Dear Colleagues and Friends,

It is our great pleasure, as co-chairs the UCLG Committee on Development Cooperation and City Diplomacy and as past president of the lead organisation that prepared the paper, to present to you the UCLG Policy Paper on Development Cooperation and Local Government.

In the past decades, local governments and their associations have increased and enhanced their involvement in development cooperation, with a view to contributing to capacity development of local governments, to facilitate and strengthen decentralization and local development processes, and to contribute to poverty reduction and the attainment of international development goals.

The donor community is increasingly recognizing the considerable contributions that local governments make to development. This paper therefore takes stock of the variety in partnerships between local governments and their associations, while showing their added value and complementarity to other development cooperation interventions.

The paper assesses the strengths of and opportunities for local government development cooperation, describes the various models of intervention and looks at the need to continue creating innovative approaches and focusing on concrete tangible results and impact.

The Policy Statement provides political recommendations to the international community and local governments themselves. It emphasizes the need for the full recognition of local and regional governments as development partners occupying an equitable place in international development cooperation and it calls for substantially increased financial support for local government development cooperation programmes, designed to match their specific role and contribution.

The background document provides more in-depth analysis. A longer version of this paper can be found on UCLG’s Capacity and Institution Building (CIB) Working Group website. On this website, also the larger versions of the case studies that are illustratively included in the paper can be found, as well as many more examples of how local government development cooperation has impacted and led to concrete tangible results at the local level for the benefit of citizens.

The Policy Paper is the result of a research led by the Federation of Canadian Municipalities (FCM) in partnership with the UCLG’s CIB Working Group and the UCLG World Secretariat. It has received contributions from UCLG members and partners through various consultation rounds and was adopted by the UCLG World Council in December 2012. The paper contributes to building a common understanding and position among members of UCLG and will be used, in particular, as formal policy position for international advocacy.

We hope we can count on your support and participation in meeting the challenges that are detailed in the policy paper.

Yours sincerely,

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The UCLG Development Cooperation and City Diplomacy Committee thanks all UCLG sections and members that contributed to the development of the policy paper.

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### Acronyms

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<tr>
<td>ACB</td>
<td>Association Capacity Building</td>
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<td>ALAN</td>
<td>Association of Local Authorities in Namibia</td>
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<td>ANAMM</td>
<td>Associação Nacional dos Municípios de Moçambique (National Association of Municipalities of Mozambique)</td>
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<td>BALA</td>
<td>Botswana Association of Local Authorities</td>
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<td>CACEM</td>
<td>Communauté d’agglomération du Centre de la Martinique (Agglomeration Communities of the Centre of Martinique)</td>
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<td>CALM</td>
<td>Congresul Autoritatilor Locale din Moldova (Congress of Local Authorities from Moldova)</td>
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<td>Foundation of the Peoples of the South Pacific International</td>
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<td>ICLD</td>
<td>International Center for Local Democracy</td>
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<td>LG</td>
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<td>Local Government Capacity Programme</td>
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<td>Millennium Development Goal</td>
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<td>Municipal Development Partnership</td>
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<td>MPED</td>
<td>Municipal Partnership for Economic Development</td>
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<td>Non-Governmental Organisation</td>
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<td>NSA-LA</td>
<td>Non-State Actors and Local Authorities</td>
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<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>PDM</td>
<td>Partenariat pour le Développement Municipal (Partnership for municipal development)</td>
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<td>South African Local Government Association</td>
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<td>ZILGA</td>
<td>Zimbabwe Local Government Association</td>
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UCLG Policy Statement
Development Cooperation and Local Government
Context

Since the 1980s, local governments and their associations have increased and enhanced their international development cooperation activities. The overarching objective has been to develop the capacity of local governments to play a leadership role in social and economic development that will reduce poverty and enhance social inclusion. United Cities and Local Governments (UCLG), in its role as the global organisation representing the interests of local government, has brought together local government associations (LGAs), cities and regional authorities to foster collaboration and a common understanding of development cooperation among members and partners.

This policy statement reflects the position of UCLG’s members and summarises the findings of a more comprehensive policy document aimed at raising awareness and advocating on the importance of local government in development before the international donor community as well as national, regional and local authorities.

Local Governments are Key to Development

Citizens living in cities, towns and villages all over the world rely on local governments to fulfill their basic needs for shelter, clean water, public health, education, security and livelihoods — the building blocks for human development. By 2030, it is estimated that two-thirds of humanity will be living in urban settlements with much of the growth happening in Asia, Africa and Latin America. It is also in cities and communities, particularly middle-size cities, where many national, regional and local challenges intersect and where the impact is most acute. This has placed municipal governments on the front lines of some of the most pressing challenges facing the global community, and more often than not, seen them leading the way towards the identification and implementation of innovative solutions.

Wherever they are established, local governments perform three broad roles:

- They provide the voice, leadership and ‘strategic vision’ for their community;
- They provide or organise local public services essential for people’s well-being;
- They act as catalyst and drivers for the local development process.

The absence of an effective local government structure capable of planning, managing the delivery of essential services and coordinating relations with different partners creates an enormous barrier to the development process.

Local governments’ deep roots into the political, economic and social fabric of communities places them in an advantageous position to act as conveners of partners in the community such as civil society, policy makers, the private sector and other influential stakeholders. Through their public participation systems, local governments enable citizens to take part in open and transparent processes to identify local priorities and to take greater ownership over the development process.

Local Governments as Development Actors

Local governments worldwide are involved in many forms of cooperation and partnership, which span a wide range of different motives and objectives. While some forms of partnership and cooperation are focused on strengthening local governments and their institutions, others are focused on engaging local partners (civil society, citizens and the private sector) to support their participation in the social and economic development of their community. The many forms of cooperation demonstrate that local governments have unique skills, responsibilities and resources that they can contribute to development cooperation.

Although local government’s involvement in development cooperation dates back decades, the participation and engagement of local government in the development discourse and policy dialogue with donors and international organisations is far more recent. The work of UCLG and its members has contributed to greater awareness and recognition of the important role that local governments play in development cooperation and the need to be more actively engaged in the planning and implementation of development assistance. As a result, UCLG and its members have been invited to participate in the OECD Development Assistance Committee’s working party on Aid Effectiveness, the United Nations Development Cooperation Forum, while UCLG’s president sits on the UN post-2015 High Level Panel of Eminent Persons.
**UCLG’s Policy on Development Cooperation**

UCLG and its members are committed to raising awareness about the important contribution that local governments can make to development cooperation. UCLG believes that:

1. The international community and national governments must recognize the important role played by local governments in development cooperation and support their engagement as partners in planning, implementing and coordinating strategies to promote social and sustainable economic development;
2. In a context of increasing urban growth and decentralization, local governments are ideally positioned to understand and respond to the needs and challenges facing citizens and their communities but frequently lack the resources to do so. The international community must ensure adequate funding is directed to local governments to mobilize their skills, resources and networks to support development;
3. Strong and effective local government are critical to ensuring democratic, prosperous and safe communities and in resolving developmental challenges at the local, national, regional and global level; and
4. The contribution of local governments and their associations to more effective and sustainable development can only be of value if they are strengthened to play this role. Local governments contribute to the empowerment and ownership of development initiatives by local communities leading to enhanced sustainability of development cooperation.

**Call to Action**

National governments, bilateral donors, multilateral financial institutions and international organizations are called on to:

- Further recognize local governments and local government associations as key development actors and support their full-fledged participation, consultation and engagement in national and sectoral policy dialogues on development cooperation;
- Provide adequate funding for local governments to participate in development cooperation. It is proposed that 20% of international development assistance (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; and
- Ensure that enabling legal frameworks and programming mechanisms are in place to allow local governments and/or local government associations to directly manage international cooperation programs focused on: strengthening the capacity of the local government sector; promoting democracy at the local level, and; supporting decentralization.

Local governments and local government associations are called upon to:

- Engage in a dialogue with donors and national governments to ensure that the needs and concerns of local governments are clearly understood and supported by relevant policies and programs;
- Ensure that decentralized cooperation, municipal international cooperation (MIC) and association capacity building (ACB) are well coordinated and developed within the framework of country development strategies that take into account the local cultural context, country priorities and governance reform programs;
- Ensure that the full diversity of the community voices is heard by promoting participatory processes in their approaches to development cooperation; and
- Explore and develop long-term partnerships between local organizations, bilateral and multilateral donors, in addition to other key development stakeholders such as civil society, to implement effective development cooperation programs.
Introduction

“Municipal International Cooperation and decentralised cooperation, partnership, twinning, international local government diplomacy, sister city links, and mutual assistance through capacity-building programmes and international municipal solidarity initiatives, are a vital contribution to the construction of a peaceful and sustainably developed world.”

Preamble to UCLG Statutes

In a fast-changing world, new and difficult challenges have a powerful impact on communities and on development at the local level. At the same time, the role of local government (LG) is becoming increasingly recognised as necessary if the world is to succeed in meeting these challenges. Since the 1980s, and with greater volumes in more recent years, partnerships between “northern” and “southern” local governments and their associations (LGAs) have been created to strengthen their capacity and to support development. In the last decade, new partnerships for development between local governments from lower or middle income countries (“South-South partnerships”) have started to grow in number and importance, reflecting the fact that shared challenges and experiences can be a highly effective way to enhance mutual learning and thus contribute to their development process. Today, newly created links have a principal economic motivation, reflecting a wish by the partner to be connected to a rapidly developing country, with future business potential, while also focussing on development issues.

Within the global local government family, different terms are used to describe the forms of cooperation, e.g. “ decentralised cooperation”, “city-to-city cooperation”, “twinning” or “municipal international cooperation”. For ease of reference, this paper refers to LGs’ development cooperation. It is also important to note that when this paper refers to local governments, it includes several levels of governance ranging from the commune (first level) to the province or department (second level), and to the region (second or third level, as the case might be). However, it is also noted that in some countries regional governments may have different roles than other layers of local government and can play the role of donor agency for cooperation.

There is no single clear definition of LG development cooperation. The Busan Partnership for Effective Development Cooperation (December 2011)2 highlights several of the key components of successful sustainable development, where LG has an important role, including sustainable growth, democracy and good governance, anti-poverty strategies, and social protection. To these, issues may be added like climate change, risk reduction, individual and collective security, culture, human rights, etc.

The role of local governments in development cooperation can be seen from two very distinct perspectives, which at first sight may seem to be in opposition, and which add a creative tension which runs through this policy paper. On the one hand, local governments have and should have strong powers of local self-government and one important goal for UCLG is to ensure that in every country, there is a positive legal framework for LGs to cooperate internationally. But secondly, UCLG has to ensure that if LGs and LGAs are to seek and obtain significant and growing external funding for their international development cooperation, the LG sector’s contribution demonstrates positive, cost-effective demonstrable results. Due to the current crisis, several national governments (and some local governments) are considering reducing, or even entirely removing, their long-standing financial support for local governments’ development cooperation. Against this, there are also positive trends to note. Various new forms of cooperation between local governments have emerged, such as ‘South-South’ or ‘triangular’ cooperation. The current crisis has resulted in the international community and donors rethinking their approach. In December 2011, the Busan Partnership for Effective Development Cooperation confirmed a welcome shift in perspective from ‘aid effectiveness’ to ‘development effectiveness’.

Given all of these changes and developments, UCLG’s Development Cooperation and City Diplomacy Committee (DCCD) and Capacity and Institution Building Working Group (CIB) decided to draw up a Policy Paper on Development Cooperation and Local Government to advance UCLG’s work and objectives. UCLG members have been consulted on all the key issues outlined in this paper.

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1 This policy paper is a summary of the background paper of the UCLG Policy Paper on Development Cooperation and Local Government, which can be accessed through the CIB website: www.cib-uclg.org. The longer version of the case studies included in this paper can also be found on the same webpage.

2 The Busan Partnership for Effective Development Cooperation is the outcome of the High Level Forum on Aid Effectiveness, celebrated in December 2011 in Busan (Korea).
1. Why local government matters

Members of UCLG are well aware of why LG is so important. But if LGs are to convince national governments and the international community to support LG’s international cooperation for development, it is important to restate some key points.

The key roles played by local governments worldwide are:

- They provide the voice, leadership and ‘strategic vision’ for their city and the people they represent;
- They provide or organise local public services essential for people’s well-being; and
- They act as catalysts and drivers for the local development process, in all its dimensions.

Local government is and will be of growing importance for four connected reasons:

1. Decentralisation and local democracy are essential to our future

Over the last 30 years, decentralisation policies have become the norm, even if systems and the extent of democracy and local self-government vary. The Council of Europe’s adoption in 1986 of the European Charter of Local Self-Government (now ratified by 46 states) gave formal international expression to this trend for the first time, and many of the Charter’s principles are also included in the Guidelines on Decentralisation and Strengthening of Local Authorities, adopted by UN Habitat’s Governing Council in 2007.

There are many common reasons for the trend to decentralisation and local democracy. Excessive centralism has been shown not to work efficiently and effectively.

At the same time, local governments are able to respond better and faster to citizens’ needs and aspirations and decisions on public services can best be taken close to the ground. Decentralisation with local democracy enables political diversity within a country to be better expressed, and allows citizen participation to become a reality. In addition, urban governance and management are both more complex and important in today’s world, and need responsive local leadership. Decentralisation, correctly implemented, enhances local economic and human development.

It is however important to note that for decentralisation to be successful, the prerequisites are to ensure an effective, planned and progressive process of decentralisation, to have sufficient competencies transferred to enable LGs to play their new role, as well as financial resources, to develop human and technical capacity at the local level and to have a shared commitment at all levels to the principles of local governance and inclusion. Local government development cooperation is crucial for the development of this capacity and good local governance.

2. Local governments are closest to the community and are able to ensure citizen participation and partnerships

Through public participation, local governments enable citizens to take part in open and transparent processes to identify local priorities (e.g. strategic planning, development, service delivery, budget allocations etc.). Local governments need policies and systems of inclusion, to ensure that all sections of the community are able to take part in the development of new policies. In these ways, local governments enable citizens to exercise what has been called “the right to the city.”

This public involvement makes public institutions more responsive and accountable, and strengthens the overall system of democratic governance of the country.

Local governments also play a key role in bringing all the local actors together, including civil society, the business sector, and other institutions of the public sector, to drive the local development process, and to promote greater prosperity, social justice and inclusion.
3. Changing demography and rapid urbanisation demand good local leadership and governance

Whether in urban or rural settlements, good local government that plays its various roles positively is necessary. Dense and growing urban communities have a more direct and day-to-day need for and reliance on the services, infrastructure, planning and relevant regulations provided by local government.

It is therefore no coincidence that the global trend to decentralisation also corresponds to the double demographic change – a rapidly increasing global population, estimated to have reached seven billion in 2011, and an even more rapid increase in urbanisation. By 2050, when the global population is likely to top 9 billion, 6.2 billion people will live in urban areas and the rural population will be around 2.8 billion.

Approximately 90% of the projected urban growth is due to take place in lower income countries. In order to achieve successful and sustainable development globally, the key to success will lie in the world’s cities and towns, especially in “the south”. Faced with this huge urban growth, the issue of housing for low income families, including slum upgrading and avoidance, will climb up the global political agenda. Fast-moving, complex cities and towns require political, managerial and technical skills and leadership, planning, management and technical capacity – with leaders in touch with and able to respond to the changing needs of their communities. National governments have an important role to play in creating positive legislative and financial frameworks – but cities must have a strong degree of local self-government if they are to develop and thrive.

It is important to emphasise that the world’s rural population will also continue to grow. Rural communities and local authorities will continue to face their own set of challenges, not least the high levels of rural poverty and disadvantage, often accompanied by depopulation. Therefore, getting good quality local rural governance, development and service delivery will continue to be extremely important. The processes of urbanisation have profound consequences also for rural regions, with which they are economically and socially inter-connected.

The challenges for government leaders at all levels in lower income countries will be enormous in the coming decades. They will need to share and to learn, and to benefit from international cooperation and support. It is a common interest to help them succeed.

4. Local governments are the leaders and catalysts for local development

Implicit in all of the above issues is the fact that local governments are catalysts and agents of sustainable and integrated economic and human development – including the social, environmental and cultural dimensions. As a key part of this ‘development’ role, local governments need of course to ensure an enabling environment for good quality, long-term investment – both private and public. Investors, local or international, require security of property rights, and thus effective land registers, cadastral administration and urban development plans. Physical infrastructure (roads, water, waste water treatment, electricity and internet access) must be provided, whilst good means of transport also influence the local economic climate. Local governments must also have effective policies and practices on the environment, public health, business licences, local taxes and many other issues, to stimulate investment and economic activity.

But their development role also requires full attention to the social as well as physical and economic ‘infrastructure’, including an effective system of inclusive policy-making and planning, and the provision of essential public services for citizens, in particular for the most deprived. Waste management, water, sanitation, social housing, transport, primary education and healthcare, for example, are mainly or often local government services which greatly affect the quality of life of the poorest sections of the community – and help meet the international development targets at the local level.

Their catalyst role involves what may be called “territorial coalitions” of all the key local actors – the private sector, universities and educational establishments, local civil society, and many more. It is a democratic local government which is best placed to unlock the potential of this coalition.
Municipal markets as a public facility to ensure local social and economic development

Between 2009 and 2011 an exchange process took place between the municipal markets institute of Barcelona and the municipality of Medellín (Colombia), for the implementation of an integral development plan of the shopping centres and market facilities. The project was initiated upon the request of the City of Medellín to model the municipal markets in Barcelona.

The partners analysed the market places from a public facility perspective; combining basic services (availability of food), business (entrepreneurs) and social cohesion (gathering of citizens). The ultimate goal of the project was to give a boost to local economic development, while safeguarding the rights of the citizens.

The technical cooperation focused on the improvement of infrastructure of shopping centres and municipal markets in order to ensure better accessibility.

The cooperation supported the strengthening and empowerment of the association of entrepreneurs, to ensure increased benefits and sustainability for small vendors. Finally, the municipality was supported in creating a strong legal framework to guarantee the rights and needs of citizens and market vendors, enhancing the neighbourhood.

At the end of the cooperation project, an improvement to the commercial structure, accessibility and security could be seen and meant an important step forward in enhancing the attractiveness of the commercial, tourist and cultural areas of the city centre of Medellín.

In spite of the different political, economical and social realities, both cities share the same vision to improve their social and economical environments. Although the formal exchange has finished, both administrations continue to collaborate permanently.

Source: Barcelona City Council, Spain
Local governments, and their associations, have cooperated in international partnerships for many decades, for a variety of motivations (peace, understanding, solidarity, economic prosperity, commitment to development, and the Millennium Development Goals – MDGs), and in a variety of ways, which have evolved and continue to do so.

As described above, mainly since the 1980s, and with greater frequency in recent years, there has been a strong growth in the number of partnerships between local governments and their associations (“North-South” and “South-South”, as well as triangular) working specifically on cooperation for development.

South-South cooperation between local governments and their associations

The Busan Partnership document puts great emphasis on South-South and triangular (North-South-South) cooperation. In paragraph 14 of the document, it states:

Today’s complex architecture for development co-operation has evolved from the North-South paradigm. Distinct from the traditional relationship between aid providers and recipients, developing nations and a number of emerging economies have become important providers of South-South development co-operation…. [T]hey have increasingly taken upon themselves the responsibility to share experiences and co-operate with other developing countries.

The trend to ‘South-South’ cooperation (not always an accurate geographical statement) therefore may be seen to have two dimensions – first, the desire of emerging countries to play a stronger international role, and second, a wider sense that those facing similar development challenges, or where one partner has recently faced similar issues, can learn as much or more from each other as they can from other ‘more developed’ country partners.

This approach has particular pertinence for local governments, whose partnerships can offer a useful and flexible tool for such mutual peer-to-peer learning.

South Africa – support partner LGAs

South African local governments and their LGA, SALGA, are playing an increasing role in both triangular and South-South cooperation. Several LG programmes include a North-South-South (triangular) combination. For example, the P3 programme (funded by the EU and the Swedish Development Agency) involves the LGAs from Sweden, South Africa, Botswana and Namibia, together with 25 municipalities from the three southern African countries, working on transparent local governance and economic development. SALGA has deliberately adopted a more strategic role in development cooperation. In addition to its partnerships with ‘northern’ LGAs such as the Association of Netherlands Municipalities (VNG) and the LGA (UK), which offer support for SALGA’s own development, SALGA has taken the responsibility of assisting other LGAs in the southern African region, with formalised arrangements with LGAs such as ALAN (Namibia), BALA (Botswana), ANAMM (Mozambique), ZILGA (Zimbabwe) and SWALGA (Swaziland).

The areas of support and exchange include:

- Sharing information, knowledge and experience through thematic workshops, seminars, etc.;
- Development of partnerships between municipalities (e.g. through the P3 programme);
- Improvement of internal governance, as well as dialogue, lobby and governance arrangements (e.g. through the ARIAL programme, SALGA assists SWALGA and ALAN with their internal governance arrangements).

Brazil – a new programme for South-South LG cooperation

Latin American cities and local governments are playing an increasingly important role in development-related cooperation, both with partners in the region, and with partners in other continents.

3 Financially supported by the European Commission and implemented by VNG International together with Commonwealth Local Government Forum (CLGF), Partenariat pour le Développement Municipal (PDM), Municipal Development Partnership (MDP), University of West Indies (UWI) and Foundation of the Peoples of the South Pacific International (FSPPI).
In February 2012, the Brazilian government took a major step forward, in launching its new South-South programme for decentralised technical cooperation, covering a wide range of themes, such as health, education, environment, climate change, professional training, and capacity-building for achieving the MDGs. It is open to Brazilian sub-national authorities, together with international partners from developing countries; it offers funding of up to US $200,000 for a one-year project.


Partnerships take a wide range of forms, e.g. bilateral partnerships, multilateral programmes, and network partnerships. Partnerships may focus on building the internal (institutional) capacity of LGs or local government associations (LGAs), or focus mainly externally, e.g. on local development strategies and partnerships, or on the local dimension of global issues like climate change. In addition to their international partnerships, local governments also often promote international development in other ways, e.g. through financial support for local development by non-government organisations (NGOs), or to enhance citizens’ awareness of and support for development assistance and the MDGs. However, this Policy Paper focuses specifically on those forms of partnership and cooperation where the main purpose is to address the development needs of one or more lower income country local government partners.

The issue of finance is, of course, crucial for all kinds of cooperation. Smaller-scale partnerships can be funded and maintained at a relatively low cost, where the purpose is mainly cultural. But if the aim is to make a significant and sustained contribution to the development process, then cost becomes a key question. Some larger cities and local governments have sufficient political will, financial means, citizen support, and legal basis, to contribute their own resources. But this combination is not always present, and therefore the role of external funders is often crucial. In several ‘northern’ countries, national development ministries have been providing financial support for local government programmes and partnerships for development in the past decades. In this kind of development cooperation, which receives external financing, there is a stronger need to integrate the local government contribution into wider national and international policy frameworks.

In addition, financial support has – to a certain extent – become available over the last 20 years from international sources, notably parts of the United Nations (UN) family (e.g. the UNDP ART programme) and the European Union (EU). The EU has supported a mix of city network exchanges (URB-AI, CIUDAD), capacity development of LGAs (ARIAL) and other LG actions through the Non-State Actors and Local Authorities (NSA-LA) programme.

Focus, models and funding of local government development cooperation

Since the 1980s, a number of European governments, as well as Canada – through their development ministries or agencies – have financed programmes for local partnerships and cooperation for development. Broadly speaking, three main models of funding can be identified:

1. Local traction

In some countries, such as France, Spain and Italy, a significant amount of funds are mobilised from the municipality or region’s own local budget. This can be complemented by funds made available at the national level through calls for proposals by the ministry or development cooperation agency (in France, this is a significant amount). Exchange of information and coordination may be organised by national associations of local governments. In other cases, local governments mainly rely on the funds made available at national level, and contribute small amounts from their own local resources (for example in Denmark, Germany and the United Kingdom). In general, in these countries the partnerships are created freely and priorities of cooperation are established by both partners. These partnerships are generally strongly embedded in the local government and can count on broad-based support of the civil society. Coordination with other partners remains an issue of attention.

2. Coordination and exchange of good practices

In other countries, the local government association coordinates a broader programme of local government development cooperation, funded by the national government. In these cases, the association channels funds for city-to-city cooperation to the domestic municipalities involved and ensures that partners at both ends of the partnerships are trained to achieve tangible results. This is the case, for example, in Belgium, Finland and Sweden. The government may also transfer other funds to local governments directly. Local and regional governments might also provide co-financing.
The main goals, methodology, motivations, principles and other key elements are the building blocks of the practice of local government development cooperation.

In summary, the main points are extracted as follows:

**Goals**

- To strengthen the role and place of local development in development strategies;
- To promote the territorial coordination of development-cooperation actions so they will produce the maximum positive impact on improving the living conditions of citizens;
- To establish references for measuring development-cooperation performances among local governments (benchmarking);
- To strengthen and support good local governance, so that the LG can better carry out its development roles (building strong local public institutions, public services, civil society participation for development, etc);
- To support effective decentralisation and devolution; building LG capacity to perform new roles, maximising the added value of LGAs in policy-making and implementation;
- To improve LGs’ capacity to deal with the impact of global challenges on local development, e.g. climate change, culture, human rights, etc.; and
- To strengthen the capacity of LGAs to support their members in achieving local development (e.g. as advocate and negotiator, promoter of learning and good practice).

**Methodology**

Cooperation between local governments depends on learning in pairs and in exchanging good practices within its intervention strategy. It is this particular feature that distinguishes it from all other forms of international cooperation.
This approach helps local coalitions emerge to develop in-sofar as the dynamic of cooperation integrates the cooperation of all local actors (which includes civil society and the private sector). It also allows for mutual accompaniment and support over time, which guarantees the sustainability of cooperation programmes.

**Main motivations for local governments to engage in development cooperation**

- Share a co-responsibility for development;
- Help meet basic human rights and MDGs;
- Share a mutual interest in facing global crises;
- Tackle issues arising from growth in population and urbanisation;
- Enhance resources and capacity development;
- Promote multi-actor partnerships;
- Create longer-term economic benefit;
- Work with diaspora communities;
- Increase professional development opportunities; and
- Develop a positive international image for the LG.

**Reciprocity in partnerships: Participatory city planning to furnish Green Areas**

The Skellefteå Municipality (Sweden) and Jinja Municipal Council (Uganda) both had concrete plans to furnish green areas and both faced challenges regarding how to engage citizens to build a sense of ownership. Therefore their partnership aimed at strengthening the capacity of both cities on participatory city planning. Peer-to-peer exchanges and participatory workshops were organised in both cities.

Through preparatory research, the inclusion of all stakeholders had been achieved. Challenges related to citizen participation had been identified with Swedish and Ugandan stakeholders (i.e. primary school children, churches, local community representatives), which also were involved in the workshops that were held to plan the revitalisation of the green areas. The partnership led to improvement of different aspects of their parks, including improved sanitation condition, accessibility to the park, green space management and security and utilisation of the area.

This example shows how two municipalities facing the same challenges can reach solutions with the help of each other, with benefits to both sides of the partnership.

*Source: ICLD, Sweden*

**Key elements**

In addition to these motivations, we can identify a set of key elements which underpin successful LG development cooperation, and relate closely to the Busan document principles:

- Co-ownership and co-responsibility for the activities and outcomes;
- Realistic objectives and a shared commitment to account for results;
- Transparency and openness, between partners and with local communities;
- Cooperation is politically supported, but not party politically aligned; and
- Shared commitment to ensure that learning is spread and disseminated, also using the LGA and other vectors for multiplier effect.
4 Strengths, opportunities and weaknesses of LG development cooperation

Main strengths of LG development cooperation

- Local government development cooperation works through existing structures, as opposed to project offices: LGs are legitimate, key public institutions for the long term;
- The partnerships make use of the unique in-depth knowledge that LGs have of:
  » Responsibilities as providers of concrete basic services to enhance local communities’ quality of life
  » Being accountable institutions towards citizens
  » Implementing and advocating for decentralisation and devolution policies;
- The ability of LGs to build linkages between the partners’ local civil societies; and
- The potential for peer learning.

Key opportunities for LG development cooperation

- The growing worldwide trend towards democratic decentralisation. The increasing urbanisation will lead to increased demands for services. Local governments should be prepared to address these challenges and should be prepared to meet the expectations of the citizens. Professional organisations that understand the political and technical dimensions of the context can support this process;
- The international community has become increasingly aware of the role of LG in development cooperation and has increasingly ‘targeted’ LG in recent years, and may continue to do so. Local governments have an important role to play in the post 2015 global development goals. In the past the focus was on “what must be done”, the new development goals will need to focus on “who has to act and to be supported”. In order to achieve the goals and targets, local governments have been an important stakeholder in the MDGs that should be involved more in the definition of the new targets to achieve more results; and
- Donors are sensitive to the voice of ‘the south’, but the LG voice of the ‘south’ has not yet been strong enough; this can be developed and improve through ownership of cooperation programmes, in which their priorities are respected. Local government associations should be strengthened in order to advocate on behalf of their members in national and international dialogues on development priorities. Therefore, Association Capacity Building, in which one association coaches the other, is a good mechanism to develop “the voice of the south”.

Sharing practices in Nicaragua

The close monitoring of certain projects within a programme may lead to the identification of good (or bad) practices. These identified practices can thereafter be shared with other municipalities. That way the learning process of municipalities will be faster.

In Nicaragua they have experienced this in Nueva Guinea (with support from Sint-Truiden, Belgium) where they experimented with a biogas installation and ecological toilets, in addition to numerous other environmental measures. Study tours were organised to Nueva Guinea from other municipalities in Nicaragua such as Ciudad Darío (partner city of Lommel, Belgium) and Santo Tomás (partner municipality of Mol, Belgium).

The municipalities who took part in the study tours used the examples of Nueva Guinea and adapted them to their own situations. As a result, these practices lowered the unit price per ecological toilet substantially.

New practices from the other municipalities were in turn shared with Nueva Guinea. This interaction led to a more efficient implementation of the project.

Source: VVSG, Belgium
Main weaknesses for effective implementation of LG development cooperation

• Donor agency financing programmes are governed by regulations that are not always adapted to the reality of local governments, as they are conceived by donors rather than by LGs. This makes partner ownership and accountability difficult;

• The practice of preferred budget support by donor agencies in applying the recommendations of the Paris Declaration and Accra Agenda for Action leads to recentralising public budgets in spite of decentralisation laws. This threatens local ownership;

• Lack of financial resources for LG development cooperation; and

• Inadequate legal framework for cooperation at the national level.

The above are mainly problems with national financial and legal frameworks, rather than weaknesses in the way LGs work. Donors are called on to look into these issues.

Weaknesses that can be addressed by LGs themselves include:

• Most of the partnerships between local governments don’t use sufficient systematic approach. Therefore, a concentration of partners in some local government exists, whereas others lack of support or don’t have partners that support them;

• The priorities of the “southern” partners are not always achieved. The ownership of programmes remains a point of discussion;

• Partners may suffer from a lack of continuity due to political changes;

• Many partnerships suffer from a lack of professionalism:
  » too little focus on results
  » The work and results are not strategic or transferable enough
  » Monitoring and evaluation is insufficient;

• Many partnerships do not benefit from citizen support; and

• Partnerships between local governments lack coordination and remain fragmented.

To address weaknesses UCLG and its members should:

• Provide tools and instruments for a public policy of LG cooperation;

• Provide professional international affairs offices services of LGs or their associations;

• Provide citizen education on the value of local government cooperation for development;

• Develop more programme-based approaches, with clear monitoring and evaluation tools and indicators on impact; and

• Enhance exchange of information on projects and programmes among UCLG members, through the CIB Working Group.

Intergovernmental consultation and recognition of local government in Moldova

Decentralisation reforms in Moldova have gained momentum after a very slow start. The country has been implementing a “National Decentralisation Strategy” since September 2012, which entails reforms in services and financing of local and regional governments.

Two parliamentary committees provide oversight to the implementation of the strategy by the government.

Since 2010, Moldova has a consolidated and unified local government association, without party affiliation, the Congress of Local Authorities from Moldova, CALM. In order to solidify CALM’s position as the legitimate and respected voice of Moldovan local government, the Norwegian Association of Local and Regional Authorities (KS) has been collaborating with CALM to strengthen their capacity. Since the partnership started, membership in CALM has steadily increased from about half of the country’s 898 municipalities and 32 regions to about two thirds of all local governments.

Through regular and structured consultations with members on issues of decentralisation reform, CALM has managed to position itself as the local government consultative body and now meets regularly with ministries and parliamentary committees on decentralisation reform. CALM’s opinions are regularly broadcasted through radio and throughout newspapers.

Source: KS, Norway
5 The role of LGs in the development effectiveness goals

UCLG supports many of the key points from the Busan Partnership document (December 2011), including its proposal to move from aid to development effectiveness.

The Busan document recast the principles set out in the 2005 Paris Declaration on aid effectiveness, which are now:

- Ownership of development priorities by developing countries;
- Focus on results;
- Inclusive development partnerships; and
- Transparency and accountability to each other.

UCLG encourages stakeholders in international development cooperation to model their development cooperation practices on LGs, because they:

- Favour long-term action that promotes and strengthens ownership of projects and programmes on the ground;
- Target the accomplishment of tangible results that help improve living conditions as well as friendly relations and harmony between the populations concerned;
- Ensure the mutual strengthening of institutional capabilities for guaranteeing the sustainability of implemented actions;
- Promote the partnership between public authorities, civil society and the private sector with a view to building local coalitions for development; and
- Contribute to the development and international cooperation education of citizens through the support given to NGOs and the diaspora.

Coordination in local government reconstruction and effective service delivery in Haiti

After the earthquake of 12 January 2010 in Haiti, the Haitian Ministry of Interior and Local Government, a number of mayors and other representatives of cities affected by the earthquake put forth a request to France, Canada and the Netherlands to support a series of communes in Les Palmes region.

Since that moment Cités Unies France (CUF), the Communauté d’agglomération de Cergy-Pontoise, the Communauté d’agglomération du Centre de la Martinique (CACEM), the Federation of Canadian Municipalities (FCM), the Union des Municipalités du Québec (UMQ), the City of Montreal VNG International (the international cooperation agency of the Association of Netherlands Municipalities) and the City of Paris are working to strengthen the capacity of a series of Haitian local governments, restoring the functioning of the governance system, building channels of communication between the local governments and their citizens, and reconstructing municipal capacity to function as permanent institutions in the political and administrative landscape of Haiti.

At the start of the programme the partners discussed what specific issues each could work on. The division of responsibilities has been made on basis of expertise. The partners try to minimise overlap of programmes and duplication of efforts by investing in mechanisms of coordination and communication, so as to maximise the use of donor money. The partners work along the binding principles of transparency and equality.

The Haiti case illustrates how local government development cooperation has an important role to play in both the (re)development of a country and the delivery of effective aid.

Source: VNG International, FCM and CUF
Governments decentralise to local levels, but resources rarely match the responsibilities devolved. For decentralisation to succeed, it needs to be planned and implemented with the active participation of local governments and their local government associations as partners. Local governments must swiftly develop their capacity to perform their new enhanced roles and deliver effective development and good governance. Local governments wish to work with each other to strengthen their capacities, particularly because local governments from other countries, who deal daily with similar issues, are best placed to provide peer-to-peer assistance to the local government associations and local governments involved.

Donors often provide financial support to national governments to assist with decentralisation policies, but much less so to ensure the policies’ success at the local level. The international community should promote decentralisation, with the involvement of LGs and LGAs at all stages, using LG development cooperation as a significant support mechanism.

Local governments are significant public “actors for development” in international cooperation

Local governments are both agents and catalysts of local development in their own territory and also actors for development through international cooperation. Donors should take into account the specific role and reality of local governments and take into account their priorities for development.

Local governments have for over 50 years international cooperation experience which has been beneficial to their communities, and has made positive, continuing contributions to the international development.

Local government development cooperation is a positive public policy and should be recognised as such. To gain the maximum benefit, this requires support and coordination between all levels of government and clear legal frameworks that allow and encourage local governments to take part.

Programmes for local government development cooperation can and do cover a wide range of subjects. Whilst funders will have their own overall priorities, the principle of ownership means that the “southern” local government partners should have a strong say in defining the programme’s priorities.

Key messages and recommendations to the international community

The future is local: local governments are essential, accountable, democratic leaders and agents of development

The challenges that arise from the increasing urbanisation, as well as social, environmental and economic challenges and crises, hit hardest and first at the local level. How well local governments can perform their tasks will have a huge influence on the quality of life of billions of people over the next 50 years. Local governments have a key role as democratic leaders, strategic planners, service deliverers and catalysts for local development, with their communities. They help to meet the development goals and play a vital role in generating positive local economic activity and employment, but also need assistance in performing these complex tasks.

Conclusion

The international community has increasingly given explicit recognition to the important role played by local government in development and has on several important occasions positively encouraged partnerships and cooperation for development between local governments.

In several international forums, such as the UN Development Cooperation Forum and in the EU, LGs are recognised, for example, in dialogues on development effectiveness and on roles in development cooperation. UCLG has observed major progress towards its goals, including the invitation to the President of UCLG to be a member of the UN’s High-Level Panel of Eminent Persons to discuss the post-2015 development agenda. At the national level, more recognition can also be observed; for example, in national dialogues on development that explicitly involve LGAs in the design, implementation and evaluation of development strategies. Nevertheless, local governments are still often counted among the non-state actors, or among all the ‘interested parties’.

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Donors should encourage and support scaled-up programmes, that have a strategic dimension, in which groups of partners can work on an agreed set of themes, addressing local government priorities and which enables replication and cross-learning.

The volume of financial support to local governments, and in particular to local government development cooperation (including triangular and South-South cooperation), should be increased substantially, to ensure the achievement of international development goals and to meet the social, economic and environmental challenges that lie ahead.

A specific attention needs to be given to supporting local government associations (Association Capacity Building). Local government associations should be partners of national government in planning and implementing decentralisation processes and should be involved in planning and coordinating the development strategies. They should be effective advocates for their members. Peer-to-peer support is very important in this regard.

**Key messages and recommendations to local governments**

*The future roles for UCLG*

UCLG will need to continue strengthening its role of advocacy and representation in the international community. Through its Development Cooperation and City Diplomacy Committee and its Capacity and Institution Building Working Group, UCLG will need to focus on research, information exchange, coordination and dissemination of good practice of local government development cooperation.

*LG development cooperation has the greatest impact when it is part of a coordinated programme*

Local government partnerships for development are in constant evolution, with new problems arising. There may be other partnerships, within the same programme or elsewhere, working on similar issues, facing similar challenges. A commitment to share and learn from each other is essential, which can be achieved by using new technologies as they become available. Local government associations and local government networks can usefully create forums where successes and obstacles are discussed.
Bibliography


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