DRAFT (May)

United Cities and Local Governments

Discussion Paper: Development Cooperation and Local Government

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Contents

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*)

The Objects of UCLG, set out in Article 3 of its Statutes, include the following:

- To be the worldwide source of learning, exchange and capacity-building, supporting the establishment and strengthening of free and autonomous local governments and their national associations;
- To promote economic, social, cultural, vocational and environmental development and service to the population based on the principles of good governance, sustainability and social inclusion;
- To promote decentralised cooperation and international cooperation between local governments and their associations;
- To promote twinning and partnerships as a means for mutual learning and friendship between peoples

Therefore, the intertwining of learning, capacity-building, development, governance, and exchange and cooperation between local governments, is built into UCLG's very DNA.

Our world is changing faster than ever, and faces new and difficult challenges which have a powerful impact on local governments, and on development at local level. We are still seeing the playing out of the effects of the financial, economic and later fiscal crises which hit many countries, but with differing intensity and duration, from 2008.

There are some retrograde tendencies, in particular in Europe, where several governments which have for years supported local governments' work on development cooperation are considering reducing, or even entirely removing, their financial backing. Moreover, some local governments are also cutting back – not always for economic reasons, but also sometimes on political grounds.

Against these negative trends, there are positive ones to note. The modalities of local governments' partnerships for development have been evolving, and we can see new forms of links and learning between partners from lower and middle income countries ('south-south') starting to develop in scale and importance.

 In addition, the international community and donors – many of whom have financially supported local governments' international cooperation - have been rethinking and recasting their approach to "aid effectiveness". Most recently (December 2011), the Busan Partnership for Effective Development Cooperation (the outcome of the High Level Forum on aid effectiveness) confirmed a welcome shift in perspective from 'aid effectiveness' to 'development effectiveness'. More than that – it refers to the "catalytic and indispensable role of development cooperation in supporting poverty eradication, social protection, economic growth and sustainable development." These are all fields in which local governments have a major contribution to make.

Given all of these changes and developments, positive and negative, it is timely, therefore, for UCLG to re-examine (1) how the association and its members can best work together to promote learning and cooperation for positive development, and (2) how together they can inform, educate and influence the international community in support of locally-driven international cooperation for development.

For these reasons, UCLG's Development Cooperation and City Diplomacy Committee (DCCD) and Capacity and Institution-Building Working Group (CIB) jointly agreed to draw up a Policy Paper on Development Cooperation and Local Government, together with an Advocacy Strategy to promote UCLG's objectives.

In preparing the Paper, the drafters have had the support of a Reference Group of experienced practitioners, including a seminar on the theme, as well as receiving important feedback from both the DCCD Committee and the CIB Working Group. In addition, they have had the benefit of a set of detailed responses from UCLG members to a consultation questionnaire.

All of these inputs are strongly reflected in the text which follows, and in particular in the various recommendations and ideas for action. We would like to thank the many individuals who have contributed their views and perspectives.

The Policy Paper also draws upon the earlier UCLG Position Paper on Aid Effectiveness, also steered by the DCCD Committee and CIB Working Group, published in early 2010.

PART I – WHY LOCAL GOVERNMENT MATTERS

> "Local authorities construct, operate and maintain economic, social and environmental infrastructure, oversee planning processes, establish local environmental policies and regulations, and assist in implementing national and subnational policies. As the level of governance closest to the people, they play a vital role in educating, mobilizing and responding to the public to promote sustainable development." (*Agenda 21, 1992 Rio Earth Summit, UN Conference on Environment and Development)*

Members of UCLG are fully aware, of course, of why local government matters, and why local governments will play an even more essential role in future. But if we are to convince our national governments and the international community to support our international cooperation and partnerships for development, it is important to reaffirm some key points to support our public advocacy strategy, whose main elements are examined in Part 3 below.

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

- They provide the voice, leadership and 'strategic vision' for their city or locality, and its people;
- They provide or organise local public services essential for people's well-being;
- They act as catalyst and drivers for the local (territorial) development process, in all its dimensions, in partnership with other actors

As we all face common global challenges (even if the intensity varies from continent to continent and country to country), as we progressively urbanize, as we become increasingly inter-connected, and as highly centralised forms of national government have proved increasingly ineffective, the importance of local government worldwide has steadily increased.

And in consequence, local governments across the world have the responsibility to develop and upgrade their own capacity and effectiveness, to develop strong systems of government and governance, to meet the development needs of their people. This requires them to learn from, and share experiences with, each other. That is why local governments' international development cooperation is so important, and why our national governments and the international community should be firmly encouraged to support it.   We briefly look at four key reasons why local government matters.

Decentralisation and local democracy are essential to our future

In parts of the world, a relatively strong system of democratic local self-government has been a feature of the political system since the late 19th or early 20th century, though full universal suffrage often took many years of struggle to achieve. Elsewhere, however, systems of government were often highly centralized, with little local autonomy even for large conurbations.

But over the last 30 years, decentralisation policies have become the norm, even if the systems (and extent) of democracy and local self-government vary. The trend has indeed been global, and covers countries with widely divergent GDPs. According to a 1999 World Bank study, out of 75 developing countries with populations of over 5 million, no fewer than 63 were carrying out decentralization

policies, often anchored in national constitutions. Today, in consequence, almost all Latin American and African countries, and many Asian countries, have systems of elected local government, and the new post-1989 democracies of central and eastern Europe all created systems of local democracy.

The Council of Europe's adoption in 1986 of the European Charter of Local Self-Government (now ratified by 45 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 this trend to decentralisation and local democracy:

- excessive centralism has been shown not to work efficiently and effectively;
- decentralisation with local democracy enables political diversity within a country to be better expressed, and allows citizen participation to become a reality;
- urban governance and management are both more complex and important in today's world, and need responsive local leadership;
- local governments are able to respond better and faster to citizens' needs and aspirations;
- decisions on public services can best be taken close to the ground;
- decentralisation, correctly implemented, enhances local economic and human development;
- (more cynically) devolving competences to a "lower" level of government sometimes enables central governments to divert public responsibility for difficult political and financial decisions.

But for decentralisation (devolution) to be successful, there are at least five essential prerequisites:

- There must be an effective, planned and progressive ***process*** of decentralisation, fully involving the new (or newly empowered) local governments and their LGAs as partners;
- There must be a transfer of sufficient ***competences*** to enable the local government to play its role as service-provider and leader of the development process;
- The transfer of competences must be accompanied by adequate ***financial resources*** to enable the local government to carry out its tasks;
- The local governments must be able (and helped as required) to develop the necessary ***human and technical capacity*** to perform their tasks and provide effective leadership and administration;
- There must be a shared commitment, at political and senior executive levels, to the principles of good ***local governance*** and ***inclusion.***

The first three of these conditions fall largely to central governments to deliver – and should be done in partnership with local government associations. In reality, central governments often fail to decentralise in a good way, either because of lack of will, or internal conflicts within government, or due to poor policy formation and implementation. And almost always, too, because there is a mismatch between competences (legal powers) transferred, and the resources available and devolved to carry them out.

The last two conditions – capacity development and local governance/inclusion – are largely the responsibility of local governments themselves. But these are often immensely difficult things to achieve, either because of the inadequate or incomplete process of decentralisation, or because there is simply a lack of human and technical capacity at local level, to develop the required new systems of government, administration, and governance. It is here that our partnerships and cooperation for development can play a crucial role in helping to achieve successful decentralisation and local development.

Local governments deliver proximity, participation and partnerships

One of the key reasons to decentralise, and to establish local democracy and self-government, is to enable decisions to be made at the level closest to the citizen, and with the involvement of local people. Through their public participation systems, 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 also to have well-formed (and informed) policies and systems of inclusion, to ensure that all sections of the community are able to take part, and that it is not just the voices of the better-off and more articulate that are taken into account. In these ways, local governments enable citizens to exercise what has been called "the right to the city."

In addition, a framework of strong public involvement in local governance has the additional value of making 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 players 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.

Changing demography and rapid urbanisation depend on good *local* leadership and governance

Whether we live in urban or rural settlements, we need good local government, playing its various roles positively. But dense and growing urban communities have a more direct and day-to-day need for and reliance on the services, infrastructure, planning and relevant regulation provided by the city 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 7 billion in 2011, and an even more rapid increase in urbanization.

Chart 1 (see next page) shows the projected urban and rural figures from 1980 through to 2050, when the global population is likely to top 9 billion, or more than double the 1980 figure.

It is important to emphasize that the world's rural population will also continue to grow until around 2020, and that even by 2050, it will still be around 2.8 billion. 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.

Some 90% of the projected urban growth is due to take place in lower income countries, so it is no exaggeration to say that if we are to achieve a successful and sustainable development globally, the key to this success will lie in the world's cities and towns, especially in "the south", where the problems and opportunities are the greatest. 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.

Chart 1:
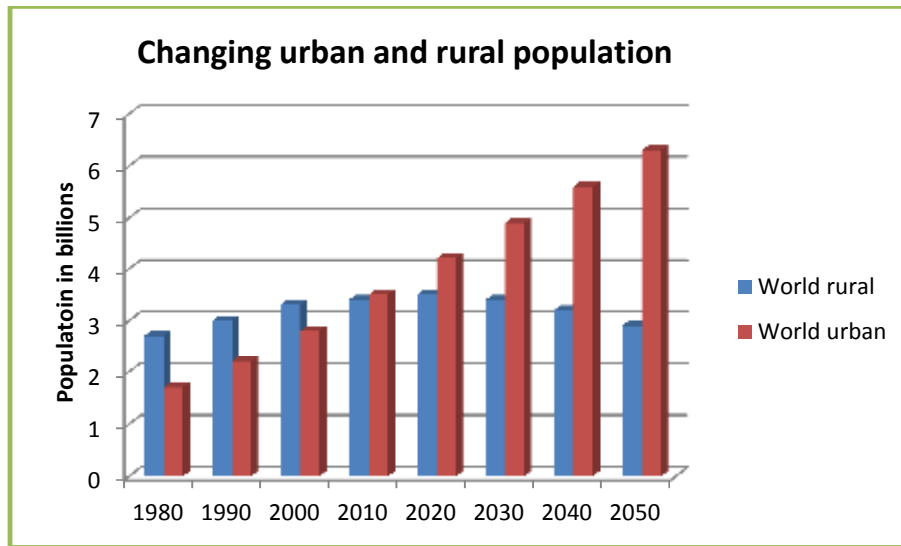
Changing urban and rural population

Source: UN DESA Population Division: World Urbanization Prospects – 2009 Revision

Chart 2:

Urban Population: Changing patterns
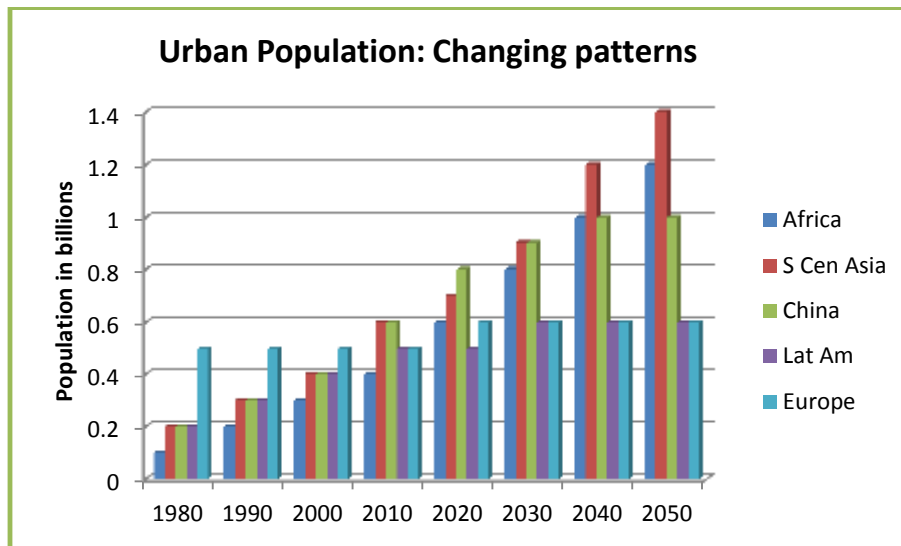
Source: UN DESA Population Division: World Urbanization Prospects – 2009 Revision

Chart 2, also based on UN estimates and projections for 1980 - 2050, shows:

- The urban population of Europe, Latin America and (from 2040) China stabilize;
- Africa's urban population started as the smallest, but increases rapidly throughout the 70 years, and by 2040 will be second highest at nearly 1.2 billion (over double today's figure);
- South Central Asia (including India, Pakistan, and Bangladesh) also grows rapidly throughout, and will have the largest urban population from 2030, reaching almost 1.4 billion by 2050.

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. Central governments have an important role to play in creating a positive legislative and financial framework – but cities must have a strong degree of local self-government if they are to develop and thrive.

Cities and towns are not islands. They are inter-dependent ("Systems of Cities" is the title of the World Bank's 2010 urban strategy). They require strong, positive co-ordination – "horizontally" within and across their economic region, and "vertically" with other "levels" (orders, spheres) of government. They need to relate positively to their peri-urban and rural hinterlands.

The challenges for city leaders and governments 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 in our common interest to help them succeed.

Local governments are the catalysts for local development

Implicit in all of the above issues is the fact that local governments are vital leaders, catalysts and agents of sustainable and integrated economic and human development – including the social, environmental and cultural dimensions. The quotation from Agenda 21 at the top of this section recalls that local governments have for decades now seen their development role in this broad vision of local and global sustainability – a vision reinforced in 2012, at and through Rio+20.

As a key part of this 'development' role, local governments need of course to ensure a good climate and the right conditions 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. The local government 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 the local 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 local level. As Kofi Annan, then Secretary General of the UN, expressed it to a UCLG mayors' delegation in 2005:

> "How can we expect to reach the MDGs, and advance on the wider development agenda, without making progress in areas such as education, hunger, health, water, sanitation and gender equality? Cities and local authorities have a critical role to play in all of these areas….While our Goals are global, they can most effectively be achieved through action at local level."

This 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 the democratic local government which is best placed to unlock the potential of this coalition.

The LG development role is sometimes made explicit, for example in South Africa's Constitution, which requires municipalities to give priority to the basic needs of the community, to promote the economic and social development of the community, and to participate in national and provincial development programmes. Or take Peru's constitution which provides (Article 188) "Decentralization is a continuing process whose purpose is the overall development of the country."

In sum, it is the development role – sustainable, inclusive, democratic, and integrative - which is at the heart of every local government's mandate.

This developmental role, we should note, transcends the purely local; in issues such climate change, air quality, management of water resources, or risk prevention, local governments play – and must increasingly play - their part in defence of our common 'global public goods'.

UCLG Conclusions:

- Local governments will play an increasingly important role in the coming decades.
- Local government is important for several reasons:
    - Decentralisation and local democracy are essential to our future
    - Local governments deliver proximity, participation and partnerships
    - Changing demography and rapid urbanisation depend on good local leadership and governance
    - Local governments are the catalysts for local territorial development
- Local governments' partnerships for development offer positive ways of helping local governments who face the biggest development challenges to succeed

PART II – THE CONTEXT: POLICY AND PRACTICE

1. Local governments' international cooperation and partnerships

Changing world, evolving practice

Local governments have worked together in partnerships and twinnings for over 60 years. After the Second World War, European towns and cities established thousands of twinnings, which aimed mainly at inter-cultural dialogue, promotion of peace and mutual understanding, and the construction of a united Europe. Some east-west links were created across the then 'iron curtain', between cities living under very different political systems, and many more were built once the Berlin Wall fell. From the 1950s, the USA Sister Cities International movement also sprang up, with community-to-community links between US and (at the outset mainly) Asian and European partners.

The relationship of European and North American cities and municipalities with Africa, Latin America, Asia and the Middle East is also long-standing (from the 1960s on), and diverse in origin and content. Historic, linguistic and cultural links are often at the origin of these partnerships, many of which represent the commitment (after independence) to work together for a better post-colonial future. In more recent times, these links may often be created, or maintained, due to the presence in the 'northern' city of an important migrant population from the partner country. Another motivation was that of solidarity, after civil wars, natural disasters, liberation struggles or political persecution, in relation to countries as diverse as Lebanon, Nicaragua or post-apartheid South Africa.

At least since the 1980s, and with greater density in more recent years, there has been a strong growth in the numbers of partnerships between 'northern' local governments and 'southern' partners working specifically on cooperation for development. As the international community focused increasingly on the need to assist citizens in low income countries, e.g. via the Millennium Development Goals (MDGs), and as local citizens in the 'north' showed more support for international development, their local governments increasingly reflected this engagement to make a contribution to tackling the injustices and worst inequalities of our world.

Today, many 'northern' local governments' links, for example with partners in China or India, have a principal economic motivation, reflecting a wish by the partner to be connected to a rapidly developing country, with future business potential, and reflect a "positioning" in a more globalised world. At the same time, such partnerships often include development issues, e.g. helping to tackle practical problems like water quality or environmental problems.

We should moreover not ignore the existence of reciprocal benefits through 'south-north' cooperation – in areas such as participatory governance, some 'southern' cities and local governments have played a leadership role, from which their 'northern' partners have been learning.

Furthermore, and especially over 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. These partnerships may also be 'triangular', when involving a 'northern' partner too.

One recent 'south-south' example, supported by UCLG, is that of mentoring and peer-to-peer learning, involving Brazilian and South African and Mozambican cities. With the rise of the BRICs and

other emerging economies, we can anticipate that the role of local governments from middle income countries in partnerships for development will continue to grow in number and importance.

A form of cooperation which has developed and spread is that of the international city network, such as Mercociudades in Latin America, within which a group of partners from the network can share and learn together on specific thematic issues. Networks may also be created through programme funding, e.g. the EU's URB-AL programme for cooperation between European and Latin American cities, or the EU's CIUDAD programme for cooperation between Mediterranean cities.

The role of local government associations (LGAs) as development partners and organisers has also developed over the decades, notably with the development of the ACB concept – Association Capacity-Building, with peer-to-peer working between LGAs to strengthen their institutional development. LGAs in the 'north' may also play a role in coordinating programmes for and inputs by their member authorities, whilst LGAs in the 'south' are increasingly tasked to transmit information and learning from programmes to their wider membership. In a few cases (e.g. Canada, The Netherlands, Sweden), LGAs have set up daughter companies to perform some of these specialised roles, and to enhance professionalism in development work; in other countries, such as France (with Cités Unies France) the local governments have set up a separate dedicated association for international cooperation.

The diversity of local governments' cooperation

Local governments worldwide are involved in a wide range of forms of cooperation and partnership, and for a wide range of motives and purposes.

 While some forms of partnership and cooperation are focused on the local governments themselves, e.g. where the primary purpose is peer-to-peer working and learning, others set out to mobilise the widest range of actors (civil society, educational, private sector…) to play their role in territorial development, with the local governments acting as mobilisers and coordinators.

We can summarise some types of local government cooperation as follows, whilst noting that this list is far from exhaustive, and that the content and objectives of partnerships (which may include or evolve into funded projects and programmes) can overlap and evolve from one type to another:

- Twinnings where the main purpose is to promote peace, mutual understanding between peoples, and/or cultural dialogue.
- Partnerships for mutual learning and capacity-building on LG management, or on different thematic issues, where the local government's own internal capacity is the main focus
- Partnerships which focus mainly externally, on local development strategy and partnerships, usually mobilising partnerships with other sectors and stakeholders
- Partnerships between LGs where an economic motive (business, trade, investment) is a main driver
- Partnerships between LGs to work on global issues such as the impact of climate change.
- Association capacity building (ACB) partnerships between Local Government Associations, usually aimed at strengthening the institutional capacity of LGAs in lower income countries, thus enabling them to better respond to the development needs of their members
- Partnerships where an LGA from a higher income country coordinates the deployment of LG expertise from that country, for the benefit of LGs in the partner countries.

These forms of cooperation and partnership may be bilateral ones between two LGs or LGAs, or they may involve a grouping or network of partners around a common set of themes. They may be

autonomously organised by the partner LGs concerned, or they may form part of a cooperation programme financially supported by a governmental or international funder/donor.

As appears from the above examples, by no means all LG international partnerships have development as their main purpose. But from this rich diversity of practice, the present paper concentrates specifically on LG partnerships and cooperation whose principal purpose is to promote development, and thus to make our contribution to the unique, shared international commitment to tackle the worst poverty and deprivation, expressed through the Millennium Development Goals, and to address global challenges that affect the whole world, but the poorest most severely.

Financing for local governments' cooperation

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 'northern' cities and local governments have sufficient political will, financial means, citizen support, and legal basis, to contribute from own resources. But this combination is not always present, and therefore the role of external funders is often crucial.

Since the 1990s, in several 'northern' countries, national development ministries began to provide financing support for local government programmes and partnerships for development. 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 UN family (e.g. the GOLD programmes of UNDP) and the European Union. The EU has supported a mix of city network exchanges (Asia-URBS, URB-AL CIUDAD), capacity development of LGAs (ARIAL), and other LG actions through the Non-State Actors and Local Authorities (NSALA) programme.

Today, in 2012, the work of local government development cooperation can be seen to be at a crucial point. There are many success stories to highlight, but also some weaknesses to confront. Following the 2008 financial and economic crisis, in a number of 'northern' countries, there is pressure on local governments themselves, as well as national governments who have funded this work, to reduce or change the scale or structure of their partnership work. We see too that in some 'northern' countries, government aid priorities are changing significantly, with aid support being focused more on reinforcing or complementing their international policy and trade relations.

At the same time, the role of south-south partnerships is growing, and nationally-funded programmes for local government cooperation in new middle income countries, e.g. the new decentralised cooperation programme in Brazil, are now being developed.

Other forms of LG support for development

Although this policy paper is about Local Governments' *cooperation and partnerships* for development, we should note at the outset that local governments in higher income countries often provide support for the Millennium Development Goals and other international development objectives in additional ways.

For example, LGs may provide financial support to local development NGOs based in their area, to support an NGO's own international development activities. Furthermore, LGs and their LGAs may

fund and promote activities to raise their own citizens' awareness of and support for international development and the MDGs, and development ministries (and the European Union) may fund these 'awareness-raising' activities. In a number of countries, for example Spain, local governments have set themselves a target of spending 0.7% of their income for international development purposes, mirroring the aim for national governments to spend 0.7% of GDP on development assistance. In France, moreover, the 'Loi Oudin-Santini' of 2005 allows municipal water companies to spend up to 1% of their budget on international cooperation.

Also not covered in this paper, in order to maintain its focus, is the often remarkable LG role in providing emergency humanitarian support – the LG response to the Asian Tsunami of 2004 was perhaps the biggest ever mobilisation, in which UCLG played an important coordinating role, whilst support to Haiti's local governments following the 2010 earthquake was also substantial.

UCLG policy recommendation:

Whilst this policy paper focuses on cooperation and partnerships between LGs and LGAs for development, UCLG is asked to reaffirm its support for all positive forms of local governments' promotion of the MDGs and objectives of international development, e.g. financial support for other local development actors, and for development education/awareness-raising 'at home'.

2. Some issues around LG cooperation and partnerships for development

Should we still speak of 'North' and 'South'?

Within the broad consensus of respondents to the consultation on this UCLG policy paper and advocacy strategy, a few responses raised more fundamental questions. One respondent argued that

 "The 'development' vision of international cooperation is an old-fashioned one, which comes from the 1970s when the whole international discourse was based on development…Contemporary international relations and cooperation are much richer and more dynamic than the development-related vision".

Another suggested that we need to overcome a 'northern-southern dichotomy' in our policy approach.

It is true that the forms of partnership between local governments continue to evolve, and that we have gone well beyond a traditional stereotype of imbalanced 'north-south' relations based on a northern partner providing a sort of charitable 'aid'. The role of 'south-south' partnerships is growing, often involving cities in emerging countries, and this needs to be fully reflected in UCLG's policies and practice.

On the other hand, we still live in a world of extreme inequality, and local governments in higher income countries, endowed with strong professional experience, a decent level of resources and a long tradition of local self-government, may still have much to offer to those facing daunting new responsibilities following recent decentralisation processes, and currently endowed with very modest resources. However, this type of assistance needs, where feasible, to be complemented by other partnerships involving those LGs who share similar acute problems and limited resource levels, or where one partner has quite recently been through a similar set of problems and experiences, and can offer their experience of handling these.

One challenge for us, therefore, is to find forms of partnership for development which, though often involving relationships between unequal partners in terms of absolute resources, ensure that they are based on equality of ownership and respect, and on a real reciprocity.

The terms North and South, while providing a useful short-hand, are becoming increasingly difficult conceptually as the world changes, and the global economic balance shifts. Moreover, 'north-south' is not a geographically accurate description of many contemporary partnerships - for example, an EU or North American country's cooperation with countries in the Caucasus, or with many parts of Asia. And many of the toughest urban poverty and development challenges for the future will be in countries geographically north, as well as south, of the equator.

The Busan Partnership document (2011) addresses some of these issues, which are at once substantive and semantic. It still uses the term "North-South" a few times, but makes more references to "South-South" and "triangular" cooperation. Thus at paragraph 14 we read:

"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. They remain developing countries and still face poverty at home. As such, they remain eligible to benefit from

development co-operation provided by others, yet they have increasingly taken upon themselves the responsibility to share experiences and co-operate with other developing countries."

Since the use of terms is in a state of flux, the present policy paper uses a mix of language – references to 'north' and 'south' are generally in inverted commas, to indicate that they are not always purely geographical. At other times, it uses the terms lower income countries (LICs), higher income countries (HICs), and emerging or middle income countries.   It should be emphasized that these are not static or immutable categories, and within each category (and country) there may be wide divergences at local level in development needs and potential.

Regional governments' cooperation for development

To date, we have referred to "local governments", not specifically to regional (or state or provincial) government. In the course of consultation in relation to this paper, the issue of whether to expressly include regional governments' cooperation was also debated.

The arguments were fairly balanced and the respondents were divided. On the one hand, some forms of regions' cooperation and partnership for development are similar or complementary to local governments' cooperation. On the other hand, and this is especially the case in federal or quasi-federal countries, the role of regional governments can be materially different, often being closer to that of national governments. The Flemish association VVSG (Belgium), for example, argued:

> "We regard it as crucial that the difference between local authorities and regional authorities is made. Both concepts are completely different from each other, use different guiding principles, have different aid modalities, implement completely different strategies and can count on different budgets as well. On top of that, a lot of regional authorities act as donor towards local governments and in that respect are in the same position as national governments."

However, in other non-federal countries (e.g. France) the regional authorities are seen as part of the system of subnational territorial authorities (collectivités territoriales), undertake a lot of development cooperation through inter-regional partnerships, and often work in partnership with local governments.

This ambiguity is not limited to those of us within UCLG. The European Commission, for example, uses the term "local authorities" to cover all forms of sub-national governments, including the German Länder and the Spanish autonomous communities, which are large-scale development 'donors', and which would not generally consider themselves to be a 'local' authority.

The term 'local government' in any event is not limited to the first-level (basic) territorial unit, such as the municipality, but in many countries its definition includes a second tier territorial unit, e.g. provinces in Spain, counties in the UK, and so on.

It is proposed, therefore, that the current UCLG policy paper should focus on local government development cooperation, which term should be understood to include – in terms of broad principles and proposals - regional government cooperation which is of a similar scale and character.

Recommendation

That UCLG's regional government members, including Metropolis, debate the specific roles and strategies for <u>regional governments</u> in development, drawing as relevant upon the present paper.

Towards a clearer concept of local government development cooperation

As we have earlier noted, the local government community has not settled on a single name to describe either its forms of cooperation in general, or its development cooperation activities. Both of the main currently-used terms – decentralised cooperation (DC) and municipal international cooperation (MIC) – have a long tradition and colleagues from different countries use one or the other to define their work, and will no doubt do so in future, whatever term we use within UCLG. But not all LG cooperation is 'municipal' in a strict sense, and the term 'decentralized cooperation' is used sometimes in a wider sense, to include other local actors.

For the purpose of this paper we have therefore adopted the generic terms 'local government development cooperation' (for the overall concept), and 'local government partnerships for development' (where the focus is on the partnership).

It is one thing to settle upon a name, and another to define the concept. What do we mean by local government development cooperation? At its broadest and simplest, it can mean any form of
- Partnership or other form of cooperation
- Between or involving two or more local governments and/or LGAs; this can include cases of cooperation where an LGA coordinates the participation of professional/expert/political contribution from several of its member local governments, and
- Where the main purpose is to address the development needs of one or more partners from lower income countries

Some respondents to the consultation on this paper also suggested that we should list the different roles, factors or principles that underpin and give specificity to LGDC. Others felt that the concept needs further work, and that a tighter definition would help to ensure a higher quality level of work.

What do we mean by 'development' here? The term is another one that is difficult to define with precision, and the international community has not agreed upon a single short definition. However, the Busan Partnership for Effective Development Co-operation final communiqué (December 2011) provides a relatively clear account of some key elements:

> "The world stands at a critical juncture in global development. Poverty and inequality remain the central challenge. The Millennium Declaration sets out our universal mandate for development and, with the target date for the ***Millennium Development Goals*** less than four years away, the urgency of achieving ***strong, shared and sustainable growth and decent work in developing countries*** is paramount. Moreover, the Declaration identifies that ***promoting human rights, democracy and good governance*** are an integral part of our development efforts."

> "***Sustainable development*** results are the end goal of our commitments to effective co-operation. While development co-operation is only part of the solution, it plays a catalytic and indispensable role in supporting ***poverty eradication, social protection, economic growth and sustainable development.***"
> (Our emphasis).

Sustainable development and growth, democracy and good governance, anti-poverty strategies, social protection…. All of these (and many more besides, such as climate change and disaster management) are fields in which local governments have a major role to play, and a deep and long experience to share.

Taking the above points into account, Section 3 below examines and proposes a set of 'building blocks' (goals, methodology, motivations, principles, key elements…) which are at the heart of local and regional governments' development cooperation. These merit further study and discussion, and as practice evolves, we will need to deepen and update them as appropriate.

Ideas from UCLG's members:

The Finnish association, AFLRA, proposed that the policy paper should list key factors, including: results-oriented approach, cooperation between peer organisations, north and south, based on equality and mutuality. Buenos Aires proposed that reference be made to the different modalities in which cooperation takes place, and emphasizing the concepts of horizontality, partnership, and the need to replace the dichotomy 'donor-recipient'. For Cités Unies France (CUF), the main point is that it involves cooperation between local governments, from one territory to another.

FCM (Canada) and VNG International (Netherlands) both favoured more precision or refinement; for VNG, a tighter definition could help ensure a higher quality level of practice, show evidence of added value of our way of working toward donor community, and make learning exchanges more effective. The association NAVIN (Nepal) felt that a distinction between urban and rural was needed, and Nouakchott (Mauretania) wanted to include the different types of collaboration and links (inter-communal, inter-departmental, inter-regional cooperation…). The association COMURES (El Salvador) wants the concept to start from the perspective of local and regional government's contribution to development at national level. The Diputació Barcelona (Spain) felt it important to clarify our concepts, as the differences between decentralised cooperation and municipal international cooperation are not clear. They suggested that the Observatory of Decentralised Cooperation (EU/Latin America) could contribute to the debate over definitions.

Local self-government and development cooperation – a creative tension?

We can see the role of local governments in development cooperation from two very distinct perspectives, which at first sight may seem to be in opposition. They certainly add a creative tension which runs through this policy paper and advocacy strategy.

On the one hand, local governments have and should have strong powers of local self-government. Internationally, the key principles of local self-government are set out in the European Charter on Local Self-Government and in the UN Habitat Guidelines on decentralisation and strengthening of local authorities. The latter provides in general terms (Article 6):

> "Local authorities should freely exercise their powers… within the limits defined by legislation. These powers should be full and exclusive, and should not be undermined, limited or impeded by another authority except as provided by law."

The European Charter, in addition, refers specifically to international activities of local governments:

> "Article 10 – Local authorities' right to associate
>
> (1) The entitlement of local authorities to belong to an association for the protection and promotion of their common interests and to belong to an international association of local authorities shall be recognised in each State.
> (2) Local authorities shall be entitled, under such conditions as may be provided for by the law, to co-operate with their counterparts in other States."

So for the international local government community, the right to cooperate with counterparts in other countries is an important one to defend and uphold. It is increasingly recognized in practice, but not always and everywhere, and national legal frameworks for international cooperation are often missing, or inadequate. Therefore, one important goal for UCLG must be to ensure that in every country, there is a positive legal framework for LGs to cooperate internationally.

As part of local self-government, many LGs establish, on their own initiative and responsibility, long-term twinnings and partnerships – and many of these evolve into partnerships for development. Indeed, the experience of working together over time can enhance the effectiveness of larger-scale cooperation, since the partners know and trust each other already. However, where the partnership receives external funding for development programmes, the funder will wish to ensure that the programme provides effective development outcomes, and where possible, that its lessons and results can be scaled up. Therefore, the degree of LG autonomy is by definition somewhat reduced.

UCLG therefore has two parallel tasks in relation to its policy. First, as ever, to defend the right of local self-government, i.e. the right of local governments worldwide to enter into bilateral or multilateral partnerships, and to work on projects and issues, that they freely choose.

But secondly, and simultaneously, 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 must demonstrate positive, cost-effective demonstrable results. Local governments also form part of *national* systems of government, and national anti-poverty and development strategies require coordination between different levels of government if they are to be effective. Thus, we need to situate our work and our policy within the international framework of development effectiveness, while adapting these to the specific LG role.

Therefore, within UCLG's advocacy strategy on LG development cooperation, we need to ensure that the right of LGs to decide freely on their international partnerships is fully recognized in law (positive legal frameworks) and in practice, but also that our sector demonstrates its capacity to work in an effective, coordinated and professional way if international support for our development cooperation is to be maintained and expanded.

3. The building blocks of LG development cooperation

Before analysing in more detail the strengths, weaknesses and added value of local governments' development cooperation, it is useful to set out:

(1) the main *goals* of local governments' development cooperation
(2) the principal *methodology*
(3) the *motivations and reasons* why local governments enter into partnerships and activities for development
(4) the *principles* and
(5) the *key elements* which underpin that cooperation.

Goals

It is a tautology to say that the overarching goal of local governments' development cooperation is…. Development! But it is perhaps important to emphasize this, since this is what motivates and drives the participating local governments and associations. But in order to promote and enhance sustainable local development in lower income countries (LICs), local governments' cooperation may encompass a very wide range of forms and activities, to meet one or more specific goals. In broad terms, these goals may be summarised as:

- To strengthen the strategic and practical roles of the democratic local government at the heart of the local development process (catalyst / democratic leader / strategic planner).
- To strengthen and support good local governance, so that the LG can better carry out its development roles, in particular through:
  - building strong local public institutions for the long term;
  - developing efficient and appropriate public services;
  - creating and improving sustainable forms of citizen / civil society participation and inclusion in decision-making, and in the wider local development process.
- To support effective decentralisation and devolution, in particular through:
  - building capacity of LGs to enable them to carry out new tasks and responsibilities; and
  - maximising the added value of LGAs to influence national decentralisation policies and their implementation.
- To improve LGs' capacity to tackle and deal with the impact of global challenges, e.g. climate change, on local development.
- To strengthen the capacity of LGAs to support their members to achieve successful local development, including:
  - their advocacy, negotiation and representation roles with central government in all aspects of the decentralisation process;
  - their role as promoter and disseminator of learning, good practice etc., among their members, including results from international cooperation programmes.

Methodology

Peer-to-peer cooperation, learning and exchange lie at the heart of local government development cooperation, to achieve the goals set out above, in particular in building and consolidating institutional capacity. It is to a large extent through exchanges of local government professionals, administrators, technicians – and not least, politicians – that the learning and sharing takes, place. It is this specific character that distinguishes it from all other forms of international cooperation.

This does not mean that only local government people are involved in the cooperation – far from it. Depending on the objectives of the partnership (which will change over time), local civil societies are likely to be involved in the partnership, as should be the private sector if – for example – the cooperation is around local economic development. But LG development cooperation always has the long-term institutional role and capacity of the local government at its heart.

Within this methodology, there are many different modalities. It may be a one-to-one cooperation, or involve several local authorities. It may – and there are many advantages to this – be part of a wider programme between one country's local governments and another's, or even be part of a world regional or global programme.

It may well – again, this is likely to be desirable - involve the national LGAs at each end of the partnership. This can be either between the LGAs, as a specific capacity-building partnership, or it may involve the LGAs in a broader local government cooperation, to help add a multiplier effect and impact to the outcomes of the individual LG partnership and programme activities. In the latter case, care needs to be taken to ensure that this is demand- not donor-driven, and that the LGA's own priorities are not distorted.

Motivations

The consultation questionnaire set out a list of possible motivations, and asked respondents to mark those which they thought were 'very important' or 'important'. They were also invited to add other reasons. From the responses, the top four reasons were these:

- We share a co-responsibility for development
- To help meet basic human rights and MDGs
- We share a mutual interest in tackling global crises
- To create local coalitions between communities 'north' and 'south'

Other significant reasons were:

- Tackling issues arising from growth in population and urbanisation
- Enhancing resources and capacity development (for 'southern' LGs)
- Learning through 'south-south' partnerships
- Longer-term economic benefit (for 'northern' LGs)
- Working with diaspora communities
- Professional development opportunities (for 'northern' LGs)
- The existence of a new generation of committed mayors in the 'south'
- Developing a positive international image for the LG
- It is a new paradigm, that breaks the traditional donor–recipient relationship
- It brings an international perspective to the LG
- It contributes to national foreign policy objectives
- It furthers the mission to strengthen LG worldwide

From all of the above, we may conclude that whilst there is a wide range of positive, practical and ethical reasons for entering into partnerships and cooperation for development, for 'northern' LGs' the question 'what does my local government get from it?' is secondary (see the principle of reciprocity, next below).

Principles

The top four 'motivations' above all demonstrate that local governments are not primarily aiming to provide or receive 'aid', but rather they are seeking to work together, sharing issues and problems, in order to achieve successful local development. From these and other responses, we can draw out four closely inter-connected principles, which also represent a set of shared values.

The first is ***equality of respect, ideas and creativity***, irrespective of the financial capacity and inputs of the partners. This is closely linked to a second, which is ***the rejection of a donor-recipient paradigm***. The basis is cooperation and support, not top-down or charitable 'aid'.

The third – which is also connected but more complex – is ***reciprocity***, i.e. that both (all) partners should gain some benefits from the cooperation. Since the development needs of the 'southern' local governments and communities are the essence of the cooperation, it is clear that in most cases, the benefits of the cooperation will and should be greater for them than for the higher income country partners. So reciprocity does not, and cannot, mean precise equality of benefits. What is important is to see 'reciprocity' as a value and a philosophy for action, not as a 'thing' or 'indicator' to be precisely measured. As set out below, having clear objectives and a focus on results is essential, and may include results expected for the higher or middle income partner - but this is separate from the principle of reciprocity as a value in its own right.

The fourth principle (also a motivation) is ***solidarity***, which can be specific or more general. Specific, if the cooperation responds initially to a particular humanitarian or political imperative (natural disaster, post-conflict reconstruction, post-apartheid development..); or more general, if the cooperation relates to tackling shared common challenges such as extreme poverty and inequality, or the impact of climate change on local development.

Key elements

In addition to these four principles, we can identify a set of key elements (closely connected to the Paris principles of 'aid effectiveness', below) which also underpin successful LG partnerships for development:

- There is co-ownership and co-responsibility for the activities and outcomes – these represent the practical consequence of the principle of reciprocity.
- The cooperation is based on realistic objectives and a shared commitment to account for results.
- The cooperation is also founded on transparency and openness between the partners and with their local communities.
- Although involvement in partnerships is decided by the political leadership of a local government, the cooperation itself is not politically aligned, and is strengthened by having multi-party support.
- There is a shared commitment to ensure that learning is spread and disseminated, within and beyond the LG itself, and using the LGA and other vectors for multiplier effect.

Recommendation:

That UCLG confirm the proposed 'building blocks' (goals, methodology, motivations, principles and other key elements) which underpin LGs' cooperation and partnerships for development.

4. Strengths of LG development cooperation

The consultation questionnaire set out a set of perceived strengths of LG development cooperation, and asked respondents to tick each of them as either a 'major strength', 'strength', or 'not a strength'. They were asked to do this exercise twice – once on their own organisation's behalf (the LG perspective), and once from the perspective of the donor/funder of our development cooperation.

From the perspective of the local and regional governments, the top 4 strengths came out as follows:

- *Proximity and local democracy*: "LGs are closest to the citizen, they have democratic legitimacy, they understand how local democracy operates"*Local governments are key public institutions for the long term:* "building their capacity is an investment in the long term, they need to become effective, transparent and accountable *institutions* for the benefit of their people"
- *LGs are providers of concrete basic services enhancing local communities' quality of life*
- *In-depth knowledge of LG roles and operations:* "LGs and LGAs are well-placed to design and manage local development interventions since they understand the milieu, know about local capacity-building, and are able to build partnerships for development involving a wide range of actors"

Other strengths of LG development cooperation included:

- the role of LG as the *instigator of public policies*, and as democratic political actors – some respondents felt that this political-democratic dimension needed to be highlighted more fully
- The role of LGs in decentralisation and devolution policies – though some also felt that this role is less recognized than it should be by donors, who do not always understand the full potential of the LG contribution to development
- the ability of LGs to build working linkages between the LG partners' local civil societies,
- the great potential for learning between LG peers.

When respondents were asked to wear the "hat" of the donors or funders, a similar set of strengths emerged:

- LGs are key institutions for the long term
- The added value of 'proximity' and local democracy
- LGs are providers of concrete basic services enhancing quality of life
- LG cooperation is a cost-effective tool for local development

Taken together, the above set of 'strengths' reflects the local government community's assessment of our "added value" through cooperation: -our understanding of each other's roles, needs and challenges; our understanding too of the development needs and aspirations of local people and communities; our key role as service providers; and the imperative to build effective, sustainable and democratic public institutions at the local level. - At the same time, we must also recognize the importance of demonstrating cost-effectiveness and positive results.

Respondents were also asked to assess key 'opportunities' for LG development cooperation, and there was broad agreement on these points:

- The growing worldwide trend to democratic decentralisation, which should give a bigger place to LGs
- Donors have increasingly targeted support to LGs in recent years, and may continue to do so
- 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 our success in gaining support

Another main opportunity is the global trend to urbanisation, which will require effective city management, and donors will give a higher priority to developing the institutional capacity in local governments in lower income countries.

Some points from UCLG's members

The important role of <u>LGAs in decentralisation</u> was highlighted in several comments. COMURES (El Salvador) affirmed that decentralisation needed to be done in negotiation with central government, and should be a gradual, systematic process, and supported with resources. The LG voice must be heard at national level, e.g. in relation to the Poverty Reduction Strategy Papers (AFLRA, Finland).

In relation to <u>donors' support for LGs' development cooperation</u>, several responses added important qualifications if we are to continue to benefit – there is a need to demonstrate results, to get a multiplier effect, to professionalise our practice (Mexico City).

On <u>strengthening the voice and role of LGs of the 'south'</u>, several respondents commented on the need to strengthen southern LGAs. Other points included building the capacity of LGs of the 'south' to draw up good project proposals and receive support to 'get to the table' (Rio Grande del Sul, Brazil; FCM), and the importance of having virtual and physical places of exchange (Buenos Aires).

Other 'opportunities' offered by respondents included that offered by 'glocalization' (the global/local interaction), our more closely integrating world (ALAT, Tanzania), the fact that development cooperation is a public policy of importance (Diputació Barcelona), and the benefits of moving towards more programme-based approaches (i.e. the advantages of greater scale and therefore impact).

Recommendation

UCLG is invited to note and endorse the above main strengths of LG cooperation for development, which can be used in support of the advocacy strategy.

5. Weaknesses of LG development cooperation

As regards the weaknesses of LG development cooperation, respondents were likewise asked to rank them in order of significance, first as seen from the LG perspective, and also from the funder/donor perspective.

The top four weaknesses, from the perspective of the LGs, were ranked as follows:

- Too little focus on results
- Most programmes are not designed for LGs
- Lack of continuity due to political / administrative changes in one or both LGs
- Not strategic or transferable enough

Of these, the second is more a criticism of what donors / funders 'offer' to support, than a criticism of the work itself, but this point came across strongly in many responses, and needs to be taken up in the advocacy strategy.

Other weaknesses highlighted include:

- Partnerships may be 'supply-driven' and not really owned by the 'southern' partner.
- Lack of financial resources
- The recentralisation of resources by national governments
- Inadequate legal framework for cooperation
- Lack of a professional development approach,
- Lack of monitoring and evaluation
- Lack of citizen support
- Lack of coordination among LGs
- Threat of corruption
- "MIC needs to move away from study tours to practical programme activities" (from an African LGA)

The first four of these are again mainly problems with the financial and legal framework within which LG development cooperation takes place, rather than weaknesses in the way LGs work. To deal with these, the UCLG advocacy strategy needs to target national governments and the international community to promote
:
- Effective decentralisation policies, in 'north' and 'south'
- Effective legal frameworks for cooperation, in every country
- Partnership programmes for LGs that are demand-led and owned by the lower income country partners
- Adequate finance for LG development cooperation programmes, which should be geared to the specific LG role and contribution

When looked at from the perspective of the donors, the main weaknesses are seen to be, in order of ranking:

- Too little focus on results
- Not strategic or transferable enough
- Lack of professional development approach
- Lack of continuity due to political / administrative change
- The problem of showing clear results from capacity-building.

But in summary, the weaknesses as seen by the local governments, and as perceived to be seen by the funders, are remarkably consistent, and offer some serious pointers for UCLG and its members' future work in this field.

Responding to the weaknesses

Respondents were invited to put forward their responses to the weaknesses. There was broad agreement that we should concentrate on developing a more professional, organised and results-oriented approach, in which UCLG and its members:

- have clear focal points and goals in our programmes
- provide tools to institutionalize a public policy of LG cooperation
- generalize the practice of evaluation, and strengthen capacity in evaluation
- provide useful instruments for LGs on development cooperation
- professionalise international affairs offices
- provide citizen education on the value of development cooperation
- lobby to show the added value of a peer-to-peer approach
- develop more programme-based approaches, and build our own institutional capacity for effective coordination

The advocacy strategy, below, therefore includes these issues, in its 'key messages' to LGs.
The following were seen as the main 'threats' to LG development cooperation:

- Donor funding levels are reducing (main reason – the economic crisis)
- Less money is available from 'northern' LGs themselves for international partnership work
- Decentralisation processes are blocked or stalled in many countries

To counter these threats, respondents argued that UCLG needs to deploy stronger advocacy and lobbying, towards funders and also towards local governments. Lobbying should highlight the 'pluses' of decentralisation and local democracy, and the role of LGs as catalysts for territorial development and progress.

Some felt that a number of LGs from higher income countries were now less willing to take part, not only for financial reasons, but also because in the current political-economic climate, they did not feel they should it was their role to be involved in international partnerships at all – "local government should concentrate on looking after their own area and their own citizens, not get involved in international affairs". If this were to become more widely accepted, it would represent a sad and perverse (in an age of global connectedness) reversal of a 50 year trend towards greater LG international participation and contribution. Therefore, the advocacy strategy needs to target LGs themselves, to persuade them that development cooperation is both legitimate and beneficial.

Finally, there was a clear message that we need to demonstrate more clearly the added value and impact of our LG development cooperation, undertaking more studies, and showcasing positive examples and experiences.

Recommendation:

That UCLG note the above main weaknesses of LG cooperation for development, the proposed responses, and the main perceived threats, as issues which need to be addressed in developing and implementing the advocacy strategy.

6. How far do we meet the goals of aid / development effectiveness?

Matching practice against key principles

The issue of local governments and aid effectiveness was the subject of an earlier UCLG Position Paper, and it is not intended to go in detail over the same ground in this policy paper. For UCLG, the greater focus has been on 'development effectiveness', rather than 'aid effectiveness', since local governments' role is more that of development partner and actor, than 'aid' donor or recipient.

The Busan Partnership document (December 2011), supported by a huge majority of states and many international organisations, came at a late stage in the process of consulting on and drawing up this policy paper. However, UCLG will surely support many of the key points which came from Busan, including its affirmation that "it is now time to broaden our focus and attention from aid effectiveness to the challenges of effective development."

The Busan document has slightly recast the principles set out in the 2005 Paris Declaration on aid effectiveness. They are now given as:

- Ownership of development priorities by developing countries
- Focus on results
- Inclusive development partnerships – "openness, trust, and mutual respect and learning lie at the core of effective partnerships in support of development goals"
- Transparency and accountability to each other

These are relevant and important, when translated to the local and subnational context, and can help us to assess the effectiveness of LGs' development cooperation. We had therefore asked respondents to assess their practice against some of the key principles, which (from the Paris Declaration) also included harmonisation.

The *principle of ownership* should mean that the developing country partner plays the leading role in drawing up and implementing its development policies, with higher income partner(s) respecting this role and helping strengthen the capacity to perform it. All respondents felt this principle was fully or partially met. Several respondents felt that there was still a risk of the model being too 'northern-driven'; because it is often the national development ministry/agency funding the programme which lays down its own broad strategies and objectives, the room for local control by the 'southern' partner is often relatively constrained.

The *principle of mutual accountability* means, in essence, a shared and transparent responsibility of the all partners for achieving development results. Over half the respondents felt that this principle was partly met. Some 'northern' LG responses pointed to a contradiction inherent in the financing of cooperation:

- "Aid modalities push the northern partner too much into role of accountant to partners; mutual accountability implies transparency, which is not always in place "
- "Even though we fight against it, there is some form of donor-recipient relationship in the management of funds, but not in the implementation of activities"

Another important qualification on the meaning of accountability came from a Latin American respondent:

- "Development is the responsibility of the countries themselves; cooperation is only a contribution to these processes."

The *principle of harmonisation* requires 'donors' to work together to reduce fragmentation or duplication and to coordinate their arrangements, including through wider programme-based approaches. Most respondents felt that this principle was partly met, but few felt it was fully met, and some 25% felt it was not met.

Several responses affirmed the need for LGs to *coordinate* their activities more closely, or at least to communicate better between themselves as to who is doing what. This is also linked to the need to demonstrate stronger multiplier effects and impacts from LG development cooperation. The coordinating potential of LGAs in both lower and higher income countries was emphasized, and UCLG itself could play a more important role in helping with coordination. Respondents underlined that coordination should not undermine the 'southern' partner's ownership role, nor be at the expense of the partners' autonomy.

The issue of focusing on *results* received wide attention from respondents, and is seen as a key area for the future. This is dealt with in other parts of this policy paper and in the advocacy strategy.

Some ideas from UCLG members for improving LGs' aid/development effectiveness

From Buenos Aires came the proposal "formación / información" - better training and information. Training, to enhance capacity in the management of development cooperation, and information, to include city development indicators for use in that cooperation. Several respondents argued for LGs to draw up their own framework of indicators for testing the effectiveness of LGs' cooperation.

FCM (Canada) proposed that, the more we work through programs (as opposed to single city to city partnerships), the easier it is to coordinate and be 'aid-effective'; countries need to come forward with ways to organize and coordinate their LG partnerships more effectively, to overcome donors' perception that our sector is unorganised.

Conclusions

We may draw at least four major conclusions from the above discussion on aid/development effectiveness, which are important for UCLG's future advocacy and internal practice:

- The need to ensure that the 'southern' partners' development needs are at the heart of our development cooperation activities and priority-setting, that all partners have shared objectives, and a shared responsibility for the results and outcomes.

- The need for LGs and their LGAs to coordinate and communicate better amongst themselves, with a view to achieving a stronger impact, and being able to demonstrate our effectiveness as development actors more fully to potential funders

- The desirability of establishing our own LG framework and principles of local development effectiveness, which may draw on the principles set out now in the Busan Partnership document, but which would reflect the specific character of LG development cooperation.

- The need to institutionalize, including through UCLG and its bodies, a process and culture of continuing learning, training and improvement in LG development cooperation, to enhance our overall effectiveness as a sector and as individual LGs and LGAs.

Recommendation

That UCLG:
(a) welcome the Busan Partnership document's change in focus from aid to development effectiveness, and endorse the value of the principles, as adapted to the local government context;
(b) endorse the four conclusions set out above, for implementation through UCLG's advocacy strategy and internal LG practice.

7. How far are LGs recognized as *actors for development?*

Before we turn to our proposals for the future, including the main elements of UCLG's advocacy strategy, it is necessary to assess how far, in the eyes of the international community and governments, local and regional governments are recognized as actors for development.

We need to differentiate two aspects of what we mean by LGs as 'actors for development'. Local governments may be seen as essential agents for development *in their own country*, and receive financial programme support from international funders for local development purposes. But LGs globally also wish to be seen as *international* actors for development through LG cooperation and partnerships for development, and to date, gaining formal recognition for our role in development cooperation has been more limited.

This section therefore looks briefly at how far the international community has formally recognized the role of local and regional governments as actors for development (a) in their national context, as agents of development, and (b) through their international partnerships and cooperation.

Formal recognition by the international community

UN and international organisations

Over the last 20 years, starting with the Rio Earth Summit, the UN and international community have on several occasions emphasized the role of international cooperation between local governments in favour of development, and indeed have encouraged governments to fund such cooperation. The final declaration of the 1996 Istanbul Habitat II "City Summit", for example, stated that

> "International cooperation, including city to city cooperation, is both necessary and mutually beneficial in promoting sustainable human settlements development…Governments, as well as bilateral and multilateral aid agencies, should commit themselves to encouraging cooperation between local authorities and to strengthening networks and associations of local authorities".

And the UN General Assembly, in its Declaration on Cities and Other Human Settlements in the New Millennium, 2001, affirmed

> "There is a need for the political will of all States and for specific action at the international level, including among cities, to inspire, to encourage and to strengthen existing and innovative forms of cooperation and partnership..."

Local authorities have also received some recognition as partners or "stakeholders" within specific parts of the UN system, in particular UN Habitat and UNDP, in areas which relate to sustainable local development and development cooperation. UCLG is a member of the Working Group on Aid Effectiveness of the Development Assistance Committee of the OECD, and of the biennial UN Development Cooperation Forum, which is due to meet in plenary session in July 2012.

Paris, Accra and Busan

The Paris Declaration on Aid Effectiveness (2005) made no specific reference to local governments. However, three years later, in 2008, the follow-up Accra Agenda for Action (AAA) remedied this to some extent, stating (for example) that:

"Developing country governments will work more closely with parliaments and local authorities in preparing, implementing and monitoring national development policies and plans.

Donors will support efforts to increase the capacity of all development actors – parliaments, central and local governments, CSOs, research institutes, media and the private sector – to take an active role in dialogue on development policy and on the role of aid in contributing to countries' development objectives."

But while local governments are clearly identified here as *development actors* for the dialogue on aid and development, the AAA does not recognize as explicitly as we might wish the role of LGs as actors for development, through partnerships for development and capacity-building.

The recent Busan Partnership document (December 2011) goes a little further than the AAA in highlighting the role of local governments in the national development process:

"21. Parliaments and local governments play critical roles in linking citizens with government, and in ensuring broad-based and democratic ownership of countries' development agendas. To facilitate their contribution, we will:
….
b) Further support local governments to enable them to assume more fully their roles above and beyond service delivery, enhancing participation and accountability at the sub-national levels."

Once again there is no explicit recognition of local governments as actors in international development cooperation. This may however be implied from paragraph 25 which states:

"We welcome the diversity of development co-operation actors. Developing countries will lead consultation and co-ordination efforts to manage this diversity at the country level, while providers of development assistance have a responsibility to reduce fragmentation and curb the proliferation of aid channels..."

Moreover, in the context of south-south and triangular cooperation, the Busan document includes the following points – including a reference to local capacities:

"31. We recognise that many countries engaged in South-South co-operation both provide and receive diverse resources and expertise at the same time…We will strengthen the sharing of knowledge and mutual learning by:
…
c) Encouraging the development of networks for knowledge exchange, peer learning and co-ordination among South-South co-operation actors...
d) Supporting efforts to strengthen local and national capacities to engage effectively in South-South and triangular co-operation."

The EU and ACP

In the 2005 revised Cotonou Partnership Agreement, the European Union and the ACP countries (African, Caribbean, Pacific) went further in recognizing LGs as actors for development both in-country, and through their international cooperation. The Agreement affirms the need for "building

the capacity at the local and municipal levels which is required to implement decentralization policy and to increase the participation of the population in the development process."

To achieve this, the Agreement states that what it calls "local decentralised agencies" should be:
* Informed and consulted on cooperation policies and strategies;
* Provided with financial resources to support local development processes;
* Involved in implementation of relevant cooperation projects and programmes;
* Provided with capacity building support.

Article 5 provides that cooperation should encourage partnerships and build links between ACP and EU actors, and strengthen networking and exchange of expertise and experience among the actors. For the first time in the EU-ACP agreements, European as well as ACP country local governments are made eligible for financing. In addition, Article 80 makes provision for financing of 'decentralised cooperation', which however covers other local actors as well as local authorities.

The EU

In recent years, the European Union has given much clearer recognition to the role of local governments as actors for development. There had been, since the 1990s, a decentralised cooperation programme, which applied to all local actors (mainly non-state), and in which local authorities were only modestly involved. But there was no explicit recognition of the role of local governments in international cooperation.

This changed in 2007, when the European Parliament overwhelmingly adopted a resolution (proposed by Pierre Schapira, also Deputy Mayor of Paris) on local authorities and development cooperation, which set out the arguments for local authorities' active involvement, and called on the European Commission to provide appropriate financing mechanisms.

Also in 2007, the European Commission published its strategy paper on "non-state actors and local authorities" (NSALA) which laid the guidelines for the new NSALA financing programme. For the first time, it set out a clear rationale for local governments' role:

> "While they are part of the state structure, local authorities are much closer to the citizen than other public institutions and may offer significant expertise not only in terms of service delivery (education, health, water, transport etc.), building democratic institutions and effective administrations, but also as catalysts for change and confidence building between different parties. They can provide a long-term, country-wide vision on how to build inclusive societies as actors with the necessary political legitimacy and the capacity to mobilise other actors."

This was followed, in 2008, by the publication of the Commission's communication, "*Local Authorities: Actors for Development*", which gave a positive assessment of the role local authorities are playing:

> "While the involvement of local authorities in external cooperation and development policy, especially through town twinning, has a long history, the last decade has witnessed a radical change in its nature. Decentralised Cooperation has emerged as a new and important dimension of development cooperation. It has become more comprehensive and professionalised; relying on institutionalised networks with outreach into developing countries; utilising a diversity of tools in all the regions of the world and with an exponential increase in financial allocations."

This last point about local authorities' "financial allocations" for overseas development aid (ODA) needs, however, to be qualified. It is true that there has been an increase, but the EU's definition of "local authorities" is extremely broad, and in fact covers all sub-national authorities, even including regions in federal and quasi-federal states (like the German Länder and Spanish Autonomous Communities) whose role is often more akin to that of a central government development aid donor. Most local and regional/provincial governments' activity is as a partner in development cooperation, rather than as an aid "donor".

The Commission's Communication set out a well-received series of proposals, including:

- To set the decentralised cooperation activities of local governments more clearly within the principles of aid effectiveness (the Paris Declaration principles);
- To support the role of local governments in decentralisation processes, in fields such as local democracy, governance, local economic development, and territorial development;
- To establish better information on the extent of decentralised cooperation, and a better dialogue with European associations and networks;
- To support the role of national associations in partner countries, to enable them to take part in national political dialogue; and
- To support the evolution of twinnings towards longer term partnerships for development.

The Communication was favourably received by the EU's Council of Ministers, representing national governments. It considered that local authorities in developing countries contribute to democratic local governance, and thus to poverty reduction, to inclusive equitable local development, and to provision of basic services especially for the poorest. The Council affirmed that local authorities "now occupy an important place among actors involved in development policy" and stressed their added value in development cooperation and in development education at home.

Most recently, the European Commission in October 2011 published a new Communication, "Increasing the impact of EU Development Policy: an Agenda for Change" which states:

> "There is also scope for the EU to work more closely with the private sector, foundations, civil society and local and regional authorities as their role in development grows…
>
> The EU should strengthen its links with civil society organisations, social partners and local authorities, through regular dialogue and use of best practices…..The EU should consider ways of mobilising local authorities' expertise, e.g. through networks of excellence or twinning exercises."

Conclusion

The international community has from time to time 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 fora, local governments have been recognized as development actors for some purposes, e.g. national dialogues on development, but the recognition of them as full 'actors for development' through development cooperation is more limited. Local governments are still often included alongside non-state actors, or subsumed among all "stakeholders" or "development actors".

In its earlier Position Paper on Aid Effectiveness, in 2009, UCLG called on the international community to recognize local governments and their associations as legitimate development partners. There is still a long way to go in fully achieving this recognition, and we should continue to press this as a key part of the advocacy strategy.

Recommendation

That UCLG:

a. Reaffirm its position that LGs and LGAs are legitimate development actors, both (i) through their role as agents of local development within their national development context, and (ii) through their international cooperation for development
b. Include recognition of LGs and their LGAs as legitimate development actors, in both of these aspects, as a key objective of the advocacy strategy

8. Examples of practical support for 'north-south' LG development cooperation

In addition to any formal recognition of local governments as actors for development, funders of local government partnerships for development have given practical recognition to this role, even where it is not made explicit. This section gives brief examples of programme-based support provided by international organisations and looks mainly at 'northern' governments which have financed LG cooperation programmes. Then in Section 9 below, we give some examples of recent developments in 'south-south' and triangular cooperation, which are increasing in scale and importance.

International organisations

An important range of UN agencies and of international organisations (such as La Francophonie and the Commonwealth) have provided or coordinated financial support to LG development cooperation, thereby demonstrating a practical recognition of its value.

As regards the UN, various agencies – notably UNDP, UN Habitat, the Food and Agriculture Organisation (FAO) - at different times have managed local and regional government cooperation programmes for development. For example, the UNDP's Art programmes – operating in countries in every continent - are established for the purpose of "articulating territorial and thematic cooperation networks for human development". These UN programmes depend on specific donor support from national or regional governments, or from foundations.

European Union support

The EU-ACP framework has already been referred to above, and local government cooperation has its legal base in the relevant provisions of the Cotonou Agreement of 2005.

Local governments' development cooperation is also financially supported by the EU, in particular since 2008 through the Non-State Actors and Local Authorities programme (NSALA), which provides (till 2013) around €30 million per year for local governments. Most of this is spent on in-country projects, decided by the EU's country delegations, i.e. it reflects the national role of LGs as actors for development. The remainder is for a mix of multi-country LG partnerships for development, for development education actions in Europe, and for LG networking on development - the PLATFORMA network, providing the (mainly European) local and regional voice towards the EU's institutions, is funded from this source. As indicated earlier, the EU gives a very wide meaning to the term 'local authorities', including all subnational levels of government.

The PLATFORMA publication 'Decentralised Development cooperation - European perspectives' (2011) gives 16 brief examples of European local and regional government development cooperation activities at http://advocacyinternational.co.uk/wp-content/uploads/2011/04/Platforma_60p_ENlow.pdf

The EU has also funded significant programmes for network-based cooperation between cities, including Asia-Urbs (for Asian-European cities) and URB-AL (for Latin American-European cities). The current CIUDAD programme is aimed at supporting urban development processes in cities from countries to the east and south of the EU.

In addition, the EU has recently recognized the importance of LGAs in the development process, and is funding the ARIAL programme to help capacity-building for ACP LGAs.

Given the EU's importance as a funder of LG partnerships for development, it is important to note that the next 7 year financing framework is due to be agreed by 2013, to commence from 2014. The EU's NSALA programme has been a positive (if somewhat complex) addition to the range of funding possibilities for LG development cooperation, and UCLG may wish to support Platforma's work to ensure a good LG programme is in place for the next EU financial period.

Financial support from national governments

Since the 1990s, a number of European governments – through their development ministries or agencies - have financed programmes for local (and regional) partnerships and cooperation for development. There are some relatively common elements to the way local government decentralised cooperation is financed and carried out, but also big differences, which depend on culture, tradition, legal powers, and public expectations.

Scandinavia

In Scandinavia, there is a fairly standard model, except for Denmark which has no government programme. Local governments have their own twinnings and partnerships, created freely by them, including, after 1989, many twinnings and partnerships with towns in the new democracies in the Baltic states and central Europe. But development cooperation with partners in lower income countries is largely financed by specific programmes established by the national government's development ministry, which sets the general rules of engagement - definition of the eligible countries, the thematic nature of the partnerships, the timescale and of course the maximum budget available. The local authority provides its own contribution – the time and salary of its staff involved in the cooperation - but other costs are met. Some ACB projects are implemented by the international department of the local government association.

The role of the Scandinavian national association (or daughter company) is mainly to inform the member municipalities of the government's programme and rules of engagement, to assess the applications, and to assist the local authorities who wish to be active in the programme. In Sweden, there are now two daughter companies involved; one helps the LGs in the municipal partnership programme, while the other (SKL) acts as a special type of local government consultancy, able to draw on local government experts (amongst others) from Swedish municipalities to work on larger scale projects.

North-west Europe

The overall picture is varied, but the approach is broadly similar to the Scandinavian model. That is, for development cooperation work, local authorities mainly act where there is a co-financing programme from their government or other sources.

Belgium's local authorities are quite actively engaged, due to funding programmes for development cooperation provided by the federal government, and also - in the Flemish region - by the regional government; this latter funding covers development education at home, as well as international partnerships.

In the Netherlands, the engagement of the Dutch local governments has been supported for over 20 years, on a significant scale, by the Dutch development ministry, in particular through the LOGO South programme, which received a positive independent evaluation. VNG International, the national LGA's daughter company, coordinated these programmes of municipal partnerships. The

approach has changed recently; for 2012-2016, the ministry provides financial support under the Local Government Capacity Programme to VNG International, which is tasked to find and deploy specific expertise from the Dutch municipalities, to assist LGs and LGAs in a set of priority countries. VNG International also provides advice and support to Dutch municipalities, and acts as consultant and technical adviser on international LG programmes, e.g. the EU's ARIAL and CIUDAD programmes, and projects implemented with support of donors such as the World Bank or UNDP.

In Germany, there is no national programme to support development cooperation. Despite this, a substantial number of (mainly larger) cities have active international partnerships for development, and some government-funded programmes (e.g. from GIZ, the development agency) are open to LGs. In the UK, the involvement of local authorities appears to have declined in recent years, and the only specific (rather modest) government financing for LG development cooperation is channelled through the Commonwealth Local Government Good Practice Scheme by the development ministry DfID. The LGA for England and Wales is involved in some peer-to-peer ACB activities.

France and Southern Europe

In France, Italy and Spain, the picture is - in general terms - of a stronger and wider autonomous activity in international cooperation by local authorities than elsewhere in Europe, with more local authorities involved, and with more funding provided by the local governments themselves. In both France and Italy, specialist local government associations exist, notably Cités Unies France (CUF), which support local authorities in their decentralised cooperation activities.

The French government, in particular through the Ministry of Foreign Affairs and the Agence Française de Développement (AFD), supports local and regional governments' decentralised cooperation activities on a fairly significant scale, including through the Association internationale des Maires francophones (AIMF). In both France and Spain there is an increased coordination between the national, regional and local levels with a view to enhancing the overall coherence of their national contributions. In Spain, the development agency AECID dedicates a considerable sum for decentralisation and support to local governments, and local and regional governments contribute through their partnerships. In Italy, the central government expresses support for decentralized cooperation, and may invite LGs to submit proposals, but the activities are largely generated and financed by the regional, provincial and local authorities themselves.

The financial contribution of southern European local authorities to international development has in recent years been quite high. Many local authorities fund NGOs and other non-state actors to do their own projects, as well as carrying out their own LG partnership activities. The commitment to spend 0.7% of the local budget to international development purposes (mirroring the internationally agreed target for national donors) is strong in Spain, with the national association's (FEMP) support.

Central Europe

The member states and local governments of the EU from central Europe have begun in recent years to support some local government international cooperation, mainly with lower income countries which border on or are close to the EU's frontiers, like Moldova, or the Caucasus countries.

Canada

In Canada, there is almost no tradition of LGs taking part in individual partnerships on their own initiative. However, for 25 years now, the national LGA (FCM) has been funded by the government's development agency (CIDA) to carry out significant LG development cooperation programmes, in

which individual Canadian LGs and practitioners take part. So the programme approach, aiming at wider learning and a multiplier effect, is at the heart of the Canadian experience.

The FCM's core international programme for 2010 – 2015 is Municipal Partners for Economic Development (MPED). It supports LGs and LGAs in Vietnam, Cambodia, Mali, Burkina Faso, Tanzania, Nicaragua and Bolivia to enhance their services in economic development. It also covers regional knowledge sharing, global policy development, and has cross-cutting themes of environmental sustainability and gender equality.

Under MPED, FCM's partnership model is evolving to include individuals from several Canadian municipalities working in teams with overseas experts on a single project. Country-level programs are carried out in partnership with national LGAs, with a view to achieving a scaling-up of results. The FCM also manages bilateral programmes in Haiti, Ukraine, and the Caribbean.

Other governments

Some other national governments have contributed to local government development cooperation in different ways, in particular via financing UN or other international programmes. The New Zealand government has also funded a scheme for LG capacity-building in Pacific Island states, for example. See Section 9 below for the new Brazilian programme.

Concluding points

This brief overview shows that, in many higher income countries, governments recognize that local governments play at least some role as development actors via international cooperation, through their funding of LG partnerships and cooperation for development. This recognition is not always very explicit, however.

Where LG development cooperation work is funded through national governments' development ministries or agencies, there is normally a requirement on the participating LGs to contribute financially, often 25%, and very often this is done via in-kind contributions. In some countries, a national programme is specifically designed for local governments; in others, it forms part of a wider ministry budget lines for or open to civil society actors, which can give rise to problems due to the different nature and role of local authorities. In other cases, the government may invite local and regional governments to respond to specific calls for proposals.

In a number of countries, the government (including in Spain the large regions) makes a significant financial contribution to LG development cooperation. In other countries, the programmes are relatively modest, which limits their potential impact. There is a danger that, in some countries, the ongoing economic and fiscal crisis will lead to reductions in government support.

That said, and whilst noting the importance of government and donor financing of LG development programmes, we should not downplay or undervalue the financial as well as practical contribution made by local and regional governments in many countries, on their own initiative, to development cooperation.

9. Examples of 'south-south' and triangular cooperation

We have already noted the far greater emphasis in the Busan Partnership document on south-south and triangular (north-south-south) cooperation than had appeared previously in the Paris and Accra documents. To recall, paragraph 14 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."

This is true of several of the BRICS countries, and of middle income countries more generally. 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 – the SALGA role

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, SIDA) 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 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 and governance arrangements (e.g. through the ARIAL ACB 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.

In February 2012, the Brazilian government took a major step forward, in launching its new south-south programme for decentralized 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.

Other Latin American development cooperation activities

Within the Mercosur structure, the members of the network Mercociudades are playing an increasing role in promoting development cooperation, within and beyond the region. To take just one city's example, Buenos Aires is coordinating a project under the Mercosur structural convergence fund, FOCEM, for institutional capacity-building; it has technical cooperation partnerships with Bogota (financed by the Organisation of American States) and with Medellin; and cooperates with Mexico City on sustainable transport, and other urban development issues.

Many other Latin American cities engage in similar activities which have a development focus.

South-south peer review and mentoring

UCLG and its members, including through the UCLG Committee on Strategic Planning, have set in train a series of initiatives around peer review and mentoring, involving in particular Latin American and southern African partners. For example:
- Brazil – Mozambique: Xai Xai and Inhambane (Mozambique) with Porto Alegre, Maputo with Belo Horizonte
- Brazil – South Africa: Sao Paulo with Durban
- Argentina – Chile: Rosario with Ciudad Sur
- South Africa – Malawi: Johannesburg with Lilongwe

These initiatives, which are anticipated to increase in number, have developed through city networks, with the support of a range of donors, e.g. the CityFuture project, supported by Cities Alliance and the Norwegian government. It is hoped to involve Asian cities and local governments more fully in taking peer reviews and mentoring forward.

PART III – DEVELOPING THE ADVOCACY STRATEGY

Who does UCLG aim to influence or persuade, what are our objectives, what are our key messages, who are our allies and opponents, and what are the means and opportunities for achieving our objectives? These are at the heart of any advocacy strategy, and in Part III we seek to provide answers, at least in outline. And finally, what role should UCLG play?

1. Who are the main 'targets', what are our objectives?

There are at least three types of '*target*' for UCLG's advocacy strategy on LG development cooperation:

- Those who create the international and national policy frameworks for development assistance and cooperation, within which LG development cooperation has its place;
- Those who fund, or may fund, local governments' development cooperation;
- Local governments themselves, subdivided into those who already take part (improving practice etc.), and those who do not yet do so.

In the questionnaire, respondents ranked a set of possible 'targets' for the strategy:

- National governments
- Bilateral donors
- Local governments themselves
- UN Agencies
- Other international organisations – World Bank, regional development banks, OECD etc.

There was also some support for aiming the strategy also at NGOs, as potential allies, and the private sector, who may often be partners or even co-funders. Respondents also proposed to include the EU, since it deals both with policy and funding, and the OECD, which deals with policy issues on international development assistance.

Respondents ranked the main **objectives** of the advocacy strategy as follows:

- To get recognition of LG development cooperation as a positive public policy, with a supportive legal framework
- To persuade donors to provide more, well-funded LG programmes
- To influence international development policies
- To advocate for direct access of LGs in the 'south' to finances for development cooperation

Other broader objectives suggested by respondents were:

- To strengthen LGAs at national, regional and international level, and
- To achieve a political consensus and commitment in favour of decentralisation.

Since local governments are seen as an important target group, UCLG needs to decide what objectives we should have for them. There seem to be two important ones:

- To persuade more local governments to take an active part in development cooperation;
- To improve practice and effectiveness across the whole sector, both for those who are already active, and for those who are just starting to be involved.

Recommendations

(1) UCLG's advocacy strategy should be mainly directed towards

- National governments,
- Other donors/funders,
- The World Bank and regional development banks
- Relevant international organisations (e.g. OECD) and UN agencies, in particular in relation to policy development for development cooperation
- The community of local governments, including their representative LGAs and networks

(2) The main objectives for the advocacy strategy should be:

(i) Towards the international community, national governments and funders:

- To obtain recognition of LG development cooperation as a positive public policy, with a supportive legal framework in all countries
- To promote more and better decentralisation, with the involvement of LGs and LGAs at all stages, and using LG development cooperation as a significant support mechanism;
- To obtain recognition of local governments, 'south' and 'north', as actors for development, (a) through their local development role for their territory and people, and also (b) through their international partnerships and cooperation for development;
- To ensure that funders' programmes take account of the specific role and reality of local governments, and that programmes address local government priority needs;
- To increase substantially the volume of financial support for LG development cooperation programmes, and the number and range of governments and funders in this sector;
- To obtain more direct financial support for cooperation available to LGs in lower income countries, including "south-south" partnerships;
- To the above ends, to influence international development policies, including aid and development effectiveness, which relate to LG

(ii) Towards local governments

- To enhance the quality, effectiveness and impact of LG development cooperation, through improvements in policies and practices;
- To persuade more LGs to recognize LG development cooperation as a positive public policy, and to take part in development cooperation partnerships and activities.

2. Key messages for governments and other policy-makers and funders

Any advocacy strategy needs to have a set of relatively simple key messages, which encapsulate much more complex underlying positions, but which enable everyone to understand and communicate the essential issues and 'asks'.

We invited respondents to consultation to propose recommendations to governments and donors, covering both policy issues and ways of improving practice in LG development cooperation, and received a large number of suggestions. These may be broadly grouped into the following main 'messages' towards governments and other donors:

The future is local, the future is increasingly urban – work with us to help manage and plan our cities, towns and territories

The world's population is growing fast, 7 billion in 2011, over 9 billion by 2050 – and most of this growth will be in urban areas, of different sizes, but mainly in Africa and southern Asia. Governments are decentralising to local and regional levels, but resources rarely match the responsibilities devolved to us, nor the needs of our communities. Meanwhile, we face global challenges and crises, which hit hardest and first at local level. Local governments wish and need to work together, and with the international community and national governments, to ensure that together we can rise to these huge challenges.

Local governments are essential, accountable democratic leaders and agents of local development for their communities

LGs everywhere, but especially in lower income countries, have a key role as democratic leader, strategic planner, service deliverer and catalyst for local development, with their communities and partners. They help to meet the MDGs and tackle extreme poverty. They play a vital role in generating positive local economic activity and employment. But they also need assistance in performing these complex tasks.

The role of LGs will be increasingly important as more countries decentralise more deeply, as the world continues to urbanise, and as global challenges have an increasing impact at 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 are significant public 'actors for development' in international cooperation

Local governments should be recognized as public 'actors for development' in two distinct but complementary aspects: as *agents and catalysts of local development in their own territory*, and also as significant *actors for development through international cooperation*.

Too often the second aspect – as partners in development cooperation – is neglected or underplayed, with LGs often hidden under the general umbrella of "other stakeholders", or seen as non-state actors with a role similar to that of NGOs. We need a more explicit international recognition of the distinct public role of local governments as actors in development cooperation.

LG development cooperation helps to make decentralisation and devolution work successfully

Donors often provide financial support to national governments to assist with decentralisation policies and processes, but much less so to ensure the policy's success at local level – which is where it stands or falls.

For decentralisation to succeed, it needs to be planned and implemented with the active participation of local governments and their LGAs as partners. Next, local governments must swiftly develop their capacity to perform their new enhanced roles, and deliver effective development and good governance. Local governments from other countries, who deal daily with similar issues, are best placed to provide peer-to-peer assistance to the LGAs and LGs involved in decentralisation.

Local governments make a major contribution to resolving global problems

In fields such as climate change, energy efficiency and renewables, environmental improvements, as well as in urban management, local governments are at the forefront in tackling the major challenges that confront the world. Even where national governments have been unable to agree on action, cities and local governments have been in the forefront. LG partnerships and networks for development increasingly focus on how to solve, or at least mitigate, the problems caused by issues like climate change which tend to have a bigger impact on poorer countries and communities.

LG development cooperation is legitimate, effective and merits support

Local governments play, and should play, an international role in our connected world. They have for over 50 years cooperated internationally; this is beneficial for their own communities, and makes a positive, continuing contribution to international development and understanding. We must not go backwards on this.

LG development cooperation is a positive public policy, and should be recognized as such. To gain maximum benefit, this requires support and coordination between all levels of government, and in particular there must be clear national legal frameworks which permit and encourage local governments to take part.

LG development cooperation achieves positive results and outcomes on the ground

There are many cases studies which demonstrate both the diversity, creativity and the value of LG cooperation. These are set out, for example, in the UCLG Position Paper on Aid Effectiveness (2009), and in the PLATFORMA publication (2010) 'Decentralised development cooperation - European perspectives'.
http://www.cities-localgovernments.org/publications.asp
http://www.platforma-dev.eu/index.php?page_id=&parent_id=0&lg=en
We need more, better-targeted and better-funded programmes for LG development cooperation

Many current programmes are not specifically designed for local governments, or with an understanding of how they work and how they can best contribute. There should be specific funding programmes for LGs, designed to match their specific role and contribution, on which they are consulted.

Programmes for LG development cooperation can and do cover a wide range of subject-matters. Whilst funders will have their own overall priorities, the principle of 'ownership' means that the 'southern' LG partners should have a strong say in defining the programme's priorities

In general terms, we need 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 enabling replication and cross-learning.

Provide more support to local governments in lower income countries, to help their development cooperation activities

At present, most external funding for LG development cooperation comes from 'northern' governments or agencies, which is channelled through LGAs and LGs in those countries. This can cause an imbalance in the relationship, which could be overcome if more such funding is progressively directed - where capacity allows - to the 'southern' partners, and where appropriate, through their LGA. This shift would accord better with the principle of 'ownership' of priorities on the part of the developing country .

Understand and use the added value of Local Government Associations

Local Government Associations (LGAs) in lower income countries have really important roles to play, but need resources and stronger capacity to maximise the benefits they can offer. They should be partners of central government and donors in planning and implementing decentralisation processes. They should be involved in planning and coordinating LG development programmes within the country, and in disseminating lessons learnt. They should be effective advocates for their members. Donors should include LGAs in their programmes, wherever possible, and provide support to specific association capacity-building (ACB) programmes.

Support cooperation for development between local governments from lower or middle income countries ("south-south")

Often, the most relevant and effective exchange and learning can be between cities and local governments that share similar socio-economic challenges, or where one LG partner has recently experienced a major development trajectory from which the other can learn. This cooperation between LGs from lower and middle income countries (which may be with or without a 'northern' partner) merits and needs stronger sustained support.

Recommendation:

To agree the following key messages to international policy-makers, governments and funders:

• The future is local, the future is increasingly urban – work with us to help manage and plan our cities, towns and territories.
• Local governments are essential, accountable democratic leaders and agents of local development in their communities.
• LG development cooperation helps to make decentralisation and devolution work successfully.
• Local governments are significant public 'actors for development' in international cooperation.
• Local governments make a major contribution to resolving global problems
• LG development cooperation is legitimate, effective and merits support.
• LG development cooperation achieves positive results and outcomes on the ground.
• We need more and better-targeted programmes for LG development cooperation.

- Provide more support to local governments in lower income countries, to help their development cooperation activities.
- Understand and use the added value of Local Government Associations
- Support cooperation for development between local governments from lower and middle income countries ("south-south")

3. Key messages for local and regional governments

Since the other main target group is our own community of local governments, we need to agree our key messages towards them. In the course of consultation, we received numerous ideas on how to encourage LGs to take part, on how to improve practice, and on the guiding principles for LGs in development cooperation. These have been distilled into the following main proposed 'messages'.

Taking part in LG development cooperation brings benefits to all partners – and contributes to a more international perspective

While the 'southern' partners may stand to gain a stronger organisation, better services, and a better basis for playing its developmental role, 'northern' partners often benefit in more subtle ways, through staff professional development, by involving their own local communities, and by demonstrating and developing a positive open and international attitude. In addition, many 'southern' LGs have made advances in issues like public participation, from which their 'northern' partners stand to learn. And together, the partners tackle the local impacts of global challenges, and demonstrate their co-responsibility for achieving development.

LG development cooperation has the greatest impact when it is part of a coordinated larger programme, with an agreed set of development objectives for the region or country in question

Many local government twinnings and partnerships start as one-to-one links, freely chosen by the partner municipalities, and these can often make an important contribution. But experience shows that a much greater impact can be achieved when the cooperation involves a grouping of local governments, coordinated in a network or programme, with an agreed set of demand-driven public development objectives for the region or country in question. In this way, learning and results can be shared and replicated more easily, and the LGAs can often play a coordinating role.

Make sure you have a strong professional approach to your development cooperation

If a local government is serious about its development cooperation activities, it must ensure that those involved, both in managing the partnership and in delivering the work, have a strong professional approach, and receive relevant training. This can be helped by creating national or trans-national professional learning networks for staff from different local governments involved in international cooperation.

Maintain a strong focus on results and outcomes, based on a locally-owned agenda

If local governments are committed to making a real impact, and if they are to gain wider support from funders for their development cooperation, then it is essential that, from the moment of conception of a project, all partners have

- a clear set of shared objectives and intended results, which reflect the 'southern' partner's priorities, and are fully understood and 'owned' by all of them
- a methodology for monitoring and evaluating progress during and at the end of the project.

A lack of such clarity, or of accountability for results, has been a weakness in some partnerships, and as a sector we need to overcome this.

Ensure you have political support for your cooperation activities, but don't be politically partisan

Local governments are by definition politically led, and international partnerships for development are usually politically agreed, if not politically inspired. Such support is important if the cooperation is to be sustainable and resourced, but if the political support is too narrow, a change in political control can lead to a sudden withdrawal of support. It is also important not to allow the partnership to be seen as in any way serving politically partisan interests.

Involve your other partners, widen your basis of support and participation

Whilst the local government is at the heart of the partnership for development, and some activities may only involve professional municipal staff, others will involve local civil society, and perhaps also local private businesses, schools, and other sectors. Migrant or diaspora communities can play an important role in giving support to the partnership, and in undertaking some of its activities. In any event, international partnerships are always stronger when they benefit from a wide range of local support and participation.

Be committed to continuing improvement, learning and exchange

Local government partnerships for development are by their nature in constant evolution, with new problems arising, new individuals involved, new technologies becoming available… In addition, there may be other partnerships, within the same programme or elsewhere, working on similar issues, facing similar challenges. Therefore a commitment to share and learn from each other is essential. LGAs and LG networks can usefully create forums where successes and obstacles can be discussed. Once again, if LG development cooperation is to gain wider traction among the international community, we need to show that we are constantly on the look-out to improve our practice.

Recommendation:

To agree the following key messages to local and regional governments:

- Taking part in LG development cooperation brings benefits to both partners – and contributes to a more international perspective.
- LG development cooperation has the greatest impact when it is part of a coordinated larger programme, with an agreed set of development objectives for the region or country in question.
- Make sure you have a strong professional approach to your development cooperation
- Maintain a strong focus on results and outcomes.
- Ensure you have political support for your cooperation activities, but don't be politically partisan.
- Involve your other partners, widen your basis of support and participation.
- Be committed to continuing improvement, learning and exchange.

4. Building alliances

In any advocacy strategy, one of the essential issues is to analyse who are your allies, and who are those who will resist or oppose your aims; and to adopt strategies and tactics to broaden the base of support, mobilise allies, and seek to win over or neutralise the impact of those opposed.

For UCLG, the first issue is to analyse who are the committed supporters inside the broad umbrella of the organisation who can be mobilised to help take the advocacy strategy forward. The CIB Working Group, the DCCD and other relevant Committees, as well as the World Secretariat, provide a strong institutional basis for this analysis.

More difficult, but also important, is to identify those from the wider community of local governments and LGAs, who are not involved in UCLG but may be mobilised to take a stronger position in support of the advocacy strategy. Here, the role of UCLG's regional and national associations, the Observatory of Decentralised Cooperation, and relevant city and LG networks, will be vital.

In assessing other potential allies, we need at minimum to look at:

- Sympathetic international/UN agencies and organisations, including individuals within them, e.g. OECD, UN Habitat, UNDP;
- Parts of the EU and other world regional bodies, known to be sympathetic;
- Sympathetic governments and bilateral donors who have shown an understanding of the value of LG development cooperation
- International and continental organisations representing NGOs and civil society organisations;
- Foundations committed to development and democratic local government;
- Networks and associations of local and regional governments, at all levels
- Private sector actors who can play a positive role in local development partnerships

In assessing 'resisters', those unlikely to support our main objectives, we know from long experience that there are some national governments opposed to any international activities or activism by local governments, but the bigger problem is likely to be a passive lack of interest, rather than active opposition, making it hard to make progress. This tendency to 'negative passivity' may be stronger in the context of the economic and fiscal crises affecting many so-called developed countries.

Recommendation

That the World Secretariat of UCLG analyse, with the CIB Working Group and relevant committees, the range of potential allies and opponents, in relation to promoting the objectives and 'messages' of UCLG's advocacy strategy.

5. Taking the advocacy strategy forward

The advocacy strategy – if it is to be effective – will require strong political support from UCLG's leadership, as well as sustained support from the World Secretariat, if its further development and implementation are to be successful.

If the recommendations for the advocacy strategy are agreed, then a methodology and timetable will be required, to focus initially on the next 2 to 3 years, 2012 to 2014. For this purpose:

- Which international events can UCLG participate in to promote its messages, and what is the most effective way of doing so?
- What other opportunities exist or can be created to lobby key 'targets'?
- Can UCLG organise one or more events around the themes of the advocacy strategy?
- Does UCLG wish to develop a 'branding' and specific communication tools to promote the strategy?
- How can we most effectively harness our supporters? And deal with opponents or 'doubters'?

In July 2012, following the Rio+20 event (June 2012), the UN's Development Cooperation Forum biennial plenary session will be held in July, in which UCLG has a place. At the DCF there is due to be a short debate on LG cooperation - how can this occasion be used to promote the strategy? The World Urban Forum takes place in Napoli (Italy) in September, and the next Africities conference will be held from 4-8 December 2012 in Dakar, Senegal. We therefore have several important events at which UCLG can aim to build our network of support, and promote our messages.

Within the European Union, 2012 and 2013 will be important in securing a new local government programme for the next 5 or more years. UCLG can work with CEMR, PLATFORMA and other allies on this opportunity.

In addition to taking part in externally organised events, it is recommended that UCLG consider (having regard to resources) organising its own conference or event on the future of LG development cooperation. Could it get co-sponsorship? Such an event, if practicable, would undoubtedly be a great opportunity to attract interest and participation from funders, allies, partners and practitioners, and a forum to get our key messages across both to potential funders, but also to the community of local and regional governments. One possibility would be to use the opportunity to organise a UCLG meeting around and in coordination with a relevant OECD event, given UCLG's membership of OECD's Development Assistance Committee. This could enable us to engage directly with more national government representatives as well as other donors and agencies.

Recommendation

That UCLG consider the best ways of taking forward and communicating the advocacy strategy, taking advantage of external opportunities including the Development Cooperation Forum and Africities, and to consider organising an international conference or event to promote the agreed objectives and messages, e.g. in coordination with OECD.

6. The future roles of UCLG

UCLG's governing bodies have, of course, the formal responsibility for adopting policy positions and for approving the overall advocacy strategy in the field of development cooperation, as in other fields. UCLG's current set of strategic priorities includes work on policy / lobbying on decentralised cooperation, so the present paper and strategy fit neatly into this framework. Moreover, in the CIB Working Group and the Development Cooperation and City Diplomacy Committee, it has means – at practitioner and political levels - for maintaining an ongoing exchange and overview of developments in this field.

Respondents to consultation were also asked for views on possible future roles for UCLG in this area, and several proposals were put forward, which include:

- Acting as a full partner of relevant UN agencies, World Bank, OECD etc.
- Maintaining a strong dialogue with multilateral agencies.
- Create and maintain an overview of who is where, doing what.
- Create an overview of different approaches and methodologies.
- Being a source of practical information.
- Coordination, research, network building, information sharing – to help improve practice.
- Providing models and instruments, systematizing and diffusing information.

From this, we can distill at least three key potential roles:

- ***Advocacy and representation***: Taking a full and active part in dialogue with the international community, as partner and participant;
- ***Information and learning***: Research, information provision and professional development on LRG development cooperation, with a focus on good practice and improvement;
- ***Coordination***: Networking and coordinating with the diverse community of local and regional governments, keeping up to date with activities and changes.

In practice, this means that the World Secretariat, the CIB Working Group and DCCD Committee need to work closely together to ensure that these roles are fulfilled.

The CIB Working Group pages of the UCLG website already provide a considerable amount of useful information, but its visibility is at present very limited within the UCLG site. If it could be achieved, a dedicated website, or part of the UCLG website, would be a valuable tool and asset, to help the organisation perform these roles to greater advantage. In particular, some dedicated human resources to work on development cooperation would help greatly to upgrade UCLG's internal capacity, and the possibilities of external funding need to be explored.

Recommendation:

(1) To agree on the three roles of UCLG in taking forward the advocacy strategy, and in serving members in this field, namely
- Advocacy and representation
- Information and learning
- Coordination.

(2) To agree in principle to seek dedicated resources to carry out these roles effectively, and to develop specific information, exchange and learning tools.