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Setting the Scene in Asia for SDGs implementation at local level

Focus on SDG 8 – Local Economic Development



CITIES, REGIONS AND PROVINCES

- City of Negombo
- City of Thimphu
- MILE
- Seoul Human Resource Development Center (SHRDC)
- Kathmandu Metropolitan City
- International Urban Training Center of Gangwon (IUTC)
- CLAIR Singapore
- Chhattisgarh
- DURG City
- City of Birgaon
- Dehiwata
- Anurâdhapura

ASSOCIATIONS

- UCLG ASPAC
- UCLG
- SALGA
- Federation of Sri Lankan Local Government Authorities (FSLGA)
- Local Government Association Maldives
- VNG International
- International Labour Organisation (ILO)
- Municipal Association of Nepal
- National Association of VDC of Nepal
- Local Councils Association Khyber Pakhtunkhwa Pakistan



Negombo
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2015



FOREWORD

When the UCLG team grappled with designing an action-focused agenda to guide international city to city learning at the end of September 2015, in an intense strategic session in UCLG's Barcelona headquarters, they had no idea that barely 10 weeks later the first international learning exchange would materialize. For UCLG General Secretary Josep Roig who had just landed from New York after the adoption of the New Urban Agenda, the international learning team supported by the active leadership of Sara Hoeflich agreed that the strategic learning agenda had to focus on helping support municipalities and their associations localize the 17 SDGs with its 169 targets.

Damontoro Tory from UCLG Asia Pacific (ASPAC) wasted no time in identifying SDG 8 as a critical priority for Asia, and Bernadia Tjandradewi very quickly mobilized the ever-eager and highly committed team from Sri Lanka to host what was a truly historic and meaningful learning event in more ways than one. Perhaps it was the peace and tranquility of the western beach resort that provided a symbolic setting of post –conflict reconstruction and development that inspired participants that with effort anything is possible. Maybe it was because of the genuineness and commitment of the officials and political leadership drawn from all over Southern Asia including Sri Lanka, India, Pakistan, Nepal, Bhutan, Maldives, Japan and South Korea to get to grips with what localizing the SDGs would mean. It could also have been the unique cross fertilization of ideas and lessons not just limited to Asia, but drawn from the testimonies from South Africa and the Netherlands through the experiences of local government associations representatives, Charles Paterson and Nicolette Piekaar.

There can be no doubt that the blended learning approach (including a hands-on experience of the local fish market, established by the municipality to promote sustainable livelihoods; the viewing of high impact videos of post-conflict development in northern Sri Lanka; the active role-playing of all participants in an innovative game developed by NGO Smileundo to enable players to learn the power of collaboration, win-win negotiation, and conflict resolution as well as intense facilitated group work action planning sessions) clearly contributed to the richness of the learning experience. The powerful speakers and thought leaders, including Pierre Martinot- Lagarde from the ILO who kept participants focused on the theme of decent work, and who offered critical insights into local economic development, added to the overall learning experience. But what stood out most, was the move beyond learning and sharing towards **action-oriented collaboration**. This was the clarion call made just a week earlier at the UCLGA Africities session in Johannesburg, where delegates in a dedicated session on city to city learning supported by UCLG/SACN agreed that what was needed now was local action to make the SDGs happen. SALGA's Kubeshni Govender Jones

understood this mandate well, and with the help of the UCLG facilitation team nudged all 40 participants to design clear and workable priorities for their cities and local government associations.

Beyond the focus on the content of LED and SDG8, Negombo allowed practitioners from learning institutes and training centers to think about future collaboration under the UCLG banner. From the experiences of eThekweni Municipality's innovative MILE program focusing on embedding local sustainability, the ILO's Turin Global training Center, IUTC, Japan's CLAIR, the All India Institute, Seoul's SHRDC and the coordinating role of UCLG ASPAC, it was abundantly clear that collaboration was not only possible, but made perfect sense in order to maximize synergies and help move the New Urban Agenda forward. In reflecting on the week spent in Negombo, the quality of the new personal relationships developed between practitioners cannot be overestimated. The late night dinners, early morning beach walks, bus trips allowed trust to be developed and the process of challenging assumptions and mindsets had surely begun. For MILE, numerous opportunities to partner emerged as well, including the offer to include the Maldives strategic planning team and other associations / municipalities to the next MILE Master Class in March 2016. In addition a request from Sri Lanka to host all its Commissioners from the major cities and Chief Ministers in a dedicated session in May 2016 was welcomed by MILE.

In driving away from that beautiful Negombo setting, past the bustling city of Colombo and back home to Africa, an indelible impression of the power of triangular cooperation is left in my mind. It is left to us; servants of the local state to make the vision of a better world possible. It can be done...

Sogen Moodley, MILE, Durban, SOUTH AFRICA

The background image shows a sandy beach with several bicycles parked. In the distance, there is a thatched umbrella structure and the ocean under a clear sky. The word 'INTRODUCTION' is written in a light blue, sans-serif font in the upper left corner, partially overlapping a white graphic element consisting of several overlapping squares.

INTRODUCTION

This publication is a culmination of presentations, discussions, ideas, insights, experiences, and lessons learned during UCLG's **"Regional Workshop on SDG Learning Agenda for Local Government in the context of South-South and Triangular Cooperation (SSTC)"**, held in Negombo, Sri Lanka, from the 9th to the 12th December 2015.

The workshop was hosted by the city of Negombo and organized jointly by UCLG, UCLG ASPAC, the Federation of Sri Lankan Local Government Authorities (FSLGA), and the International Labour Organisation (ILO). The meeting gathered over 40 participants from Local Authorities, Local Government Associations and Training Centers for Local Governments from several Asian countries (Sri Lanka, Bhutan, India, Japan, Maldives, Nepal, Pakistan and South Korea). Experts from the Netherlands, Philippines, Spain, and South Africa were also invited to present their views on localizing the Sustainable Development Goals (SDGs), as well as their scope of work, with a focus on knowledge-sharing.

The initiative was shaped on the basis of UCLG ASPAC's request for support in organizing a session which would identify needs and actions in order to align capacity building with the SDGs in the Asia Pacific region. Henceforth, the specific purpose and objectives of the meeting were:

- To develop a tool and roadmap to translate SDGs to local governments for a learning program. This would help local governments to localize and mainstream the SDGs into their development agenda;
- To facilitate South-South Triangular exchanges and Cooperation (SSTC) among cities with a special focus on Asia.

At a methodological level, various tools were used such as icebreaker, knowledge-sharing, round tables, participative debates, session facilitation, group workshop, etc., in order to foster proactive participation and focus on the results and conclusions of participants' needs.

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01 THE MOMENTUM OF THE UNITED NATIONS AGENDA: THE SDGs AND THE INCREASING SSTC

In September 2015, the United Nations adopted 17 Sustainable Development Goals (SDGs) to be achieved by 2030, also called the 2030 Agenda. This roadmap built on the Millennium Development Goals (MDGs) and the post-2015 Agenda, suggesting that as the world is becoming more decentralized, the role of Local Governments is unprecedentedly significant in achieving those goals.

In appreciation of the role of local government in the SDGs, UCLG has embarked on a range of activities to support its members to understand, locate and engage the SDGs within the context of their own development agendas. All the SDGs are linked to each other.

Since the High Level United Nations conference held in Nairobi in 2009, further momentum was created and the South-South and Triangular Cooperation (SSTC) became recognized as a tool for development. This modality is open to the involvement of national and increasingly local authorities from the South and their associations in development agendas. A lack of appropriate involvement of local urban stakeholders may lead to significant failure to achieve the SDGs (up to 65% of the targets are at risk) and it can be addressed in the New Urban Agenda.



02 LED APPROACH IN SRI LANKA

Sri Lanka's LED activities rely on in the development of micro-enterprises supported by donors and civil society. The country's LED efforts are laid out on the Central Government's National Development Policy Framework Vision, Mahinda Chintana 2011-2016, where the District Divisional Secretariat Offices (DSOs) compiles most of the implemented initiatives for the local government. LED support in Sri Lanka commonly revolves around business development services to MSMEs along with technology transfer initiatives.

The Learning Exchange exposed participants to hands-on learning at a fish-market as part of a technical tour. In addition, an ILO program in northern Sri Lanka was presented that generated intense discussion. Both of these are showcased here.



Negombo Fish Market

A visit to the local fish market can paint a clearer picture of how local economic development works. With this in mind, participants of the regional workshop set off for Negombo's fish market early in the morning on the program's 2nd day. It was a peer-learning visit aimed at highlighting the support and role that the local government plays in LED strategies in Sri Lanka – how they accompany local actors in the field and what can be done to improve their actions.

Fisheries are one of the main economic activities in Negombo, together with tourism and other commercial industries (e.g. tea export) and agricultural activities. These are steadily increasing due to the proximity of the largest international airport in the country.

Around 35,000 people live from fishing in Negombo, making it the primary livelihood in the city. The Negombo Fish Market (called Lellama by locals), which is



more than 250 years, is the second largest fish market on the island. It is located near the Old Dutch Fort Gate and operates 6 days a week, except on Sundays. According to the statistics of the Sri Lankan Fisheries Department, Negombo's fish production is about 8% of the total of Sri Lanka's fish production. At Lellama, there are about 300 spots for selling and more than 1,000 people work there.

Due to the importance of this fish market, but also to the fact that fishmongers are usually the lowest income group, strategic support for the activity of the market has been considered through local and national government funds. This initiative enhances local small-scale businesses and entrepreneurship but also the development of sale conditions to make the market more attractive.



For its part, the municipality granted the public space for the market, including the beach for drying the fish. A roof for the market was also built in 2012 through a national grant managed by the Negombo Municipal Government. Services such as waste collection and water supply have also been provided by the municipal authority. The sellers pay a monthly tax which differs according to the type or location of their spot (stall, ground space, etc). The collections are carried out by the municipal government but overall are managed at the national level. Meanwhile, the management of commercial activities has been delegated to the fishery association.

Several initiatives to enhance the scale of the local fishing industry are also undertaken by the government – including giving free nets to the fishermen, an action with the two-fold aims at increasing their production capacity, and in turn, to balance the gap that exists between the boat owners and the fishmongers. Fish trading works as follows: fishermen/boat-owners sell their total catch through auctions to a wholesaler; the wholesaler then sells it in small lots through auctions to the fishmongers, which then sell to the public.

Overall, market development has focused mainly on improving physical infrastructure and the provision of basic services. Nevertheless, improvements in market strategies and actions can still be accomplished. The challenges that came up during the visit can also be added to the municipal agenda of many Asian cities such as:





Technical Site Visit

Negombo Fish Market main challenges

•Management of public spaces for other uses:

A large part of the beach is dedicated to fishery-related activities. The problem appears when fishmongers put a fence around their space. Uses on the public space might be mixed between fishermen and accessible to the public.

•Management of the market:

Sellers' participation in the delivery of services such as garbage collection, cleaning or water supply are currently transferred to the central government. Municipalities should be in charge of collecting sellers' taxes in order to enforce the law, show the in and out of this activity but also bring more proximity.

•Management of the production:

Products sold in the fish market have a low added value as they are not transformed and don't observe cold chain integrity. Considering this, the next steps for the market development may include aspects related to :

- Cold storage options
- Transformation process at local level (only big companies and supermarkets do transformation)
- Specific offers for tourists on the spot (shrimps and crabs are usually reserved for exportation as they are too expensive for the local market).

Local Empowerment through Economic Development (LEED)

A LED initiative in the post-conflict Northern Province of Sri Lanka

Presented by: Farzan Abdul Razzaq



The International Labour Organization (ILO) office in Sri Lanka implemented the “**Local Empowerment through Economic Development**” or LEED project between 2010 and 2016.

The LEED project was addressed to the “conflict-affected communities” in three districts of northern Sri Lanka who suffered for three decades of internal armed conflicts. The communities had endured loss of lives, physical and economic infrastructure, market and business linkages, and the trust between communities. Through the resettlement in 2010-2011, this territory received a huge inflow of humanitarian aid and investment for physical infrastructure. Despite this, a key challenge at the local level that had to be addressed was the lack of strong baselines that would serve to initiate the revival of the lost livelihoods, as well as a need for a strategic plan to revitalize the economic sectors.



The LEED project, which engages both national and local authorities, was then implemented to address these gaps. The project aimed to empower grassroots community members through sustainable employment and livelihood. Its objectives were to create employment and increase income for the most vulnerable and poor people in the conflict-affected communities. To meet these objectives, the project focused on setting an approach that is based on the economic sector and that also promotes partnership development and inclusive strategies. Mainstreaming gender and developing the Cooperative sector were also among the project's goals. Considering this, an analysis of the local economic situation showed that the main livelihood sectors in this area were: fruit and vegetable production, the paddy cultures, the fisheries and other field crops.

Furthermore, to insure the sustainability of the project and its appropriation by local actors, the main partners to be involved have been identified as follows: Government Institutions; Producers' associations; Cooperatives; Large private companies; SMEs and Chambers (local/ National).

Finally, to connect and realize LED, the project accompany the actors in different steps of the implementation of their local businesses, especially through TDMI sector studies, value chain analyses, end market studies, technical support for divisional plans, mobilizing the local communities, building of trust and credibility, creating dialogue on strategic LED, developing partnership with government, private sector, producers, association (cooperatives) chambers, and developing interventions.

To illustrate this process, a concrete example was shared: the "red lady papaya".

LEED (cont'd.) The "Red Lady Papaya" example



The project involved training women, often widows following the conflict, in the production and exportation of red papaya and to structure the sector. To reach this objective, the process included an end market analysis on the fruit and vegetable sector (that showed a strong potential to grow crops for the exportation of red lady papaya), a pilot program to initiate the linkages (lack of trust between communities due to prolonged conflict, reluctance of exporters due to physical and social factors), a long phase of motivation and support (8 months) to keep the program running until to see the 1st harvest , an important training campaign to absorb 200 women and men farmers ; the formalization of the initiative (formation of a fruit growers cooperative society - 1st model registered) and the joint venture between the cooperative and the exporter.

The project had a direct impact on local communities and the local economy. In fact, it allowed a market, with guaranteed prices and a stable source of income for the most vulnerable (between March 2012 and September 2015, 2000 MT of red lady papaya have been exported to Middle East, bringing an income of USD 450.000 to the local economy). The project also contributed to the creation of employment and new opportunities as the value chain grew (cooperative staff, labor for harvest, employees at pack house, labor for seedling production, etc).

Furthermore, this project also opened up new opportunities as it brings sustainability to the local production (diversification within the crops and new scheme for extraction of papaya); entry of new exporters (more competitive, benefits for farmers, extension into other districts, potential of being declared as an agriculture export zone); and the reinforcement of the bargaining power of the cooperative.

Last but not least, this project also promoted the economic role of women and proposed a model of cooperative with high representation of women as active members and at the Board of Directors level. It also helped to build a new path for trust between all the communities thanks to economic activities.



03 LOCAL ECONOMIC DEVELOPMENT (LED) IN THE ASIAN CONTEXT

What does LED mean?

Before detailing challenges and realities in Asia, it is worth taking a close look at the international level to see how international organizations who engage with local government among other partners, such as the International Labour Organization (ILO) and the Canadian International Development Agency (CIDA), define LED in the countries where they operate:

“In appreciating the needs of its citizens it is clear that local authorities must go beyond the provision of services to citizens, in this light LED is a key issue”

M. Samsodesi, Deputy Assistant Negombo

International Labour Organization (ILO)	LED is a participatory process which encourages social dialogue and public-private partnerships in a defined geographical area. It enables local stakeholders to jointly design and implement a development strategy which fully exploits local resources and capacities, and makes best use of the area’s comparative advantages. This approach does not only focus on economic growth but also on the participation of local citizens and their resources for better employment and higher quality of life.
Canadian International Development Agency (CIDA)	CIDA Local Governance Support Program offers a more contextual definition of LED, defining LED as the process by which actors within the LGs work collectively with the result that there are improved conditions for economic growth, employment generation and quality of life for all.

These definitions have a common emphasis on LED as a **multi-stakeholder cooperation** as with the public and private actors for economic development in local areas. Thus, a triple helix of cooperation pursued with the LGs, private actors and the capacity building institutions becomes imperative. Furthermore, the mentioned organizations converge among their LED advocacy discourse emphasizing three major aspects. In terms of input, LED needs collective work involving a partnership between

different stakeholders. During the LED process, local resources have to be at the core in addition to a strategy with a view to build conditions for businesses to flourish. From an output perspective, LED creates jobs, increases incomes and provides local economic growth.

What is important to understand are the enabling conditions for LED so that we can map out the gaps and interventions needed to ensure the successful delivery of LED approaches.

Mayors roundtable and reasons why local governments engage in LED

The benefits of engaging in LED are acknowledged by many local governments, and these directly or indirectly cross into other aspects of governance that bring socio-economic and environmental improvements to communities. Some of these reasons are described in the mayors roundtable and the table below:

Fiscal constraint and Tax collection consideration

The more activities take place, the more income is generated. Timpltu experienced an easy agreement with owners and communities in order to increase the property tax 100 times more. As land use changed and owners were benefiting from better services, it was seen as an opportunity to increase taxes. Urbanization is a chance for making municipalities' tax- incomes more sustainable.

Inefficiencies of the market in service provision

Many local governments lack the provision of even basic services. However, the right connection between a consumer and a producer was shown in the "red lady papaya" project. Cities happen to be important markets where consumers and producers' awareness and commitment to high quality and local production can increase flow of goods and local trade.



Eagerness to jumpstart entrepreneurial activity (governments frequently race to hand out capital)

In tourism, international and national capital flows indicate that opportunities exist and local enterprises need access to the market through credits or other support. Local driven ecotourism is a good example of the wealth created by tourism which can be locally distributed.

Employment opportunities for constituents

Laws for including poor and marginalized have been implemented in India, where local governments employ staff of all casts. Unfortunately, decades after these laws were set in place, interests and clientelism have frequently pushed back transparency and competition in the job market. Municipalities see themselves in a trap, unable to perform, with the entire budget spent on salaries.

Welfare and social security of constituents

The region is still struggling in terms of inequality. Cast, race, religion, gender remain determining factors for access to jobs and remuneration. The Sri Lankan government had built a post-conflict strategy to fight against inequalities.

"If tourism is locally handled 70 %of the wealth remains local, if it is in hands of international chains, it is just inverted. Countries and municipalities need to cooperate for tourism to create more jobs, more wealth, more chains and local clusters.."

- Ms Bernadia Tjadrandewi
Secretary general
UCLG ASPAC



During the Negombo peer learning event, a Mayors' Roundtable was organized in order to discuss LED political implementations. In order to implement LED, Mayors suggested the following elements :

-Provide physical infrastructures

During the Roundtable the topic of post-seismic reconstruction in Nepal appeared. Reconstruction is a key issue for Nepal after the last earthquake. What they did before has changed significantly because of reconstruction programs. Focus is now on the reconstruction of historical monuments, public buildings (hospitals, schools etc.), and private houses. Private houses will be built through a public-private partnership. The new programs will aim at having mixed use infrastructure, where lower levels are

dedicated to commercial activities and the upper levels for living.

-Find a new political perspective

Maldives is a 200 islands archipelago where each island has its own council. Harmonization of laws combined to decentralization allow councils to raise bonds and gain more skills. Maldives have a forum where information can be shared between local councils, and land use planning assistance can be provided – with 120 land use plans. With a view to provide an enabling environment for businesses to flourish, laws were developed by councils with parliamentarians and financial stakeholders.

-Open-up strategies to new initiatives, innovation and creation

Pakistan has recently protected the local government area of governance. LED has been identified as a critical element of democracy. For the first time, 30% of the provincial budget will be allocated to local governments and there has been a special focus on youth for the first time. In addition, SMEDA (Small Medium Enterprise Development Agency), a provincial government initiative has been developed for small loans attribution. At a national level, there is PPAF (Pakistan Poverty Alleviation Fund). The Fund is made up of two parts: one has a development focus dedicated to entrepreneurs and the second is for women providing them soft loans for business development. There are few NGOs providing their support to Government in order to increase the relations with the Civil Society.

-Develop inclusive policies and programs with sectoral focuses

Bhutan is the country initiator of the Gross National Happiness (GNH) taking into account the spiritual, physical, social and environmental health of its citizens and natural



"The major problem for Thimphu is the garbage collection. A recent project as cut down the cost of garbage collection with the help of a private public partnership and an NGO linked to a women's association. The project costs were covered 70% by the private sector and the rest was raised by USD 1 per household which was collected through the electricity billing."

- Mr. Bap Namgay Tshering
Deputy Mayor of Thimphu,
Bhutan



"In my city, 120% of the budget is dedicated to pay salaries. The regional government helps out in order not to increase the debt. This means my options for investment are under the minimum."

Ms. Chandrika Chandrakar
Mayor of Durg City, India

environment. This measure has to be added to sustainable development, conservation of the economy, promotion of cultural values and good governance considerations. This GNH influences policies in Bhutan. Analyzing happiness is key to developing policies to sustain happiness. These policies include the development of special support for specific groups (for instance women, farmers and national work force members), as well as focus on regions.

LED initiatives in the Asian context

Implementation of LED activities may vary from the country's economic priority and the resources of its stakeholders. However, in the context of Asia, agriculture and tourism are revealed to be industries that serve as a strength or weakness in LED initiatives and are considered effective areas to increase employment and better distribution of local wealth.

Agribusiness Approach on LED

Economic development of agricultural based economy is greatly anchored in the growth and survival of the agribusiness sectors. Agribusiness plays a crucial role as it absorbs agricultural surpluses and at the same time meets the needs of both the urban and rural populations through its value added activities.

The vertical structure of agribusiness is made up of the following subsystems: input, production, processing, marketing and the support subsystems. The subsystems comprise government agencies, private institutions, and other entities providing support inputs and services to all the other subsystems such as policies and programs, incentives, coordination, financing, marketing assistance, manpower training, technology, logistic, information and others.

Philippines Agribusiness Development (San Jose Onion Farmers)

In the case of the Philippines, policies, programs and services of the National Government Agencies (NGAs) especially for the small and medium enterprises (MSME) provide the necessary triggers for LED. The San Jose Onion farmers' example aims at improving the value chain of onion farmers by gaining a partnership with Jollibee Foods Corporation (JFC). In order to support the initiative, Catholic Relief Service enabled San Jose's onion farmers by introducing them to an entrepreneurial mindset through the Agroenterprise Development (AED) Strategy. Moreover, the National Livelihood Development Corporation (NLDC) provided microcredit service at low interest. With the help of NLDC, farmers who do not have the sufficient amount of financial capital were able to operate. Upon achieving a desirable volume in their production along with the increase in members, these smallholder farmers established the KALASAG Farmers Producer Cooperative.

Moreover, the National Livelihood Development Corporation (NLDC) provided microcredit service at low interest. With the help of NLDC, farmers who do not have the sufficient amount of financial capital were able to operate. Upon achieving a desirable volume in their production along with the increase in members, these smallholder farmers established the KALASAG Farmers Producer Cooperative.



Tourism has played an important role in the economic development of countries as it introduces an influx of foreign exchange, income, and employment. A model of tourism that best-fits LED efforts is Community-Based Tourism as it has been perceived to maximize socioeconomic gains and minimize negative impacts on the environment. The following example of Thailand helps us to understand the strategy.

Thailand tourism development in Old Town Phuket

In Phuket, Thailand the focus of LED in the area is on tourism which was done through the conservation of the Old Town Phuket. The local government of Phuket, in cooperation with the Department of Public Administration, Ministry of Interior, private sector and the local people living in old Phuket town delivered the program, funded by the German Technical Cooperation. The program aimed at fostering economy in the area, conserving architectural environment, and strengthening the tradition, culture and livelihood. The program includes the awareness campaign of the Old Town through public relations using local media and other income generating tourism activities, such as creation of museums for education, vocational training on indigenous arts and customs, and the investment in a tourist information center. The program resulted in communities in the old town and in downtown becoming proactive in the conservation of the old town as a cultural attraction of Phuket tourism. In fact, the area became a famous tourist attraction, with visitor increasing yearly and generating income for the area.

LED and sustainable enterprises

International development organizations have been promoting such aims, many years prior to the identification and promotion of the SDGs. The ILO has been very influential in promoting decent work, addressing the worst forms of child labor, informality and underemployment in the region. At the same time, ILO and UCLG members and partners, in particular the Association of Canadian Municipalities (FCM) and the Commonwealth forum (CLGF), have been promoting LED initiatives throughout the years. Also, developing “people-centered and sustainable” projects have been part of their considerations. Such aims can be observed to be

“In collaboration with universities, we developed a fund to invest in local markets which were handed to the local municipality.”

- Mr. Adam Shammoon
Director General for
Planning and Monitoring,
Maldives LGA



align with the SDGs motivations of gaining sustainable enterprises.

Creating an enabling environment for entrepreneurship is one key for success. Institutions and governance systems need more strengthening, in particular labor market institutions. Organizations can be effective tools to establish an “entrepreneurial mind-set” across actors in developing countries



04 FOCUS ON SDG 8

Local Economic Development (LED) as a key area for Local Government learning agenda in SDG 8 implementation

Within the 17 SDGs, several SDGs relate to innovation, services, and economic development. SDG 8 is directly correlated with the understanding of Local Economic Development and decent work.

SDG 8 : Promote inclusive and sustainable economic growth, employment and decent work for all.

SDG 8
CREATING DECENT JOBS
AND ECONOMIC
OPPORTUNITIES FOR
EVERYONE



The promotion of LED is one of the strategies being employed in local areas that are assumed to have big responsibilities in creating opportunities to expand economic growth and address poverty and unemployment.

UCLG has been evidencing throughout the formulation that SDGs need to be localized, as their achievement is not possible without local governments. UCLG and ILO both agree on the major role of local governments in the context of LED:

“Further action is needed to foster decent work objectives at the local level. City-to-City Cooperation, within a South-South and Triangular Cooperation framework, provides a productive platform for the identification of common challenges and practical policy transfer, and contributes to building the capacity of municipalities to reach these objectives and to enhance local economic development.”

The International Labour Organization is promoting decent work for all, a key component of SDG 8, both a universal global concern and a key objective to be achieved at the local level, necessitating effective cooperation. In many parts of the world, enormous challenges persist including lack of decent jobs, youth unemployment, child labor, forced labor, discrimination, informality, a lack of workers' rights, gender inequality and inadequate social protection, to name a few.

UCLG assembled some of its partners including the ones that have been working on LED, to share experience and engage in peer-to-peer learning with a focus on SDG 8. This move is seen as a starting point to address broader targets of the goal and the SDGs.

Thanks to the workshop and all the tools used such as Mayors' Roundtable or work group discussions, the thoughts and perspectives of participants that highlight the importance of SDG 8 were gathered. In a broad sense, some insights that emerged underlined the needs and considerations at both global and local levels.



"The key in our cooperation with UCLG is to work on LED with people who have direct local experience and encourage the sharing of good experience among practitioners."

- Pierre Martinot-Lagarde, ILO

In the first case, funding in order to achieve the SDGs is yet to be determined and a benchmark from which to gauge, base monitor and evaluate on are also not yet well-developed.

In the latter case, it is evident that local authorities deem important to consider land-use, the provision of basic services, and the empowerment of civil society and communities (especially women) in their pursuit of, and actions towards LED.

In addition, resilience or the capacity to bounce back from "crisis" such as the disaster experienced by Nepal is viewed to be significant, given that in the aftermath of these disasters, the city's development is set back by several years.



A survey driven by UCLG ASPAC was built around three axes dealing with SDGs: general need assessment, communication need assessment and learning agenda need assessment. The main results are the following:

- 80% have general knowledge about the SDGs.** Most of them know the number of goals (17) and targets (169) but also that the global agenda is built upon the MDGs until 2030.

- The majority perceives that the **SDGs will impact development planning practices, as well as the development of policy objectives and targets of local governments.**

- Main interest is to deepen understanding the relevance between SDGs and local governments. Next is on the actions that can be undertaken to achieve the SDGs.

- Local leaders are deemed to be the most important target in communicating the SDGs.**

- In relation to SDG 8, overall, the top 2 areas that have on-going projects/ programs on are:

- 1) **development-oriented policies,** and
- 2) **youth employment.**

UCLG's basis for focusing on SDG 8 is anchored, on the often cited understanding, that cities are the hub of economic activities and the engines of a country's growth. Indeed, local governments have to deal with issues related to economic development (e.g. employment, working conditions, wage and salary, social protection, etc) on a daily basis. Needless to say, the agency of many local governments are increasingly being stretched to their limits, leaving them overburdened or with an insufficient capability to address challenges closely linked to economic development.



Learning from international experiences on SDG8

The role of municipalities as employers: Association of Netherlands Municipalities VNG

Several issues regarding economic development were raised by VNG such as the economic crisis, the metropolitan and fringe areas dichotomy, the pressure of social security, youth unemployment, increasing income gap and no effective inclusive labor market.

As a matter of fact, municipalities are directly impacted and are affected by a decreasing central budget; high unemployment rates leading to local deficits; youth social unrest as a consequence of no job perspective; the abandonment of office buildings and industrial estates; and restricted municipal incomes.

The Association of Dutch Municipalities acted towards a Job Plan for an inclusive municipal labor market and the promotion of information, training and the sharing of best practices. In collaboration with the city and University of Utrecht, VNG aims to contribute to the simplification of welfare regulations at a national level. The current welfare system is complex and too bureaucratic. Therefore, VNG and the University of Economics of Utrecht want to carry out research to see if simplified rules for people with social assistance benefits can encourage them to find a paid job more easily. At this stage, the research project is still a proposal. They work for the moment with three other municipalities that have similar plans for an experiment: Tilburg, Groningen and Wageningen. In order to start the project, they need an approval from the National Department of Social Affairs. If the approval would be soon, the research would start at the end of 2016.

The role of associations: South African approach Small Town Regeneration to unlock rural economies

South African small towns are where almost 50% of the national population lives and two thirds in some Provinces. People represent both potential and opportunities. Where the population is, projects have to be developed. Many Provincial and National government efforts are already oriented towards Small Town Regeneration and rural development.

Nevertheless, those initiatives are heterogeneous and do not have a single and logical framework for effective Small Town Regeneration. In order to achieve a STR project, several conditions and elements are necessary such as a National and Regional alignment; community engagement; assessment, vision and strategy development; business planning and feasibility studies; project establishment; funding; implementation and monitoring.

The South African Local Government Association (SALGA) wants to facilitate the implementation of a consolidated framework engaging National and Provincial role players.

Moreover, SALGA aims to create a working model for small towns, rural nodes and township regeneration. SALGA makes great efforts to provide training support and a vision orientation for existing STR projects. They are also committed with chambers to ease the definition of the private sector role and leveraging support.

The success of STR projects relies on the facilitation style, the self-identification of opportunities and problems, good communication and sharing information, the consideration of viable solutions and the evaluation of feasibilities.



05 KEY LESSONS LEARNED

LGAs expectations regarding SDGs from group work

Several capacity needs were identified during the peer learning event. This is an important outcome considered as a basis for developing future actions.

Additionally, the rapid need assessment provides an initial look on the position of local governments (LGs) and local government associations (LGAs) on the SDGs. In order to move forward in achieving these goals, LGs and LGAs should first of all start to receive and build their knowledge on the SDGs. UCLG and its partners may build upon these results in congruency with the other lessons and outcomes mined from the learning event.

The results highlighted below are noteworthy for planning and succeeding in learning programs:

Knowledge of local governments and local government associations about the SDGs remains general and broad. The SDGs are a good umbrella for the learning agenda, and also for communication and lobbying between UCLG ASPAC, local government associations and cities.

The learning needs of associations refer more to soft skills, such as facilitation, partnership strategies or platform building, while the learning interest expressed by cities is more thematic: issues related to urban management, such as transport, LED service units, taxing and planning to name a few.

Joint learning events between cities, associations, regional and national governments are seen as powerful opportunities to adjust and design policies to effectively address SDGs at all levels. Learning formats that may be most suitable for local governments / local government associations are through peer-to-peer learning field visits, action plan development, and seminar or technical workshops.

Communication needs should be carefully considered. Among others, respondents answered that the most important target should be local leaders, that an effective way to communicate the SDGs is through the sharing of practices (ex. Publication), and that a key interest is on understanding the relevance between the SDGs and local governments / associations.

"The UCLG Learning Agenda offers a space to test new ideas and methodologies and develop learning spheres and communities of practice to address the specific interests of our members. UCLG has only started to translate the SDGs into a learning process and considers edutainment and gamification as good tools for this." **Sara Hoeflich**

LGs and Real life lessons from Village Role Play Smile Urbo

Participants of the workshop immersed in sessions that deepened their understanding of LED. The Village Role Play Smile Urbo simulated a village council taking decisions on private investment environment and cultural strategies. The participants were council members, investors, advisors and received indications of personal interests involved in decisions on future development options.

After the evaluation of the Village Role Play, the following lessons were raised by participants as important and applicable in real life:

Resource management is vital in the implementation of the SDGs. In the case of local governments, for example, limited resources must be maximized and priorities must be set in order to effectively address the needs of the community.

Decision-making must be based on statistics and indicators. These should be linked with the objectives and desired outcomes.

Transparency is critical for decision-making. Interest of private or community actors are often not openly laid out or discussed in council meetings of the municipalities.

Good governance entails the active participation of various stakeholders. Different stakeholders need to cooperate and collaborate to achieve greater gains. For example, to achieve the SDGs, local government can engage external stakeholders such as investors or the private sector.

Participants' feedback for the UCLG learning agenda

1

The event gathered the ground knowledge of participants from different countries, **servicing as the starting point for exchange** and which enriched the discussions.

2

Knowledge:

Unifying participants' knowledge and different understanding regarding SDGs and LED concepts is very challenging in the Asian region due to differences in status, preparation, and understanding of local governments.

3

Good coordination by UCLG ASPAC, with the support of UCLG, SALGA, MILE – this ensured the consistency and link between the different interventions and sessions, and the main objectives of the event

4

Group work:

Participants appreciate time devoted to bottom-up learning and knowledge exchange. A mapping of local expertise could improve the potential for peer-to-peer matches.

5

We can highlight here **that working together in groups and on a given challenge also create a great space for sharing the local expertise** of each participant, while competing with other groups raises motivation. This also helps to ensure bottom-up learning processes and knowledge exchange.

6

The challenge to **convert difficult issues of policy-making into education process**, is extremely innovative and uneasy, however for the UCLG it might be a path to explore in the future, to make the events and workshops even more effective and to keep being a point of reference for the global community of local authorities.




Toward an SDG Learning Agenda with a focus on South-South and Triangular Cooperation

The cities are the place where the SDG agenda is implemented and becomes tangible for the citizens. Local leaders should learn to improve on their responsibilities and practices. Local authorities need to acknowledge and include the SDGs in their development plans. Local government associations should also rely on these plans. The SDGs implementation plans must reflect prioritization with due consideration of existing national and local plans.

In order to implement the practice, for example the issue of LED -with specific local policy, socio-economic and spatial considerations- would require close collaboration with local stakeholders including, but not limited to, community based organizations, social partners (workers and employers organizations), local businesses, inter-sphere government stakeholders, academia and thought leaders.

With a view to help local governments to localize and mainstream the SDG targets into their development agenda, UCLG ASPAC and partners together the peer learning event in Negombo to align capacity building and SDGs. A clear pattern emerges between the roles of local governments, how they interpret their mandate and their general capacities to achieve policy and service delivery objectives of their locality. While there is a distinction between what locally elected officials need to know in order to lead LED and what capacity a municipality must have in order to drive LED, it is clear that elected leaders must have a high level understanding of all matters that relate to local economic development and decent work if only to be able to interpret their role and push the boundaries of their influence in response to SDG8.

There are generic learning needs related to SDGs and LED, and there are those specific to the content issue of LED. Both are important for local leaders to understand and execute their role in supporting LED in the context of the SDG8. A need assessment on capacities undertaken through group work revealed that local governments associations and cities have different expectations. LGAs are looking for soft skills related to communication, lobbying and advocacy, monitoring but also networking while cities are more oriented towards hard skills. In fact, they are action-oriented and want more thematic training and tools with a view to solve concrete problems. LGAs also feel the need to be trained as trainers, and need to deepen their knowledge about SDGs and opportunities to develop cooperation.



Local governments and local government associations have different needs and expectations while capacity building institutions, delivering services primarily to local government, are part of a competitive and changing environment. The new learning agenda will have to fit these differences and strategies will have to be adapted. It is essential to have training conducted by cities and local governments. There is also a clear advantage to be gained in developing an agenda focused on peer-to-peer and city-to-city cooperation. At reasonable costs, affordable and innovative solutions can be identified and shared. Training institutes and universities, having developed teaching and research capacities, can ensure stability and sustainability for the implementation of the strategy.

International partners, such as the ILO, can offer their expertise in a wide range of area. The learning agenda has to be aligned with existing development framework and opportunities, and with regard to SDG8 a special mention is to be made regarding decent work country programs which are elaborated in close cooperation between governments, workers and employers organisations. The ILO can help to assist in developing these linkages. Its training centre, the Turin Training Centre, is also an important partner when it comes to numerous decent work issues, and more specifically, LED, youth employment, child labor and social dialogue. Finally, since the adoption of its SSTC strategy, the ILO has accumulated capacities which have been very useful in engaging C2C peer learning exchanges.

Even if training delivered by cities is essential, it is necessary to construct collaborative networks among other training centres, universities, and even private actors as well as international partners to deepen the issue and diversify the solutions. In this regard, the role of UCLG is to expand the learning network, and UCLG world secretariat is to consolidate the network.

Methodological recommendations

To fill the gaps and challenges that were addressed during the Negombo peer learning event, UCLG and UCLG ASPAC will provide participants a list of support documents (upstream to the event) in order to insure that all will have a clear understanding of the conceptual framework.

For local government associations and training centres,

facilitation and coordination skills are crucial, and there is no better way than learning by doing. In the stream of the learning agenda, UCLG will provide key methodological lessons from the Negombo peer learning event including simple design, storytelling, edutainment and gamification, feedback and reports, to mention a few.

Concrete steps for the follow-up

As part of the South South and Triangular Cooperation a connection between the Federation of Sri Lankan Local Government Authorities (FSLGA) and the Municipal Institute of Learning (MILE) has emerged. Soon, a concrete action related to LED will be organized in South Africa by MILE (and SALGA South African Local Government Authorities) with FSLGA presence and participation. UCLG and ILO will support this learning; the roles are still to be defined.

Many issues emerged as relevant and worth exploring. Sri Lanka local and national governments have experienced important changes. Local and national governments developed new responses related to post conflict, and also the disaster recovery after the Tsunami that hit Southern Asia in 2005. This paved the way to more diversity and forward thinking solutions, which can be references for the ILO and UCLG agenda in the future.



In acknowledging that Local Authorities and their Associations play a hands on role in the International Development Agenda, and mindful of the recently adopted Sustainable Development Goals, the Sendai Framework for Disaster Risk Reduction and the preparatory process towards the Habitat III Summit, the participants of the 2015 Regional Workshop on SDG Learning Agenda in the context of Local Government in the context of SSTC hereby wish to note the following:

1 That Sustainable Development Goals (SDG's) must form part of the strategic and local development plans of both Local Authorities and Local Government Associations. These plans should be driven by a multi-sector and multi stakeholder approach which must include 'grassroots' level engagement ideally with the involvement of the Community, Business Community, Civil Society Organization and social partners. SDG implementation plans must reflect prioritization with due consideration of Local, Provincial, National plans where appropriate.

2 Local Authorities and Local Government Associations have an important role to play in Local Economic Development, Productive Employment and Decent Work for all in their respective localities. To play an effective role to achieve localized development, Local Authorities and Local Government Associations must understand their role in relation to Local Economic Development, Productive Employment and Decent work and build their capacity to engage with a range of methods, bodies of knowledge and multiple stakeholders.

3 In achieving the SDG's generally and goal 8 in particular (Promote Sustained, Inclusive and Sustainable Economic Growth Full and Productive Employment and Decent Work For All) collaboration and networks between Local Authorities, their Associations and National Government institutions are critical. Participants commit to working through established or emerging Peer to Peer and/or South South Triangular Cooperation frameworks to build a body of knowledge and practice between learning partners with the aim of building on existing good practice and support each other through ongoing learning and sharing.

4 To chart a path for collaboration and network there should be territorial planning and management of Local Economic Development through cooperation and better coordination between Cities and their surrounding local governments, the private sector, social partners and all relevant actors to help strengthen their economic base and support complementarities.

CREDITS

EVENT ORGANIZATION AND METHODOLOGY DESIGN
UCLG, UCLG ASPAC, NEGOMBO, ILO

COORDINATION

Sara Hoeflich, UCLG
Bernadia Irawati Tjandradewi, UCLG ASPAC
Pierre Martinot-Lagarde, ILO
Hemanthi Goonasekera, FSLGA

WRITE - UP

Lamine Abbad, UCLG
Damontoro Tory, UCLG ASPAC
Dianne May Seva, UCLG ASPAC
Kubeshni Govender, SALGA

DESIGN AND LAYOUT

Isabelle Colas

CONTRIBUTORS

Aleksandra Zemke, Smileundo
Adam Shammoon, LGA Maldives
Charles Parkerson, SALGA
Nicolette Piekaar, VNG International
Farzan Abdul Razzak, ILO

- ILO EXPERTS: to be completed

PHOTOGRAPHS

Pierre Martinot-Lagarde, ILO



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