



## 2014 DEVELOPMENT COOPERATION FORUM DRAFT POLICY BRIEF

### **Local and Regional Governments as crucial actors for development: Decentralised Development Cooperation as a means to the support implementation of the post-2015 development goals at local level**

Local and Regional Governments (LRGs) have gained relevance and visibility in the global agenda and are increasingly engaged in international political dialogue dealing with development challenges. There is a general consensus on the need of localizing the Post-2015 Agenda to ensuring that LRGs take part, as key actors, in the implementation of the Sustainable Development Goals (SDGs) that will be launched by the UN General Assembly. Their capacities, however, will need to be strengthened to ensure that they can effectively work towards achieving the goals. In this regard, **Decentralised Development Cooperation** (DDC) can be highlighted as a pertinent and genuine modality of international development cooperation especially focused on strengthening LRGs institutional and operational capacities and accompanying political processes.

This Policy Brief aims at underlining the potential of DDC to strengthen LRGs capacities to lead development processes and act as key implementers of the SDGs. It focuses on its ability of engaging local actors and, thereby, promoting ownership, accountability and transparency vis-à-vis citizens.

#### **I- Local and Regional Governments in the Post-2015 Agenda: Localising the SDGs**

**Localising the SDGs is a must and not an option.** Most critical objectives and challenges of the post-2015 development agenda such as eradicating poverty, reducing inequalities and exclusion and achieving environmental sustainability, will certainly depend on local action, community buy-in and local leadership. The SDGs will only be implemented effectively if they are embedded into national and local processes and actions. National and local ownership and commitment will thus determine their success. Therefore, the challenge in defining the SDGs will be entrenching them in national and sub-national strategies, plans and policies and ensuring bottom up processes to identify national targets and indicators.

**LRGs as key actors for implementing SDGs.** LRGs play a crucial role in development. They face critical challenges, many of them being global concerns with a strong local impact. Rapid urbanisation requires responses in how to manage slums and housing policies and the equitable provision of basic services including water, sanitation, waste and energy, safe transport and urban, peri-urban and rural linkages. Climate change effects are locally drawn and resilience and environmental quality policies are key. Facing poverty requires employment and decent work at local level and social cohesion policies to avoid and prevent social exclusion.

**LRGs have a critical role in setting priorities, executing plans, monitoring results and engaging with local businesses and communities.** Their policies respond to local economic, social and environmental contexts and inform national and global strategies and policies. They form a vital bridge between national governments, communities and citizens and will have a critical role in the implementation of SDGs which must be defined and monitored departing from a bottom-up approach.

In that framework, **coordination and complementarity are key concepts and multilevel dialogue mechanisms between the various levels of governments are more than relevant in the framework of the Post-2015 Agenda.**

## **II- Decentralised Development Cooperation as a means of supporting the implementation of SDGs at local level**

The implementation of the SDGs at the local level requires strong and efficient LRGs. DDC has been recognised as a relevant modality to strengthen LRGs institutional and operational capacities which are key to implement SDGs.

In the past decades, DDC has evolved remarkably and has been shifting towards more professional, horizontal models, based on the demand of the partner country. LRGs have shifted to setting up **new specific modalities based on horizontal and reciprocal partnerships between peers, with a high capacity to mobilise economic and social stakeholders at the territorial level**, such as the private sector, civil society organisations and academia. These modalities possess great potential to contribute to development through peer-to-peer learning, the exchange of experiences and know-how, the provision of technical assistance and the promotion of a shared political agenda. At the same time, the various approaches to DDC also show the richness of this type of cooperation, which can always be adapted to the different contexts.

### **Haiti - Coordination in local government reconstruction and effective service delivery**

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 Federation of Canadian Municipalities (FCM), the Union des Municipalités du Québec (UMQ), the City of Montreal and VNG International (the international cooperation agency of the Association of Netherlands Municipalities) are working to strengthen the capacity of a series of Haitian local governments. 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*

LRGs, as part of the Global Partnership for Effective Cooperation, are committed to further improving development results. Effective DDC programmes and projects are therefore to be oriented towards reinforcing the partners' political decisions and strategic plans, based on their respective development needs and aligned with their on-going governance processes. It also remains important to support young organizations such as LRGs associations and newly established local government layers instead of creating parallel structures for the duration of a project cycle. This investment in organizations which are a natural part of the institutional infrastructure leads to more sustainable solutions and results in achieving the development goals.

### **Ecuador - Measuring development cooperation effectiveness at local level**

This instrument has been designed and implemented in Ecuador by the Technical Secretariat for International Cooperation (SETECI) and the three national-level associations of sub-national governments (Ecuadorian Consortium of Provincial Governments (CONGOPE), the Association of Ecuadorian Municipalities (AME) and the Council of Ecuadorian Parish Governments (CONAGOPARE), with the support of UNDP. The instrument allows LRGs to measure alignment, ownership and harmonization – thereby promoting local ownership, empowering local actors and fostering mutual accountability within development cooperation. Altogether the tool has been applied to 216 of 221 Municipal Governments (98%), 100% of the Provincial Governments and the Governmental Council of the Galapagos Islands, 100% of the Provincial Associations of Parish Governments. Successfully implemented in Ecuador, it has contributed to increase transparency and accountability of development interventions and is readily available to be tested also in other countries.

*Source: UNDP Ecuador*

In line with the challenge of improving development effectiveness, two cooperation and partnership modalities represent a potential to effectively advance development outcomes at local level: first, South–South Cooperation at the territorial level, because LRGs from the South face similar challenges and develop solutions and innovations that are highly relevant to their Southern counterparts; and second, public-private partnerships, as they have the potential to trigger innovative cooperation dynamics, with direct impact on local economic development.

### **South Africa - South-South cooperation between local governments and their associations**

South African local governments and their association, 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. In addition to its partnerships with ‘northern’ LGAs such as the 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; Development of partnerships between municipalities; improvement of internal governance, as well as dialogue, lobby and governance arrangements.

*Source: UCLG Policy Paper on Development Cooperation and Local Government (background paper)*

### **Local Economic Development Agencies (LEDAs) – PPP instruments to promote inclusive and integrated territorial development**

LEDAs promote comprehensive and sustainable institutional and operational frameworks for LED. They are ideal entry points for Development Partners and specifically Decentralised Cooperation partners striving to promote sustainable and inclusive projects (with a special focus on women and youth) that strike a balance between ecology, social welfare and the economy. Colombia is an emblematic case of successful incremental scaling-up of a pilot LED initiative at territorial level. The initial establishment of an Economic Development Agency at Departmental level (2003) was followed by other 10 agencies in 7 years, a National Association of LEDAs is established – ADELCO. The experience of LEDAs has been recognized as reference for national planning frameworks up to the elaboration of a public policy for LED with the technical contribution of RED ADELCO. In Colombia, since their establishment, the Agencies have directly benefited 52,000 people (48% women) led to the creation of more than 34,400 local jobs, and strengthened 1,800 businesses and 380 organizations, further benefiting 50,700 people with capacity development activities.

*Source: UNDP ART Initiative*

As in any other public policy, citizens’ support and efficiency are clearly linked to transparency and accountability. However, collecting and sharing information concerning DDC at the national or international level is still a major challenge. Despite the existing technological solutions and replicable experiences, there is need for major political engagement to standardise open access systems given this complex and fragmented reality.

### **Morocco - promoting accountability and alignment at local level - Maisons de Développement (MDs) in the region of L'Oriental and Tanger-Tetuan**

The MDs are concrete mechanisms that show how development effectiveness can be promoted at the local level by local governance stakeholders through improved articulation and harmonization. Focused on promoting exchanges and developing partnerships, they have become the entry point for Development Partners into the regions, providing them both with a coordination space and a platform to harmonize and coordinate development efforts, therefore creating synergies and maximizing impact. In the MDs, LRGs are closely cooperating with the civil society and private sector actors of the territory as well as DP, thereby promoting mutual accountability and transparency of the local development processes.

*Source: UNDP ART Initiative*

## **III- Recommendations**

- Recognise the role of LRGs and their associations as essential stakeholders for the implementation of the SDGs and enhance strategies to reinforce their institutional and operational capacities.
- Enhance a territorial approach as part of an evolved development paradigm in which local stakeholders play a crucial role.
- Develop a common understanding between multilaterals, national governments and LRGs on the application of the Busan principles and provide support to their implementation and monitoring at local level. To this end, invest in and play a facilitation role to ensure full-fledged participation of LRGs, preferably through their associations, in national and sectoral policy dialogues on development as well as in development cooperation programming processes.
- Propose a general agreement among national governments and international organisations to build a consensus on the concept of Decentralised Development Cooperation (DDC) as a recognised and legitimate form of international development cooperation led by LRGs.
- Support DDC actors to change the project-based paradigm to a process and programme oriented approach, with a clear framework of impact assessment.
- Recognise DDC as a means to strengthen LRGs institutional and operational capacities to effectively implement SDGs.
- Promote transparency and accountability as key concepts to build DDC strategies and double efforts to secure proper coordination and complementarity between different levels of government and citizens' participation.
- Implement systems of development cooperation effectiveness at local level including the measurement of results and support the efforts made by LRGs and their associations to implement more pertinent, effective and accountable modalities of DDC.