Title and Main Objective of the Thematic Initiative

Enhancing subnational data to localize the SDGs

As we know, sustainable development is about global trends that have territorial manifestations. What happens below the national level is crucial to promote the Sustainable Development Goals (SDGs) and to measure their progress. Territories, in development and partner countries alike, are not only places where national plans are implemented but, increasingly, the protagonists of their own development. Also COVID-19 has had a wide and diverse territorial impact that can aggravate the great territorial inequalities that already exist both in and between countries, and cities and urban settlements in developing countries are most affected by the sanitary crisis, and are also likely to suffer most from the economic crisis. Both traditional and newer development agents –from international organisations to philanthropies, including national agencies– are funding new programmes and initiatives in urban development, and build their own track record in this field.

The overall objective of this Thematic Initiative is to contribute to greater effectiveness in the development policies and programmes targeting the territorial and urban development, and the building of capacities of regional and local administrations, in partner countries. Specifically, it will create a platform for the reporting and visualization of decentralised cooperation, including subnational ODA, S-S subnational cooperation, and initiatives by national and multilateral development partners. And it will stimulate reflection, research and mutual learning on some key issues regarding cooperation effectiveness, including the coordination of sub-national development cooperation policies in DAC member countries.

This initiative connects *inter alia* to the Geneva Summit agenda, namely (42) the promotion of the Principles at the global and the country levels and regularly provide evidence on GPEDC stakeholders' progress to apply them, by implementing and supporting the revised monitoring framework and process accordingly.

Description of the Thematic Initiative (max 2000 words)

The Thematic Initiative is connected to two work streams that its main promoters, together with other partners, are already implementing.

The first is the project "Data for development: facilitating ODA reporting by subnational donors", led by the Government of Catalonia within the EU-funded Platforma coalition. In the urban development landscape, decentralised development cooperation (DDC) stands out as a valuable modality complementing the traditional means of development cooperation. Official OECD statistics show that from 2012 to 2019, DDC volumes provided by DAC members grew from USD 1.5 billion to nearly USD 2.5 billion, or by 7% on average annually. Interest and research on DDC are growing, coupled with advocacy efforts by local and regional governments associations, as shown by reports and studies by OECD, Platforma or United Cities and Local Governments (UCLG). However, one fundamental pitfall affecting DDC –and therefore its prospects for a more effective contribution to the global goals– is data. Lack of reliable data on decentralized aid flows is a factor hindering knowledge, and therefore improved quality, in decentralized cooperation activities. More information on DDC is necessary to better understand and segment its actors, and produce useful guidelines to improve their coordination and behaviour, as well as the multi-level governance systems where they operate. Template for submissions of Thematic Initiatives to be included in the GPEDC Work Programme

In 2023, the project "Data for development: facilitating ODA reporting by subnational donors" is analysing and clarifying the sub-national decentralised development cooperation (DDC) reporting landscape, and carrying out an scoping phase and identifying the requirements of a web-based application for its reporting, that can be adopted by a growing number of subnational donors. Its aim is to identify a larger, ambitious initiative that can contribute to the improvement of the production and availability of data and information on decentralised cooperation activities, to be developed in the next Platforma phase (2023-2026).

The second work stream relates to the research, training and advocacy activities organised by ORU-Fogar and by UCLG. In the last years, these have included for example trainings on how to plan, monitor and evaluate a "SDG-sensitive" decentralised cooperation (research by ORU-Fogar and training activities by UCLG, Module 4 on "SDGs localisation." These activities, seeking to strengthen the capacities of the practitioners of local and regional officers in both development countries and development partners, will continue in the future and be complemented by new ones using the evidences provided by the data platform.

Confirmed partners

Main promoters

United Regions / Forum of Regional Governments and Global Associations of Regions (ORU-Fogar) United Cities and Local Governments (UCLG)

OECD	OECD Centre for Entrepreneurship, SMEs, Regions and Cities (Stefano Marta)
	Development Cooperation Directorate (Rachel Morris, Tomas Hos)
	Paris 21
European Union	Committee of the Regions (Commission for Citizenship, Governance, Institu- tional and External Affairs, CIVEX)
	European Commission (Local Authorities, Civil Society Organisations and Foundations (INTPA.G.2) (Marlene Holzner)
	Platforma (32 members, including individual regions, national federations of local authorities, international city networks and municipal development funds)
Spain	Federación Española de Municipios y Provincias, FEMP (Mercedes Sánchez)
Canada	Federation of Canadian Municipalities (Pascal Lavoie)
Switzerland	Swiss Agency for Development and Cooperation (Andrea Ries)
Development Partne	rs Network on Decentralisation and Local Governance (DeLoG) (Christian Luy)

Template for submissions of Thematic Initiatives to be included in the GPEDC Work Programme

UNDP/IATI	International Aid Transparency Initiative (IATI) ATI Knowledge Management and Digital Community Specialist Effectiveness Team (Sander Hees)
Consultancies	Economistas de la Cooperación S.L. (ecoper) (Aitor Pérez)
	Fields Data (Anand Ramachandran Nair)

Proposed activities and timeline (max 2000 words)

In 2023, the first work stream (data platform) is organising an ample debate with relevant partners, in order to establishing the contours of "decentralized cooperation" to *inter alia* include activities that may go beyond ODA¹. There is a strong need to align taxonomies used by actors when defining decentralized development cooperation so that the data eventually assembled will fall into a structure that is both easy to use and easy to understand by all parties. Transparency and clarity are crucial to accountability. The new application should be as "smart" as possible, simplifying the rather complex process of official ODA reporting. It should also evolve and "learn" from practice. It will be connected to other initiatives (EU Committee of the Regions, IATI) and allow safe access to subnational data and statistics, and its knowledge base should eventually be used to export data and elaborate yearly reports. The result will be a complete project proposal for a new web-based application, whose contents and technological options will have agreed upon by all parties.

In subsequent years (2024-2026) and using core Platforma funding, the new project will be developed, with core partners assuring the provision and analysis of data. Extra resources will also be acquired for the full functioning of the new data platform.

The activities in the second work stream (research, training and advocacy) will be programmed on a yearly basis, after deliberation and agreement among the main stakeholders, and considering the general events, priorities and agendas in the development cooperation calendar, with an emphasis on sub-national actors and networks. These activities will benefit from the evidences provided by the data platform, and can include topics such as:

- The multi-level governance of development cooperation policies, or coordination at the national level in countries where the different administrative tiers are involved in this activity. This is related to the present research activities by OECD, who in the last few years has produced a series of reports and "toolkits" on decentralised cooperation as a modality in national development strategies.
- The enhancement and streamlining of national procedures in DAC member states for the reporting of sub-national ODA. One key Recommendation of OECD's *Reshaping Decentralised Development Co-operation* (2018) reads "Set incentives to improve reporting on DDC financial flows, priorities, and practices and better communicate on outcomes and results. A subset of this recommendation is to trigger ambitious efforts across national and local governments in

¹ Decentralized cooperation flows beyond ODA include local and regional support to countries that are not ODA-eligible (e.g. North-North cooperation), flows that do not aim to promote economic development and welfare in partner countries (e.g. trade fairs, private sector promotion, etc.) and decentralized South-South co-operation. For more information on the coverage and quality of data on decentralized coperation, see chapter 4 of "Decentralised development co-operation: A global policy toolkit and guidance for practitioners": https://doi.org/10.1787/3cb22851-en.

reporting DDC financial flows (ODA extended by local and regional governments) through the DAC Creditor Reporting System." This is a relevant yet challenging field, given the different competences of non-central governments in these countries and the inevitable complexity of the reporting and the need to maintain quality assurance on the data. Improvements on this front will provide a more comprehensive picture of the shared responsibility taken on by promoters and partner countries in development co-operation.

- International benchmarking on how to better align the local/regional/national development strategies in partner countries, notably to enhance sub-national access to finance.
- The localisation of different SDGs and their targets, with an emphasis of the social and spatial distribution of development results beyond the national levels.

Are resources secured?

\boxtimes Yes \square No

The core resources need are secured, since they come from on-going projects (EU-funded Platforma) or will be assured by the regular activities of the main stakeholders. However, extra funding will be sought.