, alat_tz@yahoo.com

31 Other determinants of child survival that are not related to the health system did not change between 1999 and 2004, except for a slow increase in the HIV/AIDS burden.

32 From April 21 2008 website article "Tanzania uses health funds well," [hc2d.co.uk](http://www.hc2d.co.uk), <http://www.hc2d.co.uk/content.php?contentId=6442>. hc2d aims to provide a single repository of healthcare news and comment from a wide range of news sources.



3 The Establishment of the Federation of Sri Lankan Local Government Authorities

Prepared by the Federation of Canadian Municipalities (FCM) in collaboration with the Federation of Sri Lankan Local Government Authorities (2009)

A case study of Aid Effective Programming in the Local Government Sector

This case study illustrates how programming that supported the establishment of a national local government association in Sri Lanka has resulted in improved coordination of local governance interventions and has enabled local governments and their communities to exert a greater voice and ownership over their own development.

Issue and Approach

In 2005, the Federation of Canadian Municipalities launched the Canada/Sri Lanka Municipal Cooperation Program (MCP) to support the reconstruction and rehabilitation of communities affected by the 2004 tsunami. While MCP focussed initially on strengthening municipal service delivery that was disrupted as a result of the tsunami, it also identified the need to bolster inter-governmental relations to enhance coordination, collaboration and communication among local, provincial and central governments involved in reconstruction, and to help ensure that donor aid would be well-targeted and more effective. With three local government associations operating in the project area, this proved extremely challenging, especially as there was no formal mechanism for them to communicate with each other. Recognizing the need for greater harmonization of activities at the local level, MCP launched a consultative process to explore how these three associations could evolve from being individual forums for discussion into one organization with a collective strategy for strengthening the voice and influence of local government at the national level.

Analysis

MCP provided a platform to bring together the National Chapter of Mayors, the Sri Lanka Pradeshiya Sabha (PS, or

rural local authority) Chairman's Association and the Urban Council Chairman's Association to exchange information and identify issues of common concern around which they could build a national association to represent local governments' interests and engage in policy dialogue with the central and provincial governments. This resulted in the creation of the Federation of Sri Lanka Local Government Authorities (FSLGA), which for the first time in the country's history brought all three tiers of local government together under one umbrella. "The local government association is an important structure to discuss common issues and concerns," said Chairman of the Niyugama PS and member of the Galle District Local Leaders Association Sampath Athukorola. "It helps us to access experience and knowledge from fellow members... The MCP model has been a good one because it's not about what MCP wants to do, but about the needs of the community."

The creation of the national association was complemented by the strengthening of local groups as well, which helped to build broad based ownership over development plans and programs. In the eastern district of Trincomalee, the Local Government Chairman's Association supported by MCP was able to work across the region's delicate ethnic and linguistic lines. An area often caught in the middle of Sri Lanka's 26-year civil war, the population is made up of Tamil and Sinhalese communities. Here, with the support of MCP, the local leaders set an ambitious target: to go beyond traditional party lines and build more inclusive strategies that respond to the needs and priorities articulated by the community. Destroyed by the tsunami and still rebuilding from the destruction left behind by the conflict, local leaders agreed that if they could take positions as one body instead of through disparate voices, it would enhance the transparency and accountability of the decision-making process which would give them greater legitimacy and influence in dealing with policy makers at the national level. This was a particularly attractive feature for the smaller, more rural local authorities with less power and resources.

"We were challenging the notion that when one Chairman says something that it's a party position, when normally it's not," said Adam Bawa Thawfeek, Vice Secretary of the Association and Chairman of PS Kuchcheveli. "With the Association, it's our common view. Now when we deal with other levels of government they can't dismiss it as being a party issue." Association Vice President and Chairman of PS Padavi-Sripura, MG Thilakarathne agrees: "We want to tell

the public that we're not about our language or religion: at the end of the day it's that we want to support our communities. As an Association we can have a stronger voice." Already the Association has advocated for and won seats on the District Development Council after years of trying to have the Council recognize the importance of local governments in the planning and implementation of development policies and programs.

Results and Lessons Learned

The FSLGA is possibly the only truly national forum in Sri Lanka that has brought local government voices together. There was historically very little eastern (or northern) participation in the associations, mainly due to language barriers (primarily Sinhala and Tamil, with Sinhala being the most widely spoken in the country). Through its inclusive governance structures, the FSLGA has membership from every province in the country, including the north. The Ministry of Local Government Affairs now seeks FSLGA's assistance in selecting representatives to sit on the national committees established for local government policy reforms, and the FSLGA is the sole association attending monthly coordination meetings at the Ministry of Local Government Affairs and Provincial Councils.

The FSLGA has also become a key focal point for coordination of aid in the local government sector in Sri Lanka, and serves as a hub of knowledge on local governance issues in Sri Lanka, housing and distributing a range of information and knowledge products. Since its establishment in 2007, the FSLGA has been approached by several organizations to partner on local governance strengthening in Sri Lanka:

- the Commonwealth Local Government Forum and United Nations-Habitat approached FSLGA to organize workshops and study visits to local authorities, recognizing that it was the best network to reach local authorities across the country;
- LirnAsia, a regional based organization supporting the establishment of regional solid waste management training centers and development of curriculum for solid waste management workers, identified FSLGA as the coordinating unit of local government in Sri Lanka. FSLGA will help identify local government innovations in solid waste management in Sri Lanka and will support national level knowledge sharing on the initiative;

- FSLGA is providing information and networking support to a professional women's volunteer group whose goal is to increase women's representation in local government in 2010; and
- VNG (the Association of Netherlands Municipalities) partnered with FSLGA to establish a young councillors national platform (launched in May 2009), for which FSLGA maintains a database.

As the above examples attest, FSLGA has become a key actor in reforming and strengthening the local government sector in Sri Lanka, and will likely play a leading role in ensuring that local government service provision and improved governance is on the agendas of provincial and central governments, and international assistance directed towards the country.

For more information about FCM's post-tsunami programming in Sri Lanka (2005-2009), please contact FCM at international@fcm.ca

For more information about the Federation of Sri Lankan Local Government Authorities, please contact FSLGA at fslga.srilanka@gmail.com

4 The Local Government Association of Zambia's participation in the 10th European Development Fund Programming

Prepared by the ACP Platform, September 2007

This case study illustrates the important role that a national local government association can play in ensuring that local level development priorities are incorporated into, and aligned with, country level development programming. It also highlights the essential support and coordinating role that regional local government networks play in ensuring that local governments access development funding and opportunities.

Background

The Cotonou Agreement, signed between the African Caribbean Pacific (ACP) states and the European Union in 2005, provides a framework for international cooperation between the parties. The European Development Fund (EDF) is the financial instrument of ACP-EU cooperation within the Cotonou Agreement framework. Each EDF covers a period of 5 or 6 years. The 10th EDF was under preparation until the end 2007 and will cover the 2008-2013 period. The preparation process started with the programming phase, in the course of 2006 and early 2007, which consisted of defining the strategies and programmes of ACP-EU cooperation in each ACP country. The programming phase is followed by the formulation, implementation and evaluation phases.

The revised text in the Cotonou Agreement clearly recognises local governments as key actors of development that should participate in all aspects of development cooperation, i.e. programming, formulation, implementation and evaluation of the ACP-EU cooperation programmes and policies.

Issue

The ACP Local Government Platform (ACPLGP) is an umbrella organisation established in 2001 by mayors and

representatives of existing local government associations across the ACP countries. Its mission is to promote ACP local government's role in the cooperation strategies and programmes supported under the Cotonou Agreement. The Platform plays three major roles for its members: representation and advocacy; information and network services; and technical support. Through its quarterly newsletter the Platform keeps ACP local governments informed of the evolution of the 10th EDF exercise and of any other opportunities for participation under other EU instruments.

In early 2006, at the beginning of the 10th EDF programming exercise, the ACP Local Government Platform (ACPLGP) advised ACP local governments to establish contacts with the National Authorising Officer (NAO) and the Delegation of the European Commission (EC) of their country in order to participate in the dialogue taking place in each ACP country, regarding the strategies and programmes of ACP-EU cooperation under the 10th EDF (2008-2013).

Following this Platform instruction, the Local Government Association of Zambia (LGAZ) sent a first letter to the NAO informing of their desire to participate in the programming process. They received a negative response explaining that despite the recognition of local governments as important actors in development, there existed no provision for them in the EDF.

LGAZ informed the ACP LG Platform about these developments. In its supporting role, the Platform contacted the EC headquarters (DG-Development and EuropeAid) and the ACP Secretariat, and took issue with the fact that although local governments are encouraged to be involved in the cooperation process, in practice they were being excluded from the process. The Platform then requested that the official parties instruct the NAOs/EC Delegations on the new provisions for local governments and send a strong political signal to the latter to change the situation.

The Zambian case rapidly became "the ACP LG case" and served as an example to other national associations of local governments to encourage them to undertake similar initiatives. While the Platform was dealing with the ACP-EU institution headquarters, the LGAZ sent a formal letter to the EC Delegation.

The fruit of the Platform's and LGAZ's efforts came a few weeks later when the LGAZ was formally invited by the EC Delegation to a first meeting with high level

representatives of the NAO and the Delegation. Various points were agreed upon during the meeting, of which the most important were: i) LGAZ will be involved in all future meetings of the 10th EDF programming; ii) consideration will be given to extending EDF support to local governments through the focal areas relating to district infrastructure and through the non focal sectors- agriculture and food security; iii) consideration will also be given to support selected urban local governments with respect to appropriate planning and upgrading of road infrastructure; iv) the EC will support good governance and in particular decentralisation and lastly, v) both parties agreed that the LGAZ will be supported in lobbying for increased allocation of budget resources to local government funds out of EU direct budget support.

Results and Lessons Learned

The LGAZ is now fully involved in all meetings related to the 10th EDF exercise. Its comments on the Country Strategy Paper have been taken into account in the finalisation of the document, and provisions have been made for local government priorities that are aligned with the strategy. Recently the LGAZ has been invited to another meeting with the Delegation to discuss possible specific areas of assistance they could benefit from in the decentralisation implementation process.

The LGAZ case has served as stimulus to other ACP LG national associations, which contacted the Platform in order to receive similar support. Some of them have started the process and are making progress in achieving similar results. For those national local government associations wishing to be involved in the ACP-EC cooperation processes, it is never too late to enter into contact with their respective NAO/Delegation.³³

For more information, please contact the ACP Platform at www.acplgp.net, platform@acplgp.net

³³ Useful information per country is available at http://www.acp-programming.eu/wcm/index.php?option=com_content&task=section&id=24&Itemid=177

5 Coordination and complementarities: Spain Uses Key Tools and Programmes to Achieve More Effective Aid

Prepared by the Spanish Federation of Municipalities and Provinces (FEMP), September 2009

The principle of harmonization addressed in the Paris Declaration on Aid Effectiveness (2005) states that in order to improve the coherence and therefore the effectiveness of development policies, it is necessary for the stakeholders involved to work in a more coordinated way. Such coordination concerns both stakeholders from donor countries and stakeholders from partner countries and it requires, above all, the sharing of information and knowledge to achieve complementarity and to avoid duplication of tasks.

Being aware that the plurality of cooperation stakeholders (a distinctive characteristic of the Spanish ODA) requires a real joint effort, the Spanish Federation of Municipalities and Provinces (in Spanish: FEMP) maintains an agreement with the Spanish Ministry of Foreign Affairs and Cooperation (in Spanish: MAEC). The aim of the agreement is i) to reinforce the cooperation structures of local authorities, and ii) to improve the mechanisms of shared information, as well as iii) to develop joint programmes with the Spanish public administrations involved in development cooperation –like the new *Municipia* programme– to achieve practical results in terms of coordination, ownership and alignment. From data collection of the local ODA (a key element in coordination), cooperation at multiple levels and, ultimately, policies coordination and field action are made possible.

Background

Development cooperation of Spanish local authorities is a phenomenon characterized by a remarkable dynamism, due

34 AECID is the management organ of Spanish international cooperation policy and it is attached to the Ministry of Foreign Affairs and Cooperation through the State Secretary for International Cooperation (SECI).

not only to the volume of funds, but also to the high number of interventions (mainly supported by the local budget). In the 1980s, public local decentralized cooperation was born through the creation of stable solidarity links of Spanish City and Provincial Councils (*Ayuntamientos* and *Diputaciones*) with municipalities from the South (sometimes through twinning). In the 1990s, decentralized cooperation increased through cooperation with civil society, represented by NGOs. It was at this time, when an important number of City Councils answered the NGOs' demand to commit to allocating 0.7% of their own budget to cooperation actions.

Spanish development cooperation therefore disposes of a large experience in supporting the processes of capacity building of local governments from the South; City and Provincial Councils have developed many programmes in which they have shared their experience and specific knowledge of the last 30 years in promoting local autonomy. In Latin America in particular, there is a very positive influence of local cooperation on the decentralization processes, the strengthening of local administrations and the support to managing the powers and responsibilities that correspond to the local level. This is one of FEMP's cooperation aims: to promote the involvement of local governments.

Representing Spanish local authorities, the Spanish Federation of Municipalities and Provinces (FEMP) soon received demands from the City Councils involved in development cooperation and, as early as 1989, celebrated its first meeting on local development cooperation. During the 1990s, FEMP strengthened its work as a space for debate and representation of local solidarity and in 1999 created the Committee on Development Cooperation (composed of 25 local authorities). Among the objectives of this Committee the promotion of information coordination, the elaboration of analysis and studies about the focal areas of local aid, and the encouragement of harmonization to reach more effective aid, should be highlighted.

In the same decade, in the framework of various agreements with the Spanish Agency for International Development Cooperation (in Spanish: AECID³⁴), FEMP developed data collection systems which allowed FEMP to provide information on local ODA, as well as to analyze the focus areas of local solidarity. This work stream was reinforced from 2005 with the signature of a specific agreement between MAEC and FEMP "in favour of

strengthening the structures for cooperation of local authorities and the mechanisms of mutual information”.

At the same time, due to the high number of cooperation initiatives to strengthen local administrations, it became necessary to articulate innovative formulas for greater aid effectiveness on Spanish state level, in line with the aid effectiveness principles. So that, with the aim of promoting, coordinating and facilitating the efforts of the Spanish cooperation in this field, the Spanish central government and local authorities agreed in 2007 to launch the *Municipia* programme. AECID, the Ministry of Public Administrations (in Spanish: MAP), the FEMP and the Confederation of Cooperation and Solidarity Funds (in Spanish: CONFOCOS)³⁵ are part of this programme.

According to the constitutive declaration of the programme, “*Municipia* is an initiative to coordinate the efforts of different stakeholders of Spanish cooperation in order to encourage and strengthen the local world and the municipal processes in every country where cooperation is being carried out”. The programme aims at creating space for shared action that allows public Spanish cooperation stakeholders (both central and decentralized) to set up a municipal cooperation project in developing countries.

Both the data *collection agreement* and the *Municipia* initiative demonstrate important steps forward in aligning with the Paris Declaration principles; achieving real coordination, more information sharing and knowledge exchange among local public administrations, as well as a better link between these efforts and the state level cooperation.

Approach

i) Data collection results

As a result of the agreement with MAEC, FEMP collects the information concerning local authorities’ ODA on an annual basis. Among the results of this collection, the following can be emphasized:

- *Data of the local ODA*: Local cooperation is appropriately illustrated in the planning and

evaluation documents of the Spanish cooperation and in the information sent to the Committee on Development Cooperation. According to the latest data, the ODA of Spanish local authorities in 2008 reached the amount of 148 million Euros.

- *Study on local cooperation*: The reports prepared by FEMP which analyze the data of the collected information provide a description of the main characteristics of local government development cooperation (targeted sectors, partner countries, management modalities, etc.). In accordance with the 2007 information, 19% of the funds were dedicated to interventions in Education, 16% to Health and reproductive health, 15% to Government and civil society and 7% to Water and drainage. Geographically speaking, 58% of the aid focuses on Latin America, followed by Sub-Saharan Africa (15%) and Maghreb, Near and Middle East (11%). Peru, Nicaragua, Ecuador, Bolivia and El Salvador are, in this order, the five main receiving countries.
- *On-line platform*: From the collected information, FEMP developed an on-line application that aims at being a key space to favour local aid coordination. In this platform, which will be available during the fall of 2009, information can be found on more than 15,000 contributions from Spanish local authorities to cooperation projects (information from 2005-2008). Therefore the platform works as an organized catalogue of projects and allows local public administrations to contact one another to exchange information, complement activities and develop initiatives of mutual interest. The platform gives visibility to the local ODA and stands as an information reference for the entirety of the cooperation stakeholders.
- *Network*: As a transversal result, the information sharing enables the exchange of knowledge and cooperation initiatives and it facilitates the development of common action strategies and complementary activities.

ii) *Municipia* programme in relation with the Paris Declaration principles

The main guidelines for the *Municipia*’s projects are directly linked to the principles of the *Paris Declaration* on aid effectiveness and, in particular, to the principles of ownership and alignment. The programme supports projects that strengthen decentralization processes that focus on capacity development of local public administrations to improve basic local service delivery. The methodology used

³⁵ CONFOCOS is the entity that gathers part of the Local Funds for Cooperation, which themselves reunite City Councils and other entities with the aim of creating an economic fund contribution to the development of developing countries.

is directly related to the principles of mutual accountability and managing for results. Hence, amongst the steps taken so far, the following points are worth mentioning:

- *Debate and coordination in the donor country.* Various meetings have been held in order to compile experiences and to define common priorities between local authorities and the central government regarding international cooperation.
- *Diagnostic work and field planning with local partners.* Regional and/or national meetings have taken place, with the participation of stakeholders, local partners and the Spanish cooperation agency, about the working method. These meetings try to bring about a fluid dialogue between the Spanish public administrations and the local ones in order to appropriately focus the aid destined to local government capacity building. The criteria of alignment and ownership articulate this diagnostic work and planning.
- *Development of projects within a joint action strategy.* Once the action strategy of projects is defined and agreed upon by the local partners, the latter are the ones who take the lead in the implementation of the funded interventions.

The programme focuses specifically on the local sphere, but offers a double level of extensive reach (which can be extrapolated): i) it favours the development of a joint strategy of Spanish public administrations active in this field; ii) it sets out a policy exchange with partner countries which should channel the aid destined to local governance.

Levels of coordination and harmonization

The data collection and the programme *Municipia* show that coordinating information is crucial for building broader coordination. This is why it is necessary to distinguish the distinct stages of coordination:

- *Information coordination*, as a basic tool to define the orientation of aid, avoiding repetitions and adopting potential agreements of common action.
- *Coordination of tools through harmonization of criteria*, as a mechanism to optimize procedures of concession and management of aid as well as of follow-up of projects and actions.
- *Policy coordination*, as a space for debate and

definition of strategies in favour of complementarities of the interventions.

- *Action coordination*, as a working method to foster efficient field collaboration between development cooperation stakeholders and mutual reinforcement of their specific roles.

Conclusion

Coordination can be understood as a complex process that makes progress towards harmonization in terms of the design of programmes, and therefore towards aid effectiveness, possible. The *Municipia* programme demonstrates the possibility of better policy coordination of the Spanish cooperation initiatives destined to the local governance sector.

Among the lessons learnt as a result of the data collection tools and the programme, the following can be underlined:

- Coordination processes, when aiming at achieving practical and comparable results, are complex and require the forecast of adequate resources.
- Respecting the singularity of each and every one of the stakeholders and of the specific role they may develop is a key factor for coordination processes to favour the enrichment of the collective action.
- In no case should harmonization of interventions lead to a homogenization of methods nor to a uniformity of contents. It is necessary to safeguard the plurality of stakeholders.
- It is essential to provide stakeholders with useful tools that give proof of the benefits of working jointly.

It is still premature to evaluate the results of the *Municipia* programme in the field, but a notable improvement can be found in the communication and dialogue channels of the various actors.

*For more information, please contact FEMP
internacional@femp.es*



6 Harmonization of efforts to enlarge local tax base and improve municipal service delivery in Ghana

Prepared by VNG International, the International Cooperation Agency of the Association of Netherlands Municipalities (VNG), September 2009

Four District Assemblies in Ghana have a longstanding relation with four local governments in the Netherlands. Since 2005 they have all targeted one issue: to implement a district database system (DDS) allowing the districts to install fee collection, and revenue raising mechanisms for the refuse removal implemented by the Districts. Street mapping and street naming and sensitization of the public are essential steps before a fee collection system can run effectively. In this regard harmonization of efforts of GTZ, the local governments involved and VNG International took place.

Issue and approach

Waste collection is one of the main issues and duties of District Assemblies in Ghana. Large parts of the budget are dedicated to refuse removal. Despite the many donor projects over many years, collecting waste is still a struggle for the Districts. The silent witnesses of the donor interventions can be seen in the waste management departments of the Districts: abandoned, rusty trucks without tires, motor blocks and other essential parts. For the Districts the situation is very clear: equipment is not the main concern, budget to make the system of refuse collection operational, day in and day out, that is the actual challenge. A steady income is needed to run the system and to be sustainable.

For this reason, the Districts involved and the association of local governments in Ghana, NALAG, decided in 2004 to work towards the introduction of fee collection for refuse removal. Payment for waste collection is a system in itself that is sustainable when run properly. The local government partners in the Netherlands were part of the decision making process to prioritize this issue in their decentralized cooperation with Ghana.

Within the capacity development program LOGO South of VNG International, the project related to the introduction of a fee collection system for refuse removal began in 2005 and will run until 2011. The general purpose of LOGO South is to strengthen local governments in developing countries and their enabling institutions, which include local government associations, training institutions for local government, but also national ministries of local government and trade unions for local government employees. The capacity development approach distinguishes three levels: the individual level, the institutional level and the system level. At the first level local government officials and politicians are addressed. The institutional level targets a local government department or a full council. The system level includes all local governments, but also local government associations, a ministry for local government, training institutions for local government etc.

It is obvious that a fee collection system will not work without proper preparation. Waste management plans should be in place in District Assemblies. Information should be available where people live and what amount of refuse can be expected, mapping of the areas to be served needs to be finalised, and last but not least, the public should be sensitized on the issue of payment of fee for the collection of waste. Four Districts in Ghana are involved in this process: Kumasi Municipal Assembly, Komenda-Edina-Eguafo-Abrem District Assembly, Kadjebi District Assembly and Twifo Hemang Lower Denkyira District Assembly. They are – for many years already– twinned to the Dutch local governments Almere, Gouda, Kaag en Braassem and Wormerland respectively and financially supported by VNG International.

In the implementation of the fee collection system, the installation of a District Database System is essential to ensure the success of the fee collection. The German development organization GTZ supports a project to install the Database System throughout Ghana. In close cooperation with NALAG, VNG International and the four Districts involved, the District Data System is in the process of installation in an earlier stage than planned. There has been regular exchange and discussions between the four participating Districts, NALAG and representatives at the National level on service provision and revenue raising mechanisms by Districts. It has proved to be a fruitful cooperation between Donors and participating Districts, including the local government association NALAG.

Analysis

The harmonization of the GTZ support to the District Database System and the capacity development program for the introduction of a fee collection system met each other by putting time schedules together. The District Database System could profit from the capacity development program because the system was put in practice immediately. The capacity development program gained from the District Database System because structured information could be made available. Although the harmonization of donor efforts went very well, more steps need to be taken before a fee collection system can be operational. As said before, first of all, a waste management plan is needed. Three of the participating Assemblies have Waste Management Plans but the fee-based collection systems are not in operation. The challenge is to make waste management sustainable by introducing a fee collection system in the districts to maintain the collection. A good start has been made by designing the basics for the District Database System and by creating awareness of the broader public about the need to pay for the services received. Sensitization trainings have taken place for politicians and local staff of the four districts, though more awareness needs to be raised to cover a larger community, including members of the urban/town councils, unit committees, chiefs and opinion leaders, market women and other stakeholders. These sensitization trainings will focus on the implementation of the District Database System in the coming years.

As the work progresses it is becoming clear that there are many obstacles to be overcome as it is a new system to Ghana which makes it necessary to provide additional training to the municipalities on the details of the system. But above all the introduction of a fee collection system needs political courage. This needs attention too.

Results and lessons learned

Three of the participating Assemblies have Waste Management Plans in place. Procedures, checks and balances as well as job descriptions are in place at the local level to make an effective functioning of the waste management and fee collection. Assemblies are also passing by-laws to make it unattractive for people to default in the payment of fees. Street mapping and street naming as a result of this, is taking place. Awareness raising is still in progress, but the fee collection is not in

operation yet. More time is needed– to reach the result desired– and this is available; the program comes to an end by 2011. Nevertheless, by now NALAG already has gained further knowledge on waste management practices, fee collection, and revenue raising mechanisms and shares them with other Districts. It is envisioned the results and lessons learned will be disseminated to all Districts Assemblies in Ghana; a role that will be taken up by NALAG.

For more information, please contact VNG International, vng-international@vng.nl

7 Alignment in strategies for housing development in South Africa

Prepared by VNG International, the International Cooperation Agency of the Association of Netherlands Municipalities (VNG), September 2009

This case study illustrates how the VNG International programme LOGO South has served to align local level development programming related to housing with national housing development strategies in South Africa.

As part of the housing development strategy of the South African government, social housing was one of the areas that needed attention. Social housing is a new concept in the South African context, but far from new in the Netherlands. It is a form of rental housing in which the owner of the houses is a not for profit organization. Through VNG's LOGO South Programme, eight different city twinnings are addressing the issue of social housing in projects that started in 2005/2006 and will end by 2011. As a first step, the projects aim to elaborate a draft of local housing strategies and policies. Support is also given to Social Housing Institutions that play a pivotal role in the South African social housing strategy. Since the projects started, new legislation has been drafted and adopted, local housing policies have been adopted by local councils and practical implementation will take place in the coming years.

Issue

The housing back log in South Africa is very high and ever increasing. Over ten years the national government targets to build millions of houses in towns and cities. Social housing policy is one of the several strategies that are being developed. The aim is that 10% of the housing market will be covered by social housing. Although home ownership is very common and desired by those who do not own a house, there is a need for rental houses that are affordable. Social Housing institutions rent houses out and take care of the maintenance on a non-profit basis. In urbanized areas in particular there is a need for rental houses to be occupied for some years by renters. The renting of the housing units acts as a tool for local area

improvement and for regeneration of inner city areas. The housing stock is principally made up of converted flats and in-fill developments.

The concept of rental or social housing is very new to South Africa. Renting is not common and the experiences with rental housing are mostly negative. The willingness to pay rent is very low. In this challenging context eight local governments in South Africa worked together with their counterpart local governments in the Netherlands to make this concept work in practice. At the national level the South African Local Government Association (SALGA) works together with VNG International, the international cooperation agency of the Association of Netherlands Municipalities (VNG).

A very practical toolkit on Social Housing Policy was developed by SALGA with assistance of VNG International. The first edition was presented in 2005 and in 2007 a second edition was required due to the significantly changed policy context. The toolkit provides the local governments in South Africa with a very practical outline on how to set up a local social housing policy, how to make a needs analysis and how to identify the stakeholders.

Approach

The eight local governments involved in South Africa and the Netherlands made use of the capacity development programme LOGO South. The purpose of this programme is to strengthen not only local governments but also what is called the local government sector that includes local government associations (SALGA), as well as national ministries involved (the National Department of Human Settlements) and other institutions (Social Housing Institutions at the local level and the national body called Social Housing Institution). In the LOGO South programme, capacity development is addressed at three levels (individual, institutional and system level) by determining one main issue that shapes the framework for several city to city cooperations. For South Africa this issue is social or rental housing. The decision to take up this topic was defined in a participative manner by all involved local governments in South Africa and the Netherlands in 2004, including also national based organisations like SALGA. During the implementation, this theme focus allows exchanges of experiences among the stakeholders involved and dissemination of results to others. Several times a year, meetings of the South African local governments are

planned, as is the case in the Netherlands. Common challenges are addressed at a national level, for instance how to set up a housing institution as a public limited company, which is called a municipal entity in South Africa. A major challenge arose in the lack of power that was felt at the local level. In 2009, SALGA developed a position paper to advocate for the transfer of more powers to local governments in housing policy.

The eight projects dealing with social housing development in South Africa all fit into the national strategy in South Africa in trying to overcome the huge housing back log. At the local level experiences started with the implementation of the national policy. The toolkit for social housing played an important role in addressing the issue and to guide local governments in policy making. LOGO South made it possible that over 50 experts from the Netherlands contributed to the capacity development of their colleagues in South African cities. Exchanges took place between the local governments involved in both countries to make the contribution to capacity development more effective. The national framework and legislation was considered incomplete by the local governments in South Africa and the national association SALGA.

A concrete example

The position paper SALGA produced was based on the experiences of local governments on the ground. The following example of one of the eight local government projects provides insight into the results and lessons learned from the programme.

The local governments of Govan Mbeki Municipality in South Africa and the municipality of Vlissingen in the Netherlands have a twinning relation since 2000. An important part of the relationship is the LOGO South project 'Increase of living environment and spatial planning' that targets structured plans for different parts of the Govan Mbeki Municipality, reconverting hostel dwelling in upgraded family units and the establishment of a Social Housing Institution that delivers and maintains houses. Starting in 2005, –a year before the actual project started– in an open discussion on motives and objectives, a joint analysis of the local housing situation was realized. A clear strategy was discussed before talks on cooperation in the framework of the project started. The defined purpose and results were shared by both parties. Every step in the implementation has been taken together. Every visit of Vlissingen to Govan Mbeki Municipality or vice

versa is based on a Terms of Reference that had an input from both sides. Reviews of the previous visit take place at the beginning of the next visit. Reports are being written – and eventually these are being discussed. Reviews of the implementation are held once a year; a list of attention points to be addressed is drafted afterwards.

The outcome is that a structured plan has been developed with support of staff from Vlissingen. Staff of the Govan Mbeki Municipality is now able to draft spatial plans independently. A housing institution was set up – again with support of Vlissingen. Hostel dwellings were converted and upgraded into family units. Over one hundred houses are being built in 2009 for high and low income groups. Through a process of cross subsidizing, the high income groups pay indirectly for the low rent of the low income groups.

Conclusion

Not all projects have been comparably successful. Some failed even, notwithstanding the efforts that were made at both sides. External factors have had a negative influence. For example, staff turnover is a major challenge for local governments in South Africa and have meant that capacity development efforts have not been successful in some cases. In addition, political support for social housing developments is very much needed, but not always present.

Out of this practical experience and the experiences of other local governments SALGA drafted its position paper, because the national framework and legislation was considered incomplete. SALGA's contributions to the national strategy were made to give shape to the policy and change it. In this way the circle becomes closed again: starting from the national strategy, through the local government experience, and based on that back to a contribution to the necessary change of the national strategy. The local level interventions and technical assistance provided have been an important factor in the development of a relevant and appropriate national strategy, and the role of local government has become more prominent and will continue to be so in the future.

For more information, please contact VNG International, vng-international@vng.nl

8 Carbon Compensation Scheme with locally designed, owned and managed projects

Prepared by the Local Government Association (LGA) and the Lancashire County Council, September 2009

Local and regional governments face increasing risks, brought about by the effects of climate change. Disaster risk management, energy efficiency incentives and urban adaptation measures feature among the responses that cities big and small, from the North and the South, will need to plan for. There is increasing evidence that well-designed and well-governed cities can lead the way in the implementation of climate strategies, including mitigation and adaptation efforts. Climate change strategies will need to take into account development needs and turn developing country mitigation actions into something that both serves and boosts their long-term economic development goals. Local action will be instrumental to achieving concrete results.

This case study illustrates how decentralized cooperation is producing positive and concrete sustainable development results. A partnership between two municipalities has brought local governments and their communities together to simultaneously bolster local economic development, improve municipal service delivery and deal with local challenges associated with climate change.

Background

Connections were established between the Lancashire County Council, UK and Gulu Municipal Council, Uganda fifteen years ago, when they began cooperating on Local Agenda 21³⁶ issues. In 1997, the Councils devolved responsibility to two community-based charities (the Lancashire-Gulu LA21 Link, and the Gulu Link Association), which represent a wide range of community interests. Both

³⁶ Agenda 21 is a comprehensive blueprint of action to be taken globally, nationally and locally by organizations of the UN, governments, and major groups in every area in which humans impact on the environment.

Councils have maintained their involvement as major partners via representation on their respective charity, and continue to play a key role by offering financial support, expertise, advice and facilitation.

This case study explores the results of the four partners' project Climate Change Compensation & Resilience allied to Community Reconstruction. The Gulu Carbon Compensation Scheme is the latest, and one of the most successful "Link" collaborations, where the Links' role is to foster and support collaboration between groups on mutually-beneficial actions that will further advance sustainable development in Gulu and Lancashire. To encourage this, both Links engage with local people and organizations, raise resources, offer advice, provide training, and organize exchange visits that will facilitate small-scale projects, self-help, the exchange of ideas, the sharing of experiences, and the raising of awareness about the common interest we all have in working together for a more sustainable future. Previous collaborations have included projects between schools, groups of disadvantaged youths, elderly people, technical experts and community artists.

Project Aims: the Gulu Carbon Compensation Scheme

The Climate Compensation Scheme (CCS) was set up in 2008 as a four-way partnership between the two Links and the two Councils. At its core is the premise that Lancastrians can compensate for some of their carbon emissions by helping those most affected to deal better with the consequences of climate change. Lancashire does this by supporting practical, small-scale, locally-determined and managed projects in Gulu, Uganda that will make it easier for local residents to deal with climate change. Added value accrues from designing projects that bring wider social, economic and environmental benefits.

Climate change is having a big impact on Northern Uganda. The CCS comprises a set of projects drawn up through a consultative and participatory process, and designed to assist people in Gulu district adapt to and mitigate the future impacts of climate change. These projects also bring considerable added value and benefits in terms of improving the environment, boosting the economy and increasing opportunities for social cohesion at a time when Gulu district is emerging from two decades of armed conflicts.

Funding

To get the Scheme started, Lancashire County Council has

provided £47,000, spread over three years, as part of its Climate Change Programme³⁷, which is transferred to a dedicated CCS account managed by Gulu Municipal Council. With low administrative costs, most of the budget is spent directly on projects.

Other Support

Other support comes in-kind from Scheme partners. Gulu Municipal council provides a dedicated Environment Officer to oversee the management of the Scheme. The council involves local groups and schools and applies lessons learned to other council services. Gulu Link members are responsible for choosing and carrying out the projects, as well as promoting to the wider community.

In Lancashire, the council also provides technical advice on climate change issues and, like Gulu, promotes the Scheme in schools. They are also looking at applying other council skills to develop the Scheme. Lancashire Link provides voluntary project and annual monitoring support to Gulu. The Lancashire partners jointly promote the Scheme around Lancashire and the UK and are currently exploring opportunities for raising extra money to place the CCS on a longer-term footing.

The Project

The CCS was launched in Preston (Lancashire, United Kingdom), in June 2008, when all four partners signed a Partnership Agreement. The delegation from Gulu then undertook a study programme, which included visits across Lancashire to recycling companies, charities, bee-keeping groups, a bio-diesel manufacturer, wetlands, youth groups, schools, forestry sites, agricultural colleges, cultural and community groups and the County Council.

There are six projects in the initial phase. All developed in discussion with local people to ensure that each project meets CCS criteria, as well as local needs and priorities. Each also fosters community participation and helps local groups to work together for mutual benefit.

1. Integrated Wetland Conservation and Management

Gulu's four major wetlands are important for regulating water supplies, biodiversity, and environmental goods, like

fish, papyrus and brick-making clay. They are, however, largely unmanaged and unprotected. The introduction of a community wetland management system aims to prevent floods; combat drought; conserve water supply; improve food security; prevent malnutrition; raise incomes; preserve habitats and endangered species; increase above-ground biomass and carbon storage capacity.

2. Bio-diesel Production

Jatropha curcas grows abundantly in the wild. Generally regarded as a weed, it is often uprooted and burnt, causing deforestation. This project explores the potential for small-scale enterprises to convert *Jatropha* seeds into bio-diesel for powering electricity generators and agro-processing machinery in an area where only 6% of households have access to electricity. In addition, the project helps to maintain vegetation cover to prevent soil erosion and landslides; prevent desertification by preserving the forest canopy; increase carbon absorption; protect biodiversity, because *Jatropha* will become a valued raw material; increase household incomes and employment and raise environmental awareness.

3. Smallholder Timber Plantations

Locally produced timber is a vital resource for building, fuel and other industry. Tree planting also brings benefits such as increased carbon storage; shelter from wind and shade for people, livestock and other crops; wildlife habitats and forage for bees; improvement of the traditional landscapes; control and prevention of wind erosion. A minimum of 100 hectares of small-holder timber plantations will be planted a year, growing high-value, indigenous, endangered species like mahogany, teak, umbrella and shea butter trees. Activities include: free tree seedlings for schools, farmers and community groups; technical support for those who wish to establish plantations; training in agro-forestry practices & plantation management; and raising awareness about the environment and climate change.

4. Integrated Bee Keeping

Honey is a locally valuable source of naturally occurring food and raw material. This project aims to improve the livelihoods of local communities by promoting modern beekeeping practices as a viable conservation business enterprise. This will generate income while ensuring the sustainable use of the natural forest ecosystem, which regenerated during the civil war. This project will help communities ensure food security, currently threatened by the extinction of pollinator species due to climate change.

³⁷ Lancashire's CCCP is a £multi-million action programme to reduce emissions in the County at source. The Council sees the CCS as a small recognition of the wider implications of these emissions.

5. Agro-Forestry and Organic Farming

Nearly all of the food and timber crops grown in Gulu are consumed or used locally. Climate change threatens traditional farming techniques, upon which people's livelihoods depend. Farmers are helped to boost timber and food production through affordable organic farming techniques, including the use of organic manure & natural pesticides to protect crops from new pests resulting from climate change.

The project will improve crop vigour and pest resistance; raise soil carbon content; increase carbon storage; spread awareness of how organic farming helps to conserve soil and water; increase community involvement; improve nutrition and public health; improve food security; and enhance rural livelihoods.

6. Community Recycling and Reuse

Gulu has very basic waste management facilities. What little is collected is burned at a single site on the edge of town. There is a considerable fly-tipping causing public health and pollution hazard. The project is part of a larger Council effort to introduce a waste management system, based on collecting and sorting domestic and business waste at source. This includes: sensitizing communities on waste sorting, maintaining hygiene and preventing pollution; training community groups to recycle plastic waste into saleable products like handicraft chairs and hand-made ceiling boards; recycling organic waste into compost manure; buying waste collection vehicles; introducing bye-laws to prosecute improper waste disposal.

The project will help to lower carbon and methane emissions created by garbage burning and landfill; prevent town-centre flooding with less waste blocking storm drains; improve soil water retention and plant growth, to offset increased water stress due to climate change; create cleaner public areas; improve public health and hygiene; raise community awareness about waste issues and composting; increase re-use and recycling; create income from recycled plastic goods; increase food production and security.

Working together with Community Groups

"Involving community groups brought in valuable knowledge and reduced the workload of council officers...we also found that members of the public and businesses were more supportive of the project"

Derek Taylor, Lancashire-Gulu Link

The work in Lancashire was steered by a 100+ stakeholder forum of public, private and voluntary organisations. The link was endorsed by this forum, and Lancashire County Council took it on board as a result. In 1997, the Link changed from a Council-to-Council to a community-based, charitable operation which meant that clear ownership of the process lay with the community. However, the county council has retained its involvement ever since, by nominating a Councillor to the Link's board of trustees and by providing small-scale financial and in-kind support for projects.

Conclusion

The success of the Gulu Carbon Compensation Project demonstrates how great achievements can be realised when municipalities and community groups work together on international development projects.

Local government is uniquely placed to look for, and promote, collaborations of this kind. Its leadership brings legitimacy and assurance to the venture, and citizens and stakeholders have confidence that their contributions are secure. Importantly, local government can raise the profile of communities in developing countries and their needs.

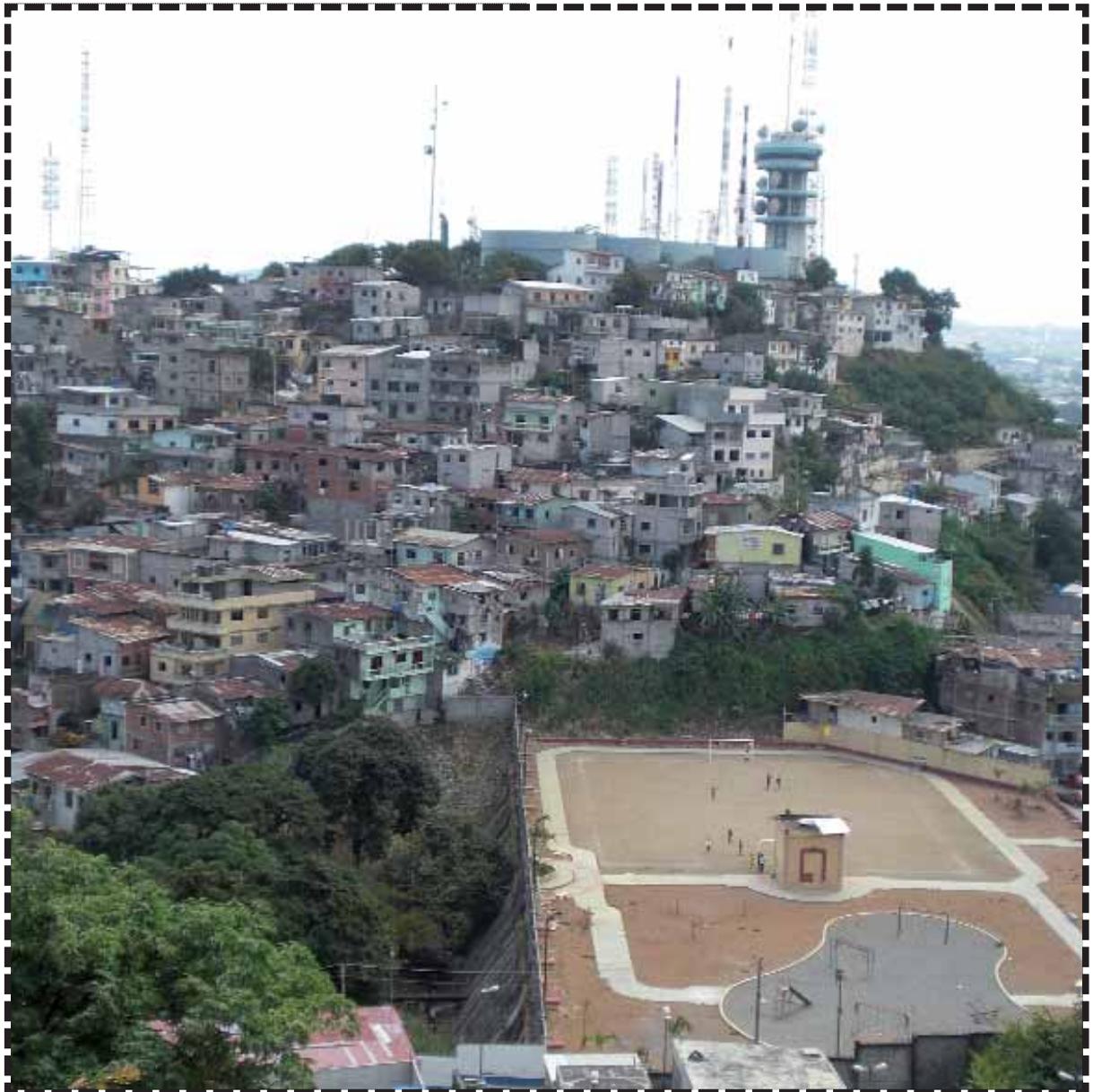
The role of community groups is vital in delivering successful projects. Lancashire County Council engaged with 2 Link groups, who provided ready-made, direct access to the right kind of community groups for delivering the projects. Groups with which the council might not normally deal, and a self-help delivery mechanism that it couldn't, and wouldn't want to, replicate.

The project shows that relatively small amounts of money can generate much larger benefits when the money is spent on community owned, designed and delivered projects like these.

Also, Lancashire County Council and Gulu Municipal Council objectives have been met efficiently, and in ways that spread awareness and raise the skills of local people.

For more information, please contact environmentalpolicy@lancashire.gov.uk

Websites: www.lancashire.gov.uk/climatechange or <http://gulucarbonscheme.blogspot.com/>



9 Municipal partnership between Herent (Flanders, Belgium) and Nimlaha'kok and Nimlasa'chal (Guatemala) promotes local ownership of development strategies

Prepared by the Association of Flemish Cities and Municipalities (VVSG), September 2009

Local governments have an important role to play in social mobilization, particularly to help poor, excluded and the discriminated people in a process of informing and articulating development priorities at the local and national levels. This case-study illustrates how the international municipal partnership between the Belgian municipality of Herent and the Guatemalan Q'eqchi' micro-regions Nimlaha'kok and Nimlasa'chal has helped to strengthen the voice of these micro-regions in the formal local government system that exists within the Guatemalan legal framework, while supporting their claim for indigenous self-governance that is respectful of their cultural identity.

Background

Since 2002 the municipality of Herent, in the Flemish region of Belgium, has been involved in a partnership with the municipality of Cobán, the largest of 15 municipalities of the department (province) of Alta Verapaz in Guatemala. With 160,000 inhabitants, Cobán is divided into six micro-regions that are legally recognised as local entities (Municipal Codex, decree 2002). These six micro-regions account for 317 local communities scattered over the territory. Access to these remote communities is not easy due to the lack of road infrastructure and geography of the area.

At the start of the collaboration, the municipal partners in Guatemala elaborated a set of criteria as pre-conditions for a good working partnership with a European municipality, in this case, Herent. An important criterion was to include work with various local communities to avoid limiting the partnership to one single local entity. Another crucial criterion was to support the indigenous group of Maya-Q'eqchi's who seek recognition as a social entity and strive for self-governance.

With these criteria in mind, Herent began collaborating with two of Cobán's micro-regions: Nimlaha'kok and Nimlasa'chal with 7,670 and 4,800 inhabitants, respectively. These are historically, culturally, socially and geographically the most forgotten and isolated areas of Alta Verapaz, and the only ones excluded from regional developmental plans implemented by national and international NGOs. In both micro-regions, poverty is striking and there are problems at all levels. Children leave primary school at an early age to work alongside their parents and help to support the family. Illiteracy is high; access to health care is scarce. The micro-regions themselves consist of 44 and 22 small local communities, respectively, that are living scattered in the hills and valleys. They remained excluded from all development assistance programmes.

On the other hand, both regions possess diversity in natural resources, have strong leaders and a good community organisation. Furthermore, the Q'eqchi' in both regions are very aware of the strengths and richness of their own cultural identity. This context contributed fundamentally to Herent's decision to concentrate its focus on both micro-regions and provides the international municipal partnership with a strong basis.

The Issue

The Government of Guatemala introduced new legislation in 2002 that aims to stimulate the participation of all communities – including indigenous – in local government. The legislation regulates the process of decentralization, recognizing indigenous identity and the right to preserve and strengthen indigenous forms of local authority. Combined with international agreements and declarations (i.e. Convention 169 of the International Labour Organisation and the United Nations Declaration of the Rights of the Indigenous People³⁸), the legislation provides the legal framework for the right of self-governance for indigenous peoples. If correctly applied, the framework will

38 This Declaration was adopted by the UN General Assembly on September 13, 2007.

eventually allow indigenous communities to directly manage development funds earmarked to their communities, which take into account their own cultural identity and traditional values.

This legislation exists alongside a local governance structure that was developed following the 1996 Peace Agreements in Guatemala, designed to stimulate the participation of local communities in municipal development plans. Through their participation in COCODEs (Community Committees for Development, that exist on different levels) and COMUDEs (Municipal Committees for Development), communities are given the opportunity to establish local priorities for community development, voice their concerns regarding municipal plans and even participate in the consultation and budgeting process.

In this system, each micro-region proposes coordinators as candidates to the main municipality on the basis of an election in the local communities. The municipality, in this case Cobán, appoints these candidates. Micro-region coordinators participate in the municipal committee (COMUDE) of the Cobán region, whose mandate is to advise on developmental plans and budgets. The Nimlaha'kok and Nimlaha'chal micro-regions have a community council of second degree (COCODE of the second level). These councils consist of representatives of the coordination teams of all the local community councils (COCODE of first level). The coordination team of the second level COCODE, chaired and led by the micro-region coordinator, takes care of the daily running of the region, of coordination and execution of projects in line with the priorities put forward by the community council and it looks after financial control.

In practice, however, the central authorities have not yet fully applied the promising possibilities of the legal framework regarding indigenous communities' self-governance, and the micro-regions receive very little technical and financial support from the municipal authority in Cobán. About 99% of the population is indigenous, namely Q'eqchi', and they are often forgotten or left behind by the central municipality, which is run mainly by the Ladino population (non-indigenous population of Guatemala). In fact, the Indian elderly councils are also seeking integration in these relatively new governance structures. In this way, their voice can be heard in the COCODE of the first and second level.

The Nimlaha'kok and Nimlaha'chal micro-regions requested support from and collaboration with Herent in order to strengthen their governance, local capacity and autonomy. Herent has been very positive about its proven commitment and motivation regarding the partnership and the agreements made.

Analysis

The micro-region coordinators or community mayors need help identifying local needs and solutions; they coordinate programs and projects aimed at the integral development of the local communities and supervise the protection and development of the natural resources within their area. The coordinators are assisted by the community councils. These are directly elected and in charge of the design and development of local plans and programs based on local priorities. All of these plans need to be presented to the central municipal council in order to be integrated into the municipal development plan for the whole area. This ensures the link between the micro-regions and the central municipal government in Cobán and the exchange of information and communication. The community councils of the micro-regions are entitled to manage technical and financial resources that they have received from the central municipal council though they can acquire financial resources on their own as well.

Initially, the partnership between Herent and the central municipality of Cobán focused on several of the micro-regions as beneficiary communities, but some of the technical and financial support for the strengthening of the administrative capacities was directed through the central municipality of Cobán. Still, the implementation of the partnership agreements proved to cause unnecessary delays and was not at all inclusive towards the micro-regions. There were no provisions made in the central budget for the micro-regions in spite of former and formal agreements made beforehand.

Gradually, the micro-regions started receiving financial resources from Herent to contract the necessary technical assistance within the area directly. The ongoing process of strengthening the community organisation, and the administrative and political capacities of the leaders, has been strongly facilitated by the fact that the civil servants from the municipality in Herent who are directly involved in the partnership, have lived in the Q'eqchi' region for several years. They fully understand the Q'eqchi' language and the indigenous cultural identity. This has been crucial

in helping to translate the local demands of the indigenous communities in the micro-regions to the municipal reality of Herent, leading to a better understanding of their needs. This strong understanding and relationship between the partners has helped the micro-regions develop a new form of self-governance that is based on the indigenous cultural identity and proposes an all-inclusive alternative to the existing (more Western inspired) forms of governance.

The Q'eqchi' are using the existing legal framework to present these new alternatives to the government. While Herent is now focusing on two micro-regions directly, the link with Cobán is ongoing. The coordinators of the micro-regions act as the communication channel between the inhabitants of the micro-regions and the central municipality of Cobán. Despite these efforts though, the micro-regions continue to struggle to have their needs addressed by the larger municipality. Their first and most important claim to the Cobán municipality is to return a percentage of municipal tax revenue to the micro-regions so that they can decide where to allocate resources associated with their self-defined development priorities.

The fundamental understanding of the cultural context by Herent and the claim of the indigenous reality has proven very helpful in enabling the micro-regions to access the development funds provided by both the federal Belgian and regional Flemish government for this international municipal partnership. Within this context, programmes regarding local economic development and the strengthening of administrative capacities have been developed to support Nimlaha'kok.

Finally, in its collaboration with the two micro-regions of Nimlaha'kok and Nimlasa'chal, Herent has worked closely with a local NGO, Adici. Due to the problems of distance and lack of infrastructure, Herent needs to communicate on a daily basis with Adici, which acts as an interface with the micro-regions. Adici has an excellent knowledge of the area and its communities and has acquired expertise in capacity building, environmental policy and local economy. In former projects, Adici has also proved to be a very loyal and good partner, both to the micro-regions and the municipality of Herent. It is very clear that the final responsibility of the collaboration lies with Herent and the two micro-regions. The tasks confined to Adici are described in details in a covenant between at the one hand, Herent and the micro-regions and at the other hand between Adici and the two micro-regions.

One of the innovative features of the technical assistance provided by Adici is the creation of a training commission that has travelled from community to community in order to strengthen the communities' organisation. This form of rural and decentralized training (instead of organizing the trainings in one central urban location) in administrative and governance matters, has strengthened the indigenous communities in a way that respected their cultural identity and overcame barriers to access to training.

Conclusion

While the governance structure is quite complex and relatively new in its set-up, the local communities of the Q'eqchi' are now clearly represented in the micro-regions, which enables them to have a voice in the central municipality. Capacity building and social mobilisation of these citizens via the community mayors, the coordination team and the community councils is vital for the sustainable development of the area. It is also crucial for the building of self-esteem and dignity of the Q'eqchi' and their recognition. These objectives are centre-stage within the partnership between Herent and the two micro-regions, making it an excellent example of how local ownership can lead to a people's centred approach and to a process of real progress, step by step.

Ultimately, Nimlaha'kok and Nimlasa'chal are seeking a sustainable and future oriented policy for environment and social-economic development, and are leading the way towards greater self-governance in the Guatemalan context. In doing so, they are setting an example for other indigenous regions in the country.

*For more information, please contact VWSG,
betty.dewachter@vwsg.be*

10 Building Capacity of the Local Environmental Administration in Bojanala Platinum District Municipality, South Africa

Prepared by the Association of Finnish Local and Regional Authorities and the City of Lahti (Finland), September 2009

This case study highlights the development effectiveness of a municipal international cooperation between municipalities in Finland and Africa. Working under a model of peer-to-peer exchange, the partners have developed mechanisms for cooperation that are based on mutual learning, mutual accountability and transparency. This approach is yielding improvements in environmental management in both North and South.

Background

The City of Lahti in Finland and Bojanala Platinum District Municipality (BPDM) in South-Africa have been cooperating for over 10 years. Since 2002, the cooperation has been a part of the North-South Local Government Co-operation Programme administrated and coordinated by the Association of Finnish Local and Regional Authorities. The funds for the Programme come from the Ministry for Foreign Affairs of Finland. Since 2008 Lahti-BPDM co-operation has involved also the Municipality of Hollola, Finland and five local BPDM South African municipalities: Kgetlengrivier, Madibeng, Moretele, Moses Kotane and Rustenburg. The main long-term development goal of this co-operation has been to strengthen the local environmental administration, and more precisely, the capacity building of the municipal environmental authorities and the development of better systems and practices in the administration. Promotion of sustainable development and tolerance education are other overall objectives. Technical expertise is transferred and best practices are shared between the partners. Emphasis has been put on mutual learning and reciprocal activities. The cooperation has achieved results in the following areas: developing environmental management,

increasing awareness of inhabitants about environmental issues including sustainable development and transferring and exchanging technical expertise.

In the beginning of the co-operation, the first priority was to support creating a functional environmental administration in Bojanala Platinum District Municipality and then to support building its capacity. In order to achieve this, an environmental management system (EMS) was built in BPDM with feedback and support from Lahti. In South-Africa, the environmental management systems are required to be developed by the industries to control their pollution levels. However, with the increasing pressure to effectively manage the environmental challenges in the area of Bojanala Platinum District Municipality, the development of the EMS for the district was seen as a necessary tool to assist in developing a dialogue with the surrounding industry and to look at the internal function of each Directorate on how to collectively take responsibility on saving scarce resources. Another reason for the local administration's activity in developing environmental management was the strategic importance of tourism for the district. In addition to building an effective EMS, other key objectives of the co-operation have been to develop environmental awareness and transfer technical expertise and best practices.

Approach

An important part of the co-operation strategy has been to build capacity and support the local administration to plan and implement the new environmental policies. This helps to involve the local administrators in the environmental work and build environmental management skills in the local administration. The aim is not to bring ready-made solutions and technologies from North to South, but to encourage and facilitate the building of environmental management that is adapted to local needs. When the local administration is strongly involved, the effectiveness of the co-operation is considerably higher with better long-term results.

Due to the strategic importance placed on local municipal involvement, partners have emphasized participatory approaches to co-operation. In the spirit of mutual accountability, planning and monitoring progress is done together with the Northern and Southern local authority officers or elected representatives during yearly visits.

The cooperation has not only been focusing on building capacity of the partners in the South. Exchange of skills and knowledge has also flowed from South to North. One of the tools used to capacitate Northern partners has been a peer review through which officials from the Southern partner municipalities have had the opportunity to analyze and to be a “critical friend” when conducting evaluations on Lahti’s environmental administrations. It has been a mutual learning experience that promotes the incorporation of new perspectives and uncovers overlooked aspects of the daily environmental work. Another tool used has been Integrated Development Planning, an approach that BPDM uses and that is gradually adopted in Lahti as well. Furthermore, the co-operation capacitates the Northern partners in international co-operation and project coordination and gives valuable cultural diversity and tolerance education.

The peer review process mentioned above has increased transparency and accountability of the development assistance. First of all, several peer reviews have been conducted from South to North and vice versa over the years. During a peer review, officials from one partner municipality visit another and evaluate the state of a certain environmental aspect of the administration. The reviewer then gives feedback, for instance in a form of a SWOT analysis. The evaluation is done by getting acquainted with official documents, observing the operation in practice and by conducting interviews with relevant personnel.

The process has been mutually beneficial, as can be seen from the case of the peer review conducted by South to North during 2009. The topic of this review was the new climate program of the Lahti Region. From this review, Lahti will gain timely feedback and ideas for improvement in a stage where it is just starting to draw the concrete action plans. On the other hand, the Southern partner gains valuable insight on adapting urban planning and the making of baseline inventories which will be useful later on when outlining their own climate change adaptation plan.

Peer reviews have also been conducted on waste management activities (from South to North), water protection (from North to South) and environmental management systems (from South to North). This activity will continue to be one of the core cooperation tools. In addition to greater transparency and accountability, this method is vital to understanding the local situation. With

good insight and sensitivity of local issues, the action planning can be done better.

Similar benefits have been gained when an employee of one administration has spent some time working in a corresponding role in the other partner’s administration to exchange expertise. The exchange of expertise is conducted around a certain theme, such as spatial development or waste management. The method provides an effective way to share knowledge, working methods and experiences.

Transparency has also increased with development of an interactive website that was successfully completed during 2008. The website allows for more frequent communication between partners, assists in overall communication and planning as well as in joint net meetings of steering committees. The website includes a discussion forum which serves as a meeting place for the cooperation. The website also allows for videoconferencing, which offers the partners an opportunity to meet whenever relevant issues arise. The enhanced opportunities for mutual planning and exchange of information enable a wider and more efficient involvement of the officials, politicians and relevant parties in the local administration.

Finally, cooperation in the area of water monitoring has improved accountability for water management while empowering the local administration. Through the transfer of a portable water testing laboratory and the provision of training to relevant personnel, Moses Kotane Local Municipality (under the jurisdiction of Bojanala Platinum District Municipality) has developed capacity and the ability to independently test its groundwater. The cooperation has also created a platform for other local municipalities to observe the importance of independent water monitoring and to become proactive against cases of water contamination.

Results and Analysis

The first objective of the cooperation, the development of the EMS, has been reached successfully. The EMS implementation process was completed by the June 2009 and the EMS work was elevated to a level where it is part of the daily performance of each Directorate. All in all, the development of the environmental administration has been promising.

Progress has also been made concerning the second objective, to increase awareness about environmental

issues and sustainable development, among both decision makers and inhabitants. One of the most successful and visible results related to this has been the implementation of Environmental Awareness Week in Bojanala Platinum District Municipality. The event was first kick started in 2003 as a part of the activities identified under the North South Local Government Cooperation Programme. The event follows the same principles that guide the environmental week in Lahti initiated in 1997. The purpose is to bring environmental awareness to the communities and residents through different environmentally related themes. The Environmental Week is now implemented and funded by the Bojanala Platinum District Municipality and local sponsorship. This success now serves as an educating example for the Northern partner as a community-driven, grassroots approach to address environmental issues. All in all, it is a good case example of mutual learning in co-operation.

The work done to reach the third objective, transferring and exchanging technical expertise, has had important results in water management and monitoring, air quality and monitoring, climate protection assessment and implementation of methods, waste management as well as development of information technology by video conferences and staff training to upgrade the existing web sites. For example, waste management was identified as one of the areas of co-operation in 2005 when a delegation from the local municipalities of Bojanala Platinum District Municipality visited the local waste site in Lahti and became familiar with the waste disposal strategies and programs in operation. The lessons learned from Lahti's waste reduction, land filling and the handling of recyclables and hazardous waste materials have been since incorporated into the Rustenburg Local Municipality's new waste transfer stations and the new regional landfill site. Similarly, the water protection efforts of Bojanala Platinum District Municipality have been benefiting from sharing the experiences gained in the lake remediation processes conducted in the Lahti Region over the years. The co-operation has supported the rehabilitation processes of the Bospoort and Hartbeespoort Dams. Both dams currently suffer from severe eutrophication, but are targeted in the development strategies for recreation, housing, fishing and tourism.

Conclusion

The long-term municipal international cooperation approach around the theme of environmental management

has increased the effectiveness of the cooperation between Lahti and BPDM. The partners have been able to accumulate knowledge of each other's working methods and operations over the years through long-term personal contacts. This decreases cultural miscommunication and helps in planning and implementing activities. Another key lesson learned is the importance of involving the municipal administration as broadly as possible, and especially getting the involvement of the top-level management. The development of effective cooperation takes time and is a continuous learning process. It is good to start with the basic information, to create contacts and to learn to understand the differences in local administrative cultures and working methods. The cooperation between Lahti and Bojanala Platinum District Municipality has been developed further by taking lessons learned into account during yearly meetings.

For more information about the Partnership of Lahti and Bojanala Platinum District Municipality, please contact lahdenseudunymparistopalvelut@lahti.fi.

For more information about the North-South Local Government Co-operation Programme, please contact the Association of Finnish Local and Regional Authorities (AFLRA), info@kuntaliitto.fi

11 Incentivizing performance: the Bosnia and Herzegovina (BiH) Beacon Scheme

Prepared by the Local Government Association (LGA), October 2009

The Council of Europe (CoE) and the Organisation for Security Cooperation in Europe (OSCE), and Local Government Association (LGA) have established a mechanism in Bosnia and Herzegovina to identify, reward and disseminate good practice in service delivery at the local government level.

Background

After the war in the 1990s, the governance structures of Bosnia and Herzegovina significantly changed and are quite complex. As agreed by the 1996 Dayton Agreement, Bosnia and Herzegovina consists of two entities, and one district³⁹. The first entity is the Federation of Bosnia and Herzegovina (the FBiH) and the second is the Republic of Srpska (the RS). Each of these levels of authority (the FBiH and the RS) have established bodies of legislative, judicial and executive authority.

While the governance structures within the municipalities in both entities are essentially the same and reflect the pre-war Yugoslav system, in the FBiH there is a two tier structure that includes cantons (10) and, within these, municipalities. The primary administrative responsibility for local governments resides with the cantons, under the overall responsibility of the Ministry of Justice. In the RS, there is only one sub-national, or municipal level governed by the relevant entity's government ministry.

BiH has had considerable experience in local governance and service delivery with pockets of particular excellence. In order to strengthen the sector more broadly, the Council of Europe (CoE), the Organisation for Security Cooperation

in Europe (OSCE), and Local Government Association (LGA) decided to jointly support a mechanism similar to one used in the UK, which recognises best practices in service delivery and enables local authorities to learn from each other.

Approach

The mechanism is based on the English Beacon Council Scheme that has been operational since 1999. The Beacon Scheme was set up to disseminate excellence in service delivery across local government, whereby best practices are identified within 8 – 10 different local government themes which represent issues of importance in the day to day life of the public and reflect key government priorities. It is a cyclical system, so that each year beacon status is awarded to the local authorities, within a new set of themes. In 2009 the Beacon Scheme was upgraded and replaced by the Local Innovation Awards Scheme.

'Beacon status' has been awarded to councils who have demonstrated a clear vision, excellent service and willingness to innovate within the theme. Awarded "beacons" were then responsible for disseminating their knowledge and expertise to all other interested authorities and helping them to improve quality of their services to citizens.

The Beacon scheme in Bosnia and Herzegovina was set up in 2005 and is now in its fourth year. The scheme has been slightly modified to reflect Bosnian realities and complexities. The BiH Beacon Scheme identifies three themes annually with usually two local authorities awarded. BiH beacons have been able to travel to the UK to exchange experiences and learn from English beacon councils awarded within the same or similar themes.

Initially, the implementing team, which included OSCE, CoE and LGA, the UK Improvement and Development Agency and the UK Department for Communities and Local Governments, faced various challenges. Firstly, the structure of the country's governing apparatus reflected the fact that in Bosnia and Herzegovina there are two entities (Republika Srpska and Federation of BiH) plus District Brcko with entirely different governing structures. Secondly, there were two different local government associations from two state entities. To overcome these issues, the decision was made that the project be run and owned by the "International Community" and practically managed by the OSCE office in Sarajevo (BiH). Neutrality

³⁹ District Brcko is a self-governing, entity-neutral, administrative unit under the sovereignty of the State of Bosnia and Herzegovina. It is formally part of both the Republic of Srpska (RS) and the Federation of Bosnia and Herzegovina (FBiH).

of selection panel and governing board was achieved through careful selection of distinguished individuals across the country, with the participation of international experts.

Results

It is clear that the scheme has been a great success. The BiH municipalities take pride in being awarded with Beacon status and being recognised as the best in the country. The award has boosted morale in local authorities and helped attract international organisations to work more closely with local authorities who have won the awards. Dissemination of best practices has enabled other local authorities to improve their services and encourage them to apply for the Beacon status. In addition, the scheme has served to promote peace-building by bringing together people from local authorities who were on the opposite sides in the recent war. It was noticed that post-war rapprochement was much easier at the local level rather than on the level of central authorities.

The third year of the scheme brought new a challenge. Following the initial period of “international management” it was jointly agreed that scheme should be locally owned and managed to be sustainable. However, lack of a central government ministry (department) responsible for municipal affairs led to negotiation between entity ministers, who recognised the value of having a scheme that works across the country. They agreed to work together in taking over the running of the mechanism following the example of the local government associations which have been doing so from the very beginning. As a result, the Bosnian Beacon Scheme is now completely self-sufficient and producing excellent results. It is funded by the ministries of the two entities in the country and is operationally managed jointly by the two local government associations.

*For more information please contact LGA
drago.djekovic@lga.gov.uk*

12 The Twinning Cooperation between the City of Liege (Wallonia, Belgium) and the City of Lubumbashi (Congo)

Prepared by the Union of Cities and Municipalities of Wallonia and the Association of the City and Municipalities of the Brussels-Capital Region (UVCW-AVCB), November 2008

The Cities of Liège and Lubumbashi have been twinned since 1961. But until the Municipal International Cooperation (MIC) Programme was launched in 2001, few interactions existed.

This Programme, which aims at providing institutional support to municipalities in the South, has been designed by the associations of cities and municipalities (Union of Cities and Municipalities of Wallonia and Association of the City and the Municipalities of the Brussels-Capital Region), at the request of and with the financing of the Belgian Federal Cooperation. It was first based on annual calls for proposals but has evolved since then, after an assessment was made, towards a multi-year programme (2008-2012). The multi-annual scheme, the sectoral and geographical concentrations, and the exchange of experiences and collective capitalization represent the main improvements of this programme.

Background

Already active in institutional and capacity building since 2001, Liège and Lubumbashi, joined the new Municipal International Cooperation Programme (2008-2012), funded by Belgian Federal Cooperation. To date, through this Programme, twelve Belgian-Congolese municipal partnerships have agreed to collaborate to meet a key objective of the Congo: to increase the coverage of the population with registered birth, marriage and death certificates. This area of cooperation had been identified during a planning workshop organized by the associations of municipalities of Brussels and Wallonia in February 2007. All Congolese and Belgian municipalities involved in the programme (eight partnerships at the time of the

event) were represented at this working session, during which careful consideration was given to the existing national programmes and sectoral priorities of local and national governments in Congo.

Issue

The areas identified (birth, marriage and death registries rehabilitation) in 2007 were the same that Liège and Lubumbashi were already working on in 2001. This underlines the fact that the creation and rehabilitation of these registries were considered essential as a source of information, and as a tool for reconstruction planning following the massive destruction caused by the conflicts in Democratic Republic of the Congo (DRC). The registry was seen as a first step an essential means to ensure the recognition of inhabitants' rights.

The Cities of Liège and Lubumbashi have aimed at cooperating in the most tangible and practical way in this area, through the development of a census, the creation of the birth, marriage and death registries, the installation of the required office equipment, including the introduction of computers to back up handwritten documents and files, and maintenance of the archives.

Results

The general computerization of registry offices in 2006 has allowed entry into a new phase. Almost 1.2 million people have been registered manually between 2001 and 2006, which was a first for the entire Congolese territory. The former census was conducted in 1984, with an estimated population in Lubumbashi at that time of about 800.000. The birth, marriage and death registers are now kept up to date and the population recorded at the beginning of 2009 has escalated to 1.4 million inhabitants.

Mrs Nelly Nzeba Mwa Musadi, Head of the Central Registry Office of the City, explains: "The best relay is actually the local authority", evoking the African oral tradition: "Because the local authority gets in touch every day with the population and the people in charge of all the municipalities forming the City of Lubumbashi. The Mayor, for example, communicates directly with the seven other mayors, who can themselves increase the street leaders' awareness. It is eventually *buzz marketing* which works out best. The churches, law and healthcare centres are also among our communication partners."

Since 2001, and in addition to the new 2008-12 programme, the cooperation between the Cities of Liège and Lubumbashi has been extended to other areas to address locally defined needs related to improved service delivery and quality of life, and the promotion of local economic development:

*For more information, please contact UVCW,
international@uvcw.be*

- *Environment:* in 2003, first steps have been taken to create a municipal service dedicated to the environment. Thousands of seedlings of trees and flowers are now cultivated each year for the embellishment and the reforestation of the City. Waste from these activities is recycled in compost heaps and the cooperation looks towards the implementation of a larger waste collection and management system.
- *Youth:* the municipal Children Council of Liège has supplied a rural school of Lubumbashi with school equipment and financed a well to improve its access to water.
- *Socio-economics:* with the assistance of the International Association of French-Speaking Mayors, a market hall which can accommodate 400 saleswomen and men has been built in a district of the town called Luwowoshi.

Conclusion

In this case study, shared planning of the activities by the municipal partners and the fact that the municipal level is closest to citizens has allowed for the optimization of the cooperation aid. The relationship between the different areas of intervention, organized by the municipality, has allowed for improved coordination and harmonization of the assistance, as recommended in the principles of the Paris Declaration and, more recently, the Accra Agenda for Action. The ability of decentralized cooperation to address the Millennium Development Goals is well highlighted in this Liège-Lubumbashi partnership, which has brought benefits to both the northern and southern municipalities.

Ms. Carmen Fernandez, Coordinator of international projects in the City of Liège, says:

“We also get a lot from this cooperation. At the beginning, we were not even aware ourselves that we had such an expertise. This programme has allowed us to display it. An added value is thus given to the northern municipality that gets into cooperation.”

13 Urban Rehabilitation of the Al-Nasser District Gaza City, Occupied Palestinian Territories

Prepared by the City Council of Barcelona, November 2009

This project is a good practice in two of its dimensions. First, because it represents an example of the enormous potential of the collaboration between local authorities for peace building and post conflict reconstruction, particularly when based on a culturally appropriate, southern-partner led local agenda for development. Second, because it is an example of intergovernmental collaboration between local administrations and autonomous governments. This project would not have been possible without the participation of the Government of Catalonia through the Catalan Development Cooperation Agency. In a politically convulsive and violent scenario, the local authorities have striven to overcome the dynamic of the conflict to work to improve the citizens' quality of life.

Background

Local governments can, and often do, contribute to peace-building and conflict management through their dual role in promoting the democratic process at the local level and in delivering basic social services, which lie at the heart of building and maintaining social stability.

Because they have a good understanding of the dilemmas of managing a local government, of strengthening local democracy, and of fostering a local community, local governments from abroad can be good partners in helping to set up peace-building activities. This is particularly true because the local community and its authorities often perceive the involvement of foreign municipalities as more neutral than the national government or international bodies, thereby ensuring better local ownership over the process.

40 United Nations Relief and Works Agency for Palestine Refugees in the Near East.

Local government peace-building interventions take place in the form of lobbying activities, technical assistance and immaterial support. Technical assistance, in the form of concrete activities on the ground, can achieve practical results for the local population. Even when not directly targeted at peace-building, it often contributes to post-conflict reconstruction by strengthening municipal functioning.

It was with these objectives in mind that, following the signing of the Oslo Agreements, the European Union's then special envoy for the Middle East, Miguel Ángel Moratinos, proposed to reinforce the Agreements with the establishment of city to city relations. In September 1998, after lengthy groundwork, the mayors of the cities of Barcelona, Tel Aviv-Yafo and Gaza signed a friendship and cooperation agreement which sought to establish a bridge of union and joint work between their inhabitants. A year later, in Barcelona, APLA (Association of Palestinian Local Authorities) and ULAI (Union of Local Authorities of Israel) signed their first collaboration agreement.

The cities of Gaza and Barcelona have carried out municipal cooperation under this framework; however, due to the context of the conflict, direct relations between Gaza and Tel-Aviv have been extremely difficult. Since the start of the project, both parties have been fully informed about the bilateral activities between Gaza and Barcelona. Both cities have always supported this kind of activity, and APLA and ULAI have been informed about all the process. All the parties involved in this agreement are fully convinced that, in future, trilateral activities will be possible.

The difficulties in visiting and leaving the Gaza Strip, the military blockade that prevents the entry of numerous basic materials, and the internal political instability of the area have been substantial but fortunately not decisive obstacles

The Al-Nasser East district

Gaza City is one of the oldest cities in the world, and throughout its history it has been a very important focal point of trade and exchange in the Middle East. It has an estimated population of 400,000 inhabitants, of which 80% are refugees, according to the criteria established by the UNRWA⁴⁰.

The Al Nasser district is situated in the north of the city, very close to the coastline and also near the refugee camp known as 'Beach Camp'. Many of the inhabitants of the district are Palestinian refugee families from 1948, who have managed to obtain homes outside the camp. According to the census done by the Gaza City Council, the number of inhabitants in the district amounts to more than 12,000.

The town's infrastructure is inadequate and many of the streets are still not urbanised. Large areas of the city display great deficiencies in public services, such as inadequate drinking water supply, sewerage and rainwater collection. There are also serious problems in electricity supply, public lighting, solid waste collection and public telephone service. Further, the limited services that are available are in very poor condition and cause both health and environmental problems.

Goals of the Project

The main goal of the project is to improve the inhabitants' living conditions through the development of the district's necessary infrastructure. The project aims to improve the health, welfare and mobility of the population and access to the district. As well, the project is improving the social environment of the neighbourhood by creating spaces for neighbours to interact. This is being done through the creation of broad, tree-lined pavements and by recovering squares to establish play and leisure programmes. At the municipal management level, the project has also facilitated the exchange of experiences and know-how between the technicians of the cities of Gaza and Barcelona.

Technical Description of the Project

To improve the infrastructure, the project is focusing on the installation of drinking water networks and wastewater drains and sewers, public lighting and street paving, along with the incorporation of trees on the pavements. At the same time, the telephone network has been installed by a Palestinian company.

The public space has been completed with two modest-sized squares (4,563 and 3,019 m²), one of which was already laid out according to a project drawn up by the technical services of the Gaza City Council. These spaces incorporate children's play areas, urban furniture and

gardening, which are necessary to convert them into spaces for neighbours to socialise, so inherent to Mediterranean city culture.

In addition to the external improvement of the public spaces, sanitation in the area was one of the project priorities. Both a drinking water supply grid and sewers and rainwater drains were installed.

The process of drawing up the construction project and the subsequent contracting and execution of works consisted of several phases, all jointly directed by the municipal technicians of the two cities.

Conclusion

The urbanisation project in the Al-Nasser district is the visible part of a challenging, wide-reaching cooperation process between local authorities. During the design and implementation phases, the exchange of technical experiences and methodologies of participation has been very intense and was a central factor in the success of the final project. By means of this project, the technical services of the Gaza City Council have been able to incorporate the latest experiences in social town planning and treatment of the public space.

Socially, the inhabitants of East Al-Nasser have recovered the public space as an environment for interrelating and have made it their own space, with its own intrinsic value that has to be cared for and respected. The revitalisation of the district has given a new impulse to trade, rejuvenating existing activities and stimulating new commercial initiatives.

This case study demonstrates that tangible improvements in people's quality of life can be made possible through international cooperation at the municipal level, even in challenging conflict situations. Further, it highlights the strengthening of municipal management as a key entry point for interventions focused on post-conflict reconstruction and rehabilitation. The East Al-Nasser process has been carried out under very arduous political and security conditions, yet the local authorities in Gaza and Barcelona have been able to overcome the dynamic of the conflict and focus their maximum interest on improving the living conditions of the district's inhabitants. The political determination of both city councils and the support and confidence shown by the

Catalan Development Cooperation Agency, APLA and ULAI have been the indispensable elements for making this process a successful reality.

*For more information, please contact the City Council of Barcelona,
cooperacio2@bcn.cat*

