



Municipal Development Cooperation

Approaches and experiences of other bilateral and multilateral donors. Studies of the Netherlands, Great Britain, Denmark, and the European Union.



Deutsche Gesellschaft für
Technische Zusammenarbeit (GTZ) GmbH



Imprint

Publisher:

Deutsche Gesellschaft für
Technische Zusammenarbeit (GTZ) GmbH
Postfach 5180
65726 Eschborn
Internet: <http://www.gtz.de>

Responsible:

Bernd Hoffmann, Director, Division 42
Governance and Democracy

Author:

Dr. Christoph Emminghaus
PLS Ramboll Management

Contact persons in the GTZ:

Dr. Petra Stremplat-Platte
Director of the sectoral project "Promotion of Municipal Development"
Petra.Stremplat-Platte@gtz.de

Elke Breckner
Desk officer of the sectoral project "Promotion of Municipal Development"
Elke.Breckner@gtz.de

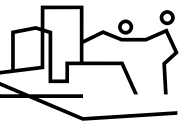
Phone: ++49 (0) 61 96 / 79 - 15 30
Fax: ++49 (0) 61 96 / 79 - 61 04
Internet: <http://www.gtz.de/urbanet>

Production, illustration, and layout:

Engler Schödel, Atelier für Gestaltung, Wiesbaden
mail@engler-schoedel.de
Internet: <http://www.engler-schoedel.de>

Printing:

Daab Druck & Werbe GmbH, Reinheim
Daab_Druck@t-online.de
Internet: <http://www.Daab-Druck.de>

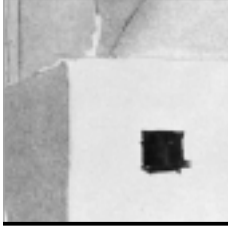


Division 42
Governance and Democracy

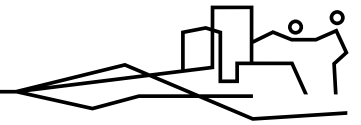
Municipal Development Cooperation

Approaches and experiences of other bilateral and multilateral donors. Studies of the Netherlands, Great Britain, Denmark, and the European Union.

Hamburg, 24 September 2003



Abstract



In the sectoral project “Promotion of Municipal Development,” the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH, on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ), is presently developing a concept for increased integration of German municipalities in development cooperation (MDC), for example by way of municipal development partnerships (MDP). Municipal development partnerships refer to cooperation between municipalities (cities, municipalities, or districts) in industrialized countries and municipalities in developing and transition countries. This cooperation can take the form of a short-term project or can have the longer-term character of a full-grown partnership.

In this context, the present study investigates the experiences of other bilateral and multilateral donors (the Netherlands, Great Britain, Denmark, and the European Union) with MDC. Special attention is paid to municipal development partnerships. Lessons learned and recommendations are to be drawn from these, whereby special attention must be paid to the following aspects:

- Actors, goals, and motivation – which organizations are participating in MDPs and what is their interest in doing so?
- Resources – What is the source of the resources used for MDPs and how are the ministries responsible for development cooperation involved?
- Organization – How are programs and projects to promote MDP organized and implemented?
- Problems and challenges – Which problems and challenges arose in the formation of MDPs and how can these be overcome?
- Potential and advantages – Which comparative advantages and potentials were other donors able to identify in MDP in comparison to other development cooperation approaches?
- Criteria for success and indicators – Which criteria and indicators can be used to measure the success of MDP and how is development-policy effectiveness determined?

The results of over ten years of extensive practical experience of other donors point to the comparative advantages of MDPs in comparison with other approaches to decentralization and promoting municipalities. The strong municipal structures in Germany and the experience of transforming the system of the German Democratic Republic to the political and economic system of the Federal Republic of Germany provide German development cooperation favorable conditions for municipal development partnerships.

Particularly where one can build on existing partnerships, the participating municipalities bring detailed knowledge of the structures and actors of partner municipalities as a resource to the project. Relevant know-how exists both in the identification of appro-

priate thematic areas and in the choice of dependable project partners. Key risks in the formulation and establishment of the project can thus be minimized.

At the same time, involved partners are given the chance to learn from persons in comparable positions who daily face similar problems and challenges in another city. Municipal development partnerships thus represent helping people to help themselves, in the best sense of the word. Municipal decision-makers and personnel in developing and newly industrializing countries, together with their European colleagues, learn to prepare appropriate problem-solving approaches and to build up necessary know-how. The networks resulting from cooperation thus usually exist far beyond the official end of the project and directly contribute to the sustainability of the project.

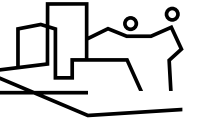
Both learning from peers and continuation of cooperation beyond the end of the project are much harder to achieve in projects that are implemented solely by professional development cooperation advisors, because, among other things, their activity usually ends with the termination of the project. From a financial perspective, an advantage of MDPs lies in the principle of co-financing by the municipalities, which contribute their personnel – often administrative experts with many years of experience – to the projects. This results in a positive relationship between the use of resources and the extent of advisory services.

In addition, successful MDP helps promote the reception of development cooperation in one's own country. The direct involvement of the own municipality in projects and partnerships brings the otherwise often abstract development cooperation goals and projects down to an understandable level of activity and directly integrates the own municipality and its people. At times, private initiative arises parallel to the promoted MDP, through which the support is carried further into the population.

At the impact level, MDPs are related to development-policy goals such as the promotion of peaceful and democratic structures in the countries of the South and the East, as well as poverty reduction. In this context, the investigated instruments are viewed as bottom-up approaches that have direct impacts at the local level.

These impacts are felt throughout municipal structures and processes oriented to the concerns of the local population, as well as in the ability to respond appropriately to new or changed needs of the population. Contributions to development-policy goals of poverty reduction are produced both directly through the establishment of income possibilities at the local level and also through a contribution to more efficient resource use at the municipal level.

Municipal development partnerships have an impact beyond the municipal context through various channels. These can be most clearly identified where MDPs are integra-



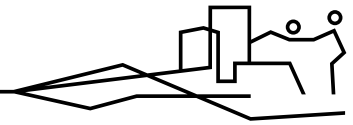
ted into decentralization programs that ideally extend from the national ministerial and legal level through the municipal umbrella organizations to the partnerships between individual municipalities.

The different experiences of the donors examined offer clear starting points for German development cooperation with respect to how programs to promote MDP should be designed in order to achieve the intended impacts. Here it appears advisable not to directly transfer any of the approaches, but to develop an adjusted approach from the identified strengths. Thus, an approach that corresponds to the following principles appears to be particularly appropriate:

1. Embedding the municipal development partnerships into programs to promote municipalities or decentralization programs, i.e. linking individual partnerships to the advising of municipal umbrella organizations and/or the ministerial level;
2. Establishment of a professional program management that links the administration and evaluation of the applications with advising and training the municipalities to prepare applications and set up projects. The use of an internet platform for communication between involved and interested municipalities at home and in the partner country. The simplest possible application, implementation, and accounting procedures, adapted to municipalities;
3. Where this is possible, use existing partnerships as a starting point and, when cooperation is initiated between two municipalities, start with small projects. Facilitate fact-finding missions to prepare projects. Where useful, include external experts in the project;
4. Limited project terms of a maximum of three years and financial support of up to 100,000 euros for this period. Own financial contribution by the German municipalities in the form of assumption of salary costs (or a part thereof) for their own personnel;
5. Early program evaluation to assess effectiveness and to optimize the promotional instrument.



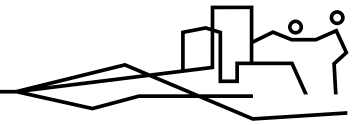
Table of Contents



List of acronyms	9
Preface	11
Introduction, key results, and lessons for German development cooperation	12
1. Introduction	12
2. Key results and lessons learned	15
2.1 Key results of the case studies.	15
2.2 Starting points for German development cooperation	20
Additional information	24
The Netherlands	24
Great Britain	25
Denmark	27
European Union	28

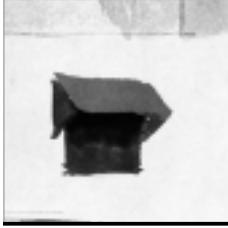


List of Acronyms

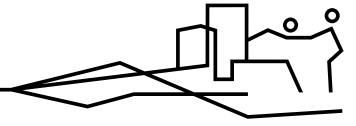


AC	Additional Component
BMZ	Federal Ministry for Economic Cooperation and Development
CEEP	European Centre of Enterprises with Public Participation
CEMR	Council of European Municipalities and Regions
CLGF	Commonwealth Local Government Forum
CLRAE	Congress of Local and Regional Authorities of Europe
CORDAID	Catholic Organization for Relief and Development
COS Nederl.	Centrum voor OntwikkelingsSamenwerking – Center for International Cooperation
DANIDA	Danish International Development Assistance
DC	Development cooperation
DFID	Department for International Development
DGIS	Directorate General for International Cooperation
DMV	Human Rights and Peace-building Department
DSI	Social and Institutional Development Department
ECHO	Humanitarian Aid Office
FPPN	Foster Parents Plan Netherlands
DG DEV	Directorate General Development
GI	General Activities
GIM	Municipal Initiatives Matra
GOWLA	Gambia One World Linking Association
GSO	Gemeentelijke Samenwerking met Ontwikkelingslanden – Municipal Program for Cooperation with Developing Countries
GST	Gemeentelijke Samenwerking met Toetredingslanden – Municipal Program for Cooperation with Accession Countries
GSWT	Gemeentelijke Samenwerking Wederopbouw Turkije – Municipal Project for Reconstruction in Turkey
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit (German Technical Cooperation)
HIVOS	Humanistic Institute for Cooperation with Development Countries
ICCO	Inter-Church Organisation for Development Cooperation
IDeA	Improvement and Development Agency
IULA	International Union of Local Authorities
LBSNN	Landelijk Beraad Stedenbanden Nederland-Nicaragua – National Council for City Partnerships in the Netherlands and Nicaragua
LGA	Local Government Association
LGDK	Local Government Denmark
LGIB	Local Government International Bureau
LOGIC	Local Government International Cooperation
MDP	Municipal Development Partnership
MEDA	EU Mediterranean Economic Development Aid Program
MI	Municipal Initiatives

MMTP	Municipal Management Training Programmes
NCDO	Nederlandse Commissie voor Internationale Samenwerking en Duurzame Ontwikkeling – Netherlands Committee for International Cooperation and Sustainable Development
NEWS	North East West South Programme
NGO	Non-governmental organization
NILGA	Northern Ireland Local Government Association
NOVIB	Netherlands Organisation for International Development Cooperation
PUGA	Programme Sending out Local Officials
RGRE	Council of European Municipalities and Regions
SALGA	South African Local Government Association
SCR	Common Service for External Relations
SME	Small and medium-size enterprise
SNV	Stichting Nederlandse Vrijwilligers – Netherlands Development Organization
SOLACE	Society of Local Authority Chief Executives and Senior Managers
STAGE	Training Programme Local Authorities
Tacis-IBPP	Technical Assistance for the Commonwealth of Independent States - Institution Building Partnership Programme
TCT	Tacis City Twinning
UKOWLA	UK One World Linking Association
UMMR	Union of Municipalities in the Marmara Region
URB-AL	Europe – Latin America
VNG	Vereniging Nederlandse Gemeenten – Association of Netherlands Municipalities



Preface



The role of municipal development cooperation within international cooperation has received increasing attention in recent years. More and more bilateral and multilateral donors are relying on local approaches to bring about development that reaches people. In the context of development-policy goals such as good governance and poverty alleviation, the formation of municipal development partnerships between concerned actors is seen as a promising path. The term municipal development partnership thereby refers to the cooperation of municipalities in industrialized countries with municipalities in developing and transition countries. Great Britain, the Netherlands, Denmark, and the European Union have already gained many years of practical experience in this area.

The present study describes the experiences of these donors with the formation of municipal development partnerships and then derives lessons and approaches for German development cooperation. A detailed assessment of the programs, resources, and emphases discloses possibilities for the development of a goal-oriented model of municipal development partnerships for German municipalities. The experience of other donors indicates that the integration of such approaches in municipal development strategies and projects dealing with local and regional governance yields comparative advantages.

In the framework of the sectoral project “Promotion of Municipal Development”, the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ), is working on a concept for increased integration of German municipalities into municipal development cooperation and through municipal development partnerships has the first promising approaches to offer.

We wish here to thank the author of the study, Dr. Christoph Emminghaus, for his knowledgeable preparation of this study.

Bernd Hoffmann
Division Director

Dr. Petra Stremplat-Platte
Director of the Sectoral Project



Introduction, key results, and lessons for German development cooperation

1. Introduction

Solving increasingly interdependent problems requires functioning interaction between all government levels, both in Germany and other industrialized countries as well as in developing countries. In addition to functioning government and administrative systems at the national level, the sub-national levels are assuming an increasingly important role in the area of tension between globalization and urbanization. It is most often the municipal administrations that have direct contact to the population and so decisively mould the trust in political structures that is necessary for democracy.

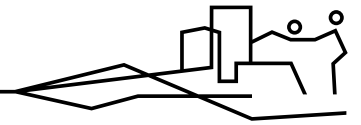
The municipal level is therefore receiving increasingly greater attention in the context of the contribution of German development cooperation to good governance in partner countries. At the same time, however, it has become clear that it has neither sufficient resources nor the required skills to be able to make use of the expanded scope for action opened up by the decentralization processes. Municipalities and other subnational levels and actors in developing countries therefore require support in order to be able to effectively carry out their tasks and so make a contribution to good governance.

Not only municipalities in developing countries face the challenge of having to provide services for the population. Also cities and municipalities in Germany and other industrialized countries must continually ask themselves which services they must provide for the local population and how to organize the interaction with other government levels and actors. German municipalities must constantly develop in order to meet changed needs or increased demands. Ultimately, these changes are just as much related to globalization as the need for municipalities in developing countries to reform.

In the sectoral project “Promotion of Municipal Development,” the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH, on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ), is presently developing a concept for increased integration of German municipalities in development cooperation (MDC), for example, by way of municipal development partnerships (MDP). The term municipal development partnership here refers to cooperation between municipalities (cities, municipalities, or districts) in industrialized countries and municipalities in developing and transition countries. This cooperation can take the form of a short-term project or can have the longer-term character of a fully developed partnership.

With the goal of developing an approach to integrate MDP into German development cooperation, the GTZ, on behalf of the BMZ, has undertaken a series of different projects. These include, especially:

¹ See Heinz, Werner; Langel, Nicole (2003): Kommunale Entwicklungszusammenarbeit. Kooperationsbeziehungen zwischen deutschen Städten und Kommunen in Entwicklungsländern



- A study of the potential and development-policy relevance of existing development partnerships of selected German cities. The results are found in a study by Heinz/Langel (German Institute of Urban Affairs).¹
- The regional project Cities Network Caucasus, in which three German municipalities, with the support of the GTZ, are expanding their existing partnerships with cities in the Caucasus into a cities network and are carrying out concrete MDP projects (term of the pilot phase is until spring 2004).

In this context, the present study represents an additional building block for the sectoral project. The intention of the study is to examine the experiences of other bilateral and multilateral donors with municipal development cooperation. Special attention is paid to municipal development partnerships. Lessons and recommendations for German development cooperation are to be drawn from these in order to complement the experiences gained in the other projects with an international perspective.

In the framework of the recommendations, special attention must be paid to the following aspects:

- Actors, goals, and motivation – which organizations are participating in MDPs and what is their interest in doing so?
- Resources – What is the source of the resources used for MDPs and how are the ministries responsible for development cooperation involved?
- Organization – How are programs and projects to promote MDP organized and implemented?
- Problems and challenges – Which problems and challenges arose in the formation of MDPs and how can these be overcome?
- Potential and advantages – Which comparative advantages and potentials were other donors able to identify in MDP in comparison to other development cooperation approaches?
- Criteria for success and indicators – Which criteria and indicators can be used to measure the success of MDP and how is development-policy effectiveness determined?

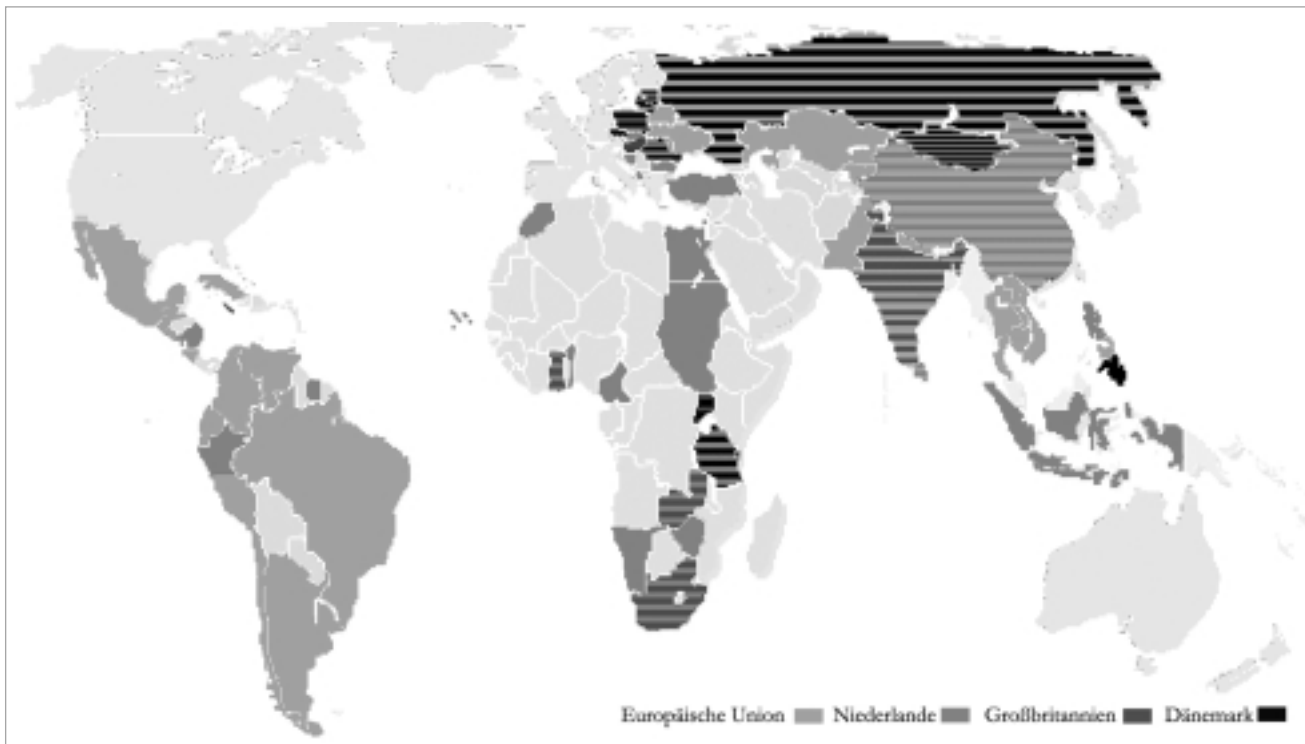
In order to be able to answer these questions and to derive recommendations for action by German development cooperation, four bilateral or multilateral donors who have had different experiences with municipal development partnerships and who are carrying out programs with very specific forms, were selected. These are:

- the Netherlands,
- Great Britain,
- Denmark, and
- the European Union.

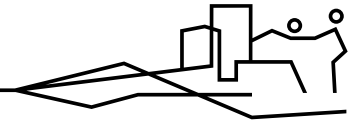
For each donor, detailed studies of the above-listed questions were prepared. For this purpose, relevant actors were identified in each national context, existing documents and information were evaluated, and personal interviews with over twenty key people were carried out.

In what follows, the central results of the study will first be summarized and graphically demonstrated. With this basis, concrete proposals for integrating municipal development partnerships into German development cooperation are derived. The report concludes with a listing of relevant organizations and additional sources of information on all four donors.

Partner countries in municipal development cooperation – current and completed projects



*the EU offers many additional countries the chance to apply for promotional funds.



2. Key results and lessons learned

The four case studies carried out on bilateral and multilateral donors in municipal development cooperation yield a consistent picture of the special advantages and the concrete benefits of municipal development partnerships. The practical experience of other donors shows that municipal development partnerships may also represent a promising instrument for German development cooperation. At the same time, the identified strengths and weaknesses of individual approaches offer clear guidelines for German development cooperation on how best to organize a successful approach.

2.1 Key results of the case studies

Municipal development partnerships are viewed by all four examined donors as an appropriate instrument in the context of development-policy goals such as good governance, decentralization, or poverty reduction. Municipal development partnerships open up previously untapped potential for development cooperation.

Essentially, comparative advantages over other decentralization / municipal promotion instruments result from the already existing networks between municipalities in Europe and developing countries. These permit projects to be implemented with very few preliminaries, less risk of failure, and, at the same time, greater sustainability.

2.1.1 Actors, goals, and motivations

At the heart of municipal development partnerships are cities, municipalities, or districts of the donor country that build up and maintain MDPs with municipalities in newly industrializing or developing countries. Many MDPs are based on already existing city partnerships or historical relationships; however, others are only begun with the establishment of a MDP – often in conjunction with a project.

In contrast to traditional city partnerships, MDP are linked to concrete projects that have defined goals, a project plan and timetable, and specified resources. This project orientation, which is otherwise rather atypical for city partnerships, is directly related to development cooperation financing procedures.

From the perspective of municipalities in the donor country, various goals are pursued with MDPs. Often the idea of solidarity is at the forefront, whereby development cooperation is, in part, already understood as a normal municipal task. This was seen particularly in the Netherlands. However, also in the case studies of the other donors, a tendency could be detected, according to which partnerships that initially emphasized cultural exchange often later sought a stronger orientation to development cooperation.

In addition to these externally oriented motives, many municipalities also link internal interests with MDPs. Besides image factors, these interests include aspects such as personnel development, integration of immigrants, and, particularly in larger municipalities, also economic aspects in the sense of flanking external economic relations.

2.1.2 Resources

For all four of the donors examined, municipal development partnerships are co-financed projects. As a rule, the point of departure is a fund for assistance measures financed by the ministry responsible for development cooperation. By way of this support, bilateral donors each year make available several million euros for municipal MDPs of three to five years.

Within this framework, interested municipalities can apply for financial support for a MDP project. The amount made available for each project lies between 10,000 and 100,000 euros for a period of up to three years. This is intended primarily to finance travel and accommodation and project operating costs and, in many programs, also limited investments - the latter, as a rule, only in connection with advisory services by the municipality. Differences in financing arise with respect to questions of whether the municipalities receive a wage subsidy from the program during the assignment abroad of their staff member and to what extent external experts can be financed by way of the program.

The principle of co-financing is seen in the fact that the participating municipalities also place their personnel in the projects and assume the corresponding salary costs. According to estimates from Great Britain, the de facto available project budget is thereby increased threefold. In addition, a number of municipalities contribute additional resources for limited investments or the cost of travel to the project. However, given the often strained budget situation, this is increasingly difficult to implement politically

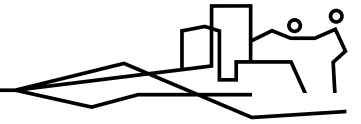
2.1.3 Organization

There is agreement among the examined donors that municipal development partnerships require professional program management. How this is organized and particularly how the individual partnerships are integrated sometimes vary widely.

Basically, the assistance funds made available by the ministry are administered by an organization - in Great Britain, for example, by the LGIB (Local Government International Bureau). This includes the design of application and selection procedures, technical back-up and support of the partnership, and financial administration of the assistance funds. For these services, the organization receives a percentage share of the available funds. Only the EU has integrated the administration of the programs into EuropeAid.

Successful program management suitable to the municipal context thus offers a diversified range of services. Already before the individual MDP begins, this includes, among other things, marketing the program (internally and externally), arranging the process of project application (accompanied by instructions and personal support), selecting suitable project ideas, and preparing staff members for MDP activity.

In addition, the implementing organizations usually also organize partnerships between interested municipalities at home and in the partner countries. In this context, extensive internet platforms assume central importance. By way of these, interested municipalities



can gather information, but also, in part, search for a partner through integrated databases.

In order to be able to successfully manage this range of responsibilities, the implementing organization must be competent in the following areas:

- Detailed knowledge of development-policy relationships and experiences – particularly at the municipal level;
- Good knowledge of municipal structures and processes at home and in the partner country;
- Ability to professionally manage application and selection procedures.

There are various positions on how MDPs must be organized to fully tap their development-policy potential. The Netherlands has had positive experience with several professionally managed assistance programs that promote direct cooperation between two municipalities. Here, the development-policy benefits are seen directly at the municipal level in a contribution to the establishment of peaceful / democratic structures and poverty reduction. At the same time, according to the experiences of all surveyed donors, the projects increase support for development cooperation at home among the participating municipalities.

In contrast, in Great Britain a trend toward integrated programs can be currently observed. In integrated programs, MDPs represent a component that is supplemented by other approaches (such as advising municipal umbrella organizations or other approaches that support municipalities and decentralization). From a development-policy point of view, impacts extending beyond the direct municipal context should be the goal. Ideally, such a program in a partner country can extend from legal advising on decentralization processes through capacity building of the municipal umbrella organization to a MDP network.

On the other hand, the EU organizes municipal development cooperation, in part, in networks, in which several partners from various countries, under the coordination of one municipality, work on a joint theme and receive a fixed budget for this purpose.

At the municipal level, the key difference to other development cooperation approaches consists of the fact that the municipalities involved in MDPs and their personnel are not professional development workers. This requires, on the one hand, special organization of the projects and programs and, on the other hand, a thematic focus. It became clear from the studied donors that the strengths of MDPs lie especially in concrete topics with visible results in the short to medium term. Particularly in cases of newly established cooperation, this framework offers the structure necessary to be able to achieve initial joint successes in a limited thematic area. In partnerships that have been in existence for longer, in which the partners already trust each other and have gained experience with each other, more complex topics can also be addressed.

2.1.4 Problems and challenges

Overall, chiefly two potential problem areas were identified by the studied donors; at the same time, however, a number of approaches have already been developed to deal constructively with these problems.

To begin with, a program constellation must be set up that permits municipal staff, whose daily work is not development cooperation activity, to design effective and sustainable projects. Various approaches were developed to facilitate this. In the first place, these aim to address precisely those MDP topics that are particularly suited to direct cooperation between municipalities. These include both the processes of reform that European municipalities have themselves undergone (modernization of the administration) and also concrete projects in individual policy areas (e.g. establishment of a recycling system, training personnel of the Youth Welfare Department). Ideal pre-requisites are in place when the problems of the partner municipalities coincide with the strengths of the European municipality.

In addition, various programs of the surveyed donors offer focused preparatory courses for administrative staff, in order to train them for activity in an intercultural context and in development cooperation. Finally, in individual programs, there is the possibility of involving external experts in the project and thus combining the advantages of municipal know-how with development expertise.

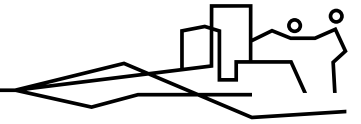
A second problem area is seen in relation to ensuring a needs-orientation of the programs. There is some suspicion that the topics are being defined by the own municipalities instead of originating in the partner country. This problem is usually dealt with in the current programs by financing a short-term visit before the project begins to allow a focused analysis of the problem and formulation of objectives in line with the demands of the partner.

2.1.5 Potential and advantages

Municipal development cooperation, for example, through a municipal development partnership that is well anchored, politically and socially, in both municipalities, has development-policy potential and comparative advantages compared to other development cooperation approaches in the area of municipal development and also beyond that.

Particularly where one can build on existing partnerships, the participating municipalities bring detailed knowledge of the structures and actors of partner municipalities as a resource to the project. They have experience both in the identification of appropriate thematic areas and in the selection of dependable project partners. Key risks in the formulation and establishment of the project can thus be minimized.

At the same time, involved partners are given the chance to learn in a work-day setting from persons in comparable positions who face similar problems and challenges in another city. Municipal development partnerships thus represent helping people to help themselves, in the best sense of the word. Municipal decision-makers and personnel,



together with their European colleagues, learn to prepare appropriate problem-solving approaches and to build up necessary know-how. The networks resulting from the cooperation thus usually exist far beyond the official end of the project and directly contribute to the sustainability of the project.

Both learning from peers and continuation of cooperation beyond the end of the project are much harder to achieve in projects that are implemented by professional development cooperation advisors, because their activity usually ends with the termination of the project.

From a financial perspective, an advantage of MDPs lies in the principle of co-financing. In this way, projects with extensive advisory services can be financed with relatively small budgets. Municipal experts with many years of experience can thus be integrated into development cooperation at the project level.

In addition, properly initiated MDP plays an important role in promoting the reception of development cooperation in one's own country. The direct involvement of the own municipality in projects and partnerships brings otherwise often abstract development cooperation projects down to an understandable level of activity and links them, for the local population, with people familiar to them. At times, private initiative arises parallel to the promoted MDP, through which the support is carried still further into the population.

2.1.6 Criteria for success, impacts, and indicators

Municipal development work and municipal development partnerships are seen by the surveyed bilateral and multilateral donors in connection with development-policy goals such as promotion of peaceful and democratic structures in the countries of the South and East, as well as poverty reduction. In this context, the investigated instruments are viewed as bottom-up approaches that have direct impacts at the local level. Although the instruments for differentiated impact measurement are still being developed by the studied donors, several concrete results can already be noted.

These impacts are felt throughout municipal structures and processes oriented to the concerns of the local population, as well as in the ability to respond appropriately to new or changed needs of the population. Contributions to development-policy goals of poverty reduction are produced both directly through the establishment of income possibilities at the local level and also through a contribution to more efficient resource use at the municipal level.

Municipal development partnerships have an impact beyond the municipal context through various channels. These can be most clearly identified where MDPs are integrated into decentralization programs that ideally extend from the national ministerial and legal level through the municipal umbrella organizations to the individual municipalities. In this connection, the results of MDPs offer best practices and areas of learning for all participating actors with respect to questions of how concrete problem constellations can be efficiently dealt with.

Furthermore, also in countries of the South and the East, municipalities represent a pool from which young professionals are recruited. In various municipalities, staff members were promoted after the project – often within the municipality, but also further than that in the national context. This represents a chance to carry built-up competencies beyond the municipal level, but also the risk of endangering built-up structures.

More extensive information will be provided by an evaluation of a long-standing program to support MDP between the Netherlands and developing countries; the assessment is being carried out now, and the results are expected by the end of the year.

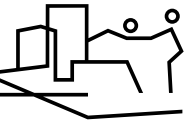
2.2 Starting points for German development cooperation

The above cursory description of the results of the study on the practices of other bilateral and multilateral donors in municipal development cooperation illuminates the potential of municipal development partnerships. At the same time, the various experiences point to clear starting points for German development cooperation with respect to how programs to promote MDP should be designed in order to achieve the intended impacts in the areas of poverty reduction and the promotion of peaceful and democratic structures. Here it appears advisable not to directly transfer any of the approaches, but to develop an adjusted approach from the identified strengths.

The prospects for this are good. It was the perception of the surveyed ministerial and municipal actors of the other donor countries that German municipalities have ideal prerequisites for international involvement in MDP. Two factors are especially important here. On the one hand, municipalities within Germany's federal structure are viewed as actors with extensive competencies. On the other hand, the German municipal landscape, in contrast to that of many other European donors, has been able to gain experience with comprehensive reforms. The process of transforming the new federal states from socialism to the political and economic system of the Federal Republic offers German development cooperation great potential, particularly at the municipal level.

The now available study by Heinz and Langel of the current situation of cooperative relationships of German municipalities confirms this impression. Through numerous city partnerships, German municipalities are already today making development-policy contributions, often however without linking these to other approaches of German development cooperation.

Therefore, taking these results together, organized promotion of municipal development partnerships appears to represent a potentially effective instrument for German development cooperation. The particular potential of the approach lies in combining the know-how of German development cooperation, gained over decades, with the well-developed relationships of the municipalities. Precisely these relationships constitute a resource which has been untapped up to now by development cooperation. This resource is related to key challenges in development cooperation, such as e.g. the



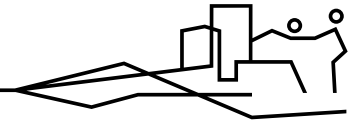
identification of suitable project partners (change agents), appropriate problem and goal analyses, cooperation between partners involved in a project, and the sustainability of the intended impacts. Given this background, municipal development partnerships can clearly contribute, in many activity areas, to development-policy goals such as good governance and poverty reduction. In the framework of programs to promote municipalities or decentralization programs, they fill a gap, which can be filled by no other approach (in other words, the integration of municipal experts).

In order to most effectively tap this potential and achieve the impacts, an approach that corresponds to the following principles appears appropriate for German development cooperation:

- Integration of MDP in programs to promote municipalities or decentralization programs;
- Linking MDP to the advising of municipal umbrella organizations and/or the ministerial level;
- A professionally managed program that operates on the basis of applications submitted by the municipalities and carries out technical and specialized assessment;
- Training and back-up of the participating municipalities by the program management;
- Simplest possible application, implementation, and accounting procedures, adapted to municipalities;
- Furthermore, support for the establishment of contact through an appropriate internet platform;
- Possibility of fact-finding missions to prepare the projects;
- Possibility to integrate development experts into the projects;
- Where possible, use existing partnerships as the starting point or begin with smaller projects in a newly initiated cooperation between two municipalities;
- Project terms of up to three years and financial support of up to 100,000 euros for this period;
- Own financial contribution by German municipalities in the form of the assumption of salary costs (or a part thereof) for their own personnel;
- Early program evaluation to assess effectiveness.

Municipal Development Cooperation – an Overview

Netherlands	Great Britain	Denmark	EU
Actors			
<ul style="list-style-type: none"> Ministerial level: DGIS Municipal umbrella organization: VNG/VNG International Municipal level Other actors: SNV, COS Nederland, Dutch Habitat Platform, LBSNN 	<ul style="list-style-type: none"> Ministerial level: DFID Municipal umbrella organizations: LGA and LGIB, CLGF Municipal level Other actors: UK Local Government Alliance for International Development, Care International UK, UKOWLA 	<ul style="list-style-type: none"> Ministerial level: Øststøtte-sekretariatet, DANIDA Mun. umbrella organizations: Danish Regions – Amtsrådsforeningen, LGDK, International Consultancy Service Municipal level: Amter (districts), municipalities Other actors: Ibis 	<ul style="list-style-type: none"> EuropeAid Cooperation Office of the European Commission Municipal level: cities, municipalities, and regions can apply to the program Other actors: NGOs, universities, and research institutes, associations, foundations, chambers of commerce, firms, and labor unions
Experience since			
<ul style="list-style-type: none"> 1991 	<ul style="list-style-type: none"> 1993 	<ul style="list-style-type: none"> 1990 	<ul style="list-style-type: none"> 1995
Programs			
<ul style="list-style-type: none"> Gemeentelijke Samenwerking met Ontwikkelingslanden (GSO) – developing countries Gemeentelijke Samenwerking met Toetredingslanden (GST) – EU accession countries (GSWT – Turkey, NEWS, LOGIC) 	<ul style="list-style-type: none"> City Community Challenge (C3) Commonwealth Local Government Good Practice Scheme Local Authority Technical Links Scheme for Central and Eastern Europe 	<ul style="list-style-type: none"> Baltic Sea Project Facility (Øststøtte-Programme) 	<ul style="list-style-type: none"> URB-AL for Latin America Asia Urbs for South and East Asia Tacis IBPP for the CIS countries and Mongolia
Resources			
<ul style="list-style-type: none"> Gemeentelijke Samenwerking met Ontwikkelingslanden (GSO) – Programm: support of 2.5 million euros a year from Foreign Ministry; up to 90,000 euros per project Gemeentelijke Samenwerking met Toetredingslanden (GST) – Programm: 3.5 million euros (1998-2000); 8.5 million euros (2001-2003); up to 90,000 euros per project 	<ul style="list-style-type: none"> City Community Challenge (C3) Fund: 1.4 million euros (2000-2002) Commonwealth Local Government Good Practice Scheme: <ul style="list-style-type: none"> Project phase 1 (1998-2001): 1 million euros Project phase 2 (2001-2006): 2.8 mill. euros; co-financing by Australian government of 450,000 euros Local Authority Technical Links Scheme for Central and Eastern Europe: 4 million euros (1991-2001) 	<ul style="list-style-type: none"> Baltic Sea Project Facility: 400,000 euros (2003); 6,500 to 40,000 euros per project 	<ul style="list-style-type: none"> URB-AL for Latin America: 10 million per year Asia Urbs for South and East Asia: 10 million euros (2003) Tacis IBPP for CIS countries and Mongolia: 10.7 million euros (2002)
Focal Areas			
<ul style="list-style-type: none"> Education and schools Health and social security 	<ul style="list-style-type: none"> Re-valorization of municipal and local administrative structures Effective municipal management 	<ul style="list-style-type: none"> Personnel and institutional capacity building in regional and municipal administrations Strategic planning, economic and spatial planning 	<ul style="list-style-type: none"> Reform of the public administration Promotion of trade and industry



Netherlands	Great Britain	Denmark	EU
Continuation Focal areas			
<ul style="list-style-type: none"> • General modernization of the administration • Agricultural development and the environment • Housing, housing construction, and urban development • Municipal economic development • Agenda 21 / sustainable development • International cooperation between municipalities • Emancipation and gender issues 	<ul style="list-style-type: none"> • Improved communication between various administrative levels • Environmental projects • Support for municipal umbrella organizations • Advising on changes in legislation 	<ul style="list-style-type: none"> • Education • Social affairs • Health sector • Economy, labor market, and education 	<ul style="list-style-type: none"> • Sustainable health and social provision Sozialversorgung • Urban planning • Environment
Lessons learned			
<ul style="list-style-type: none"> • Quality of MDP is increased through professional program management and training courses and back-up during the phase of project application • Internal marketing: the advantages of the MDP for the municipalities themselves must be made clear to them • Positive repercussions on the own municipality result from the colleague-to-colleague approach • Objectives: achieve visible success with little or moderate use of resources • In MDP, professional advisors can also be involved through the assistance programs 	<ul style="list-style-type: none"> • Integrated programs (i.e. regional priority-setting, integration of local NGOs and involvement of municipal umbrella organizations) strengthen municipal structures • MDP improves the cohesion in the own municipality, above all in municipalities with a large percentage of immigrants • Fact-finding missions at the start of the project strengthen the needs orientation of the MDP • Cooperation between technical experts from both administrations who have the same function decreases mutual distrust 	<ul style="list-style-type: none"> • Good cooperation between municipalities, associations, and the ministerial level as well as unbureaucratic assistance programs are important for success • In addition to existing MDPs, still uninvolved municipalities can be motivated through targeted availability of promotional funds • MDPs are useful in partner countries where capable municipal structures are already in place • Support by the political leadership is critically important for success. Ensure political acceptance through a cooperation agreement 	<ul style="list-style-type: none"> • Requirement that an application be submitted guarantees own initiative and sufficient involvement of the municipalities • Selection process promotes quality of the applications, but the calls for tenders tie up a lot of resources • Network character of cooperation contributes to the exchange of information and ensures that the partners are equal • Supportive municipal policy is important. Do not begin any projects before municipal elections



Additional Information

Netherlands

Ministerie van Buitenlandse Zaken (Foreign Ministry)

Bezuidenhoutseweg 67
NL-2594 AC Den Haag
Tel.: +31 70 348 6486
Fax: +31 70 - 348 4848
Website: www.minbuza.nl

Contact person:

Loes J. Lammerts
Senior Policy Advisor
Peacebuilding and Good Governance
Tel.: +31 70 348 4413
Fax: +31 70 348 4486
E-mail: lj.lammerts@minbuza.nl

VNG (Vereniging Nederlandse Gemeenten/ Association of Netherlands Municipalities)

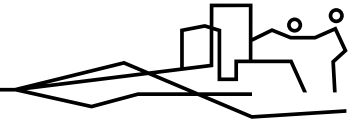
Abteilung VNG International
Nassaulaan 12
NL-2514JS Den Haag
Tel.: +31 70 373 8401
Fax: +31 70 373 8660
E-mail: VNG-International@vng.nl
Website: www.vng-international.nl

Contact person:

Norbert Pijls
Project Manager
Tel.: +31 70 373 8302
Fax: +31 70 373 8660
E-mail: norbert.pijls@vng.nl

LBSNN (Landelijk Beraad Stedenbanden Nederland-Nicaragua/ National Council for City Partnerships Netherlands – Nicaragua)

Postbus 1051
NL-1000 BB Amsterdam
Tel.: +31 20 552 2757
Fax: +31 20 552 2755
E-mail: info@lbsnn.nl
Website: www.lbsnn.nl



**NCDO (Nederlandse Commissie voor Internationale Samenwerking en Duurzame Ontwikkeling –
Netherlands Committee for International Cooperation and Sustainable Development)**

Mauritskade 63
NL-1090 GA Amsterdam
Tel.: +31 20 5688755
Fax: +31 20 5688787
E-mail: info@ncdo.nl
Website: www.ncdo.nl

Stichting Habitat Platform (Habitat Platform Foundation)

Nassaulaan 12
Postbus 30435
NL-2500 GK Den Haag
Tel.: +31 70 3738772
Fax: +31 70 3738311
Website: www.habitatplatform.nl

SNV – Netherlands Development Organisation

Bezuidenhoutseweg 161
NL-2594 AG The Hague
Tel: +31 70 3440244
Fax: +31 70 3855531
Website: www.snvworld.org

Great Britain

DFID (Department for International Development)

1 Palace Street
London
SW1E 5HE
Tel.: +44 20 7023 0000
Fax: +44 20 7023 0019
Website: www.dfid.gov.uk

Contact person:

Garth Glentworth
Senior Governance Adviser
Tel.: +44 20 7023 0661
Fax: +44 20 7023 0491
E-mail: g-glentworth@dfid.gov.uk

LGIB (Local Government International Bureau)

Local Government House
Smith Square
London
SW1P 3HZ
Tel.: +44 20 7664 3100
Fax: +44 20 7664 3128
E-mail: enquiries@lgib.gov.uk
Website: www.lgib.gov.uk

Contact person:

James Beadle
Head of International Partnerships and Programmes
Tel.: +44 20 7664 3118
Fax: +44 20 7664 3128
E-mail: james.beadle@lgib.gov.uk

CLGF (Commonwealth Local Government Forum)

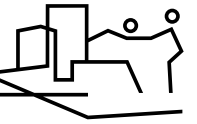
59 1/2 Southwark Street
London
SE1 0AL
Tel: +44 20 7934 9690
Fax: +44 20 7934 9699
Email: info@clgf.org.uk
Website: www.clgf.org.uk

Contact person:

Lucy Slack
Senior Policy Adviser
Tel.: +44 20 7934 9693
Fax: +44 20 7934 9699
E-mail: lucy.slack@clgf.org

UKOWLA (UK One World Linking Association)

The Upper Office
The Dutch Barn
Manton, Nr Marlborough
Wiltshire
SN8 1PS
Tel: +44 1672 861001
Fax: +44 1672 861081
E-mail: pepi@ukowla.org.uk
Website: www.ukowla.org.uk



Contact person:

Nick Maurice

Director

Tel: +44 1672861001

E-mail: nick@ukowla.org.uk

Denmark

Udenrigsministeriet (Foreign Ministry)

Asiatisk Plads 2

DK-1448 København K

Tel.: +45 33 92 00 00

Fax: +45 32 54 05 33

E-mail: um@um.dk

Website: www.um.dk

Øststøttesekretariatet (Secretariat for Assistance to Eastern Europe)

Bettina Rafaelsen

E-mail: betraf@um.dk

Projects to assist Central and Eastern Europe see www.cceassistance.dk

Danida

Mogens Blom

E-mail: mogblo@um.dk

LGDK (Kommunernes Landsforening/Local Government Denmark)

Weidekampsgade 10

DK-2300 København

Tel.: +45 33 70 33 70

E-mail: kl@kl.dk

Website: www.kl.dk

Contact person:

Holger Pyndt

International Consultancy

Tel.: +45 33 70 32 11

E-mail: hep@kl.dk

Danish Regions (Amtsrådsforeningen/Association of Districts)

Dampfærgevej 22

DK-2100 København

Tel: +45 35 29 81 00

Fax: +45 35 29 83 00

Website: www.arf.dk

Baltic Sea Project Facility

c/o Danish Regions
Dampfærgevej 22
DK-2100 København,
Website: www.arf.dk/Internationalt/Oestersoefonden.htm

Contact person:

Camilla Clevin
Int. Secretariat/Baltic Sea Project Facility:
Tel.: +45 35 29 83 05
Fax: +45 35 29 83 39
E-mail: clv@arf.dk

European Union

EuropeAid Cooperation Office

European Commission
Rue de la Loi 41
B-1049 Bruxelles
Tel.: +32-2-299 11 11 (Europäische Kommission)
Fax: +32-2-299 64 07 (EuropeAid)
E-Mail: europaaid-info@cec.eu.int
Website: http://www.europa.eu.int/comm/europaaid/index_de.htm

URB-AL Programme

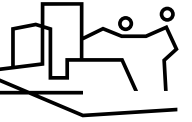
Latin America Directorate
Unit E2 (Centralised Operations: Latin America)
Office: J-54 4/13
Tel.: +32-2-298 46 38
Fax: +32-2-299 10 80
E-Mail: europaaid-urb-al@cec.eu.int
Website: http://europa.eu.int/comm/europaaid/projects/urbal/index_en.htm

Program Coordinator:

Berith Andersson
E-Mail: Berith.ANDERSSON@cec.eu.int

Asia Urbs Programme

Asia Directorate
Office: L-41 3/49
Tel.: +32-02-298 47 31
Fax: +32-02-298 48 63
Email: europaaid-asia-urbs@cec.eu.int
Website: http://europa.eu.int/comm/europaaid/projects/asia-urbs/index_en.htm



Program Coordinator:

Vincent Rotgé

E-Mail: Vincent.ROTGE@cec.eu.int

Tacis IBPP

Support to Civil Society and Local Initiatives

Eastern Europe, Caucasus and Central Asia Directorate

E-Mail: europeaid-ibpp@cec.eu.int

Website: http://europa.eu.int/comm/europeaid/projects/ibpp/index_en.htm

Contact person:

Machteld Bierens de Haan

Office: L-41 4/141

Tel.: +32-2-298 46 78

Fax: +32-2-296 04 23

E-Mail: Machteld.BIERENS-DE-HAAN@cec.eu.int



Deutsche Gesellschaft für
Technische Zusammenarbeit (GTZ) GmbH

Dag-Hammarskjöld-Weg 1-5
Postfach 5180
65726 Eschborn

Telefon: (0 61 96) 79-0
Telefax: (0 61 96) 79-11 15
E-mail: postmaster@gtz.de
Internet: <http://www.gtz.de>

Commissioned by



Bundesministerium für
wirtschaftliche Zusammenarbeit
und Entwicklung

