

Report – CIB session at UCLG World Council

The Hague 9 October 2024

“Development cooperation and Local Government’s differential added value for sustainable infrastructure planning and development: unlocking the full potential”

During the World Council of UCLG (9th of October), VNG International and the CIB work group held a roundtable on development agendas and sustainable infrastructure. The session aimed to:

- Create a better **understanding** of the relationship between Development and Investment cooperations.
- **Defining** different roles and responsibilities either on financing infrastructure development, initiating and implementing infrastructure projects to ensure more successful, sustainable outcomes through capacity enhancement and planning;
- **Connecting** the international agenda to the role of Local governments’ huge potential to advance economic development and to reduce poverty;
- **Recognizing** the different dilemmas hindering the potential of local government to be a driving force solving Global infrastructure issues and **exploring** potential solutions.

Speakers:

- Moderator: Dr Neila Akrimi, CIB co-chair
- Renske Steenbergen, Deputy Director VNG International
- Boris Tonhauser, Director Platforma
- Alfonso García, VNG International associated expert
- Amandine Sabourin, ECDPM
- Jelte van Wieren, Director Africa Department, Ministry of Foreign Affairs Netherlands
- Gaby Senay, Director International for the Federation of Canadian Municipalities, CIB co-chair
- Don Locke, Senior Advisor US State Department
- Lara Muller, Invest International

- **Developments in the European Commission: Global Gateway, Team Europe Initiative from a local government perspective (Amandine Sabourin, ECDPM)**
 - Local governments are currently absent from the Global Gateway Strategy, because often a sectoral approach is preferred over a territorial approach or local authorities are seen as implementing entities only. To bridge this gap, it's important to foster an inclusive dialogue with local authorities, explore ways to apply a 360-degree approach and conduct more research of the local authorities participation in the Global Gateway Strategy.
- **Development banks and their role in financing technical assistance for broader local investments (Alfonsa Garcia, VNG International and Lara Muller, Invest International)**
 - Development banks are increasingly evolving in becoming development partners. They have the ability to connect various stakeholders and ensure that investments align with social and environmental standards. Investing in local governments can carry risks, but these risks can be addressed by diversifying revenue sources, improving governance, building institutional capacity, and implementing sound financial management practices. A risk factor remains in the absence of urban development policy and the support of the national government. However, streamlined platforms can connect governments, investors, and banks and help bridge these gaps.
 - Private capital must be directed toward more inclusive projects. To achieve this, it's essential to collaborate with local authorities to understand their needs and involve local stakeholders. From an economic perspective, we see that projects that are not inclusive, are less profitable.
 - The way we tend our projects needs to change. When projects are solely focused on cost, you get the cheapest solution but not the best solution. The Global Gateway should adopt a mandatory way of working where local stakeholders have a role in designing the projects from an early stage on.
- **Role of cities in thematic networks and international cooperation: how to ensure synergies (Don Locke, US State department)**
 - Local authorities are closer connected to our communities. To strengthen this relationship, the US State Department established a special office to better connect our department of state to the local communities. This office serves multiple purposes; to listen and encourage local leaders, provide capacity building and fostering connections between the local leaders. Our department recognizes that local communities and their leaders are crucial for achieving sustainable infrastructure and we help cities find financing partners.
- **The changing priorities of the Dutch Ministry of Foreign Affairs, for example through the Africa strategy in relation to the role of local governments (Jelte van Wieren, BZ)**
 - Africa's urban landscape is developing fast and cities have the potential to be a driving force in strengthening connections between the EU and African continent. International

- investments, like those from the Global Gateway, play a crucial role in this development. However, a challenge remains the funding gap. The Africa Strategy addresses this.
 - Another challenge is that many local projects work with volunteers and lack the capacity to make a track records or do the extensive paper work required for funding applications. This process needs to be much more simpler (remark raised by the audience).
 - There was a call to simplify the global gateway to make it more accessible for grassroots initiatives. Address this in the conversation you have and make the lines of communication open.
- **Local Government perspective for a differentiated added value for effective infrastructure development (Boris Tonhauser, Platforma and Renske Steenberg, VNG international)**
 - As the attention for the trade agenda grows, we need to ensure that cities are capable to take charge of developing their own projects and infrastructure. We need to think about equality and partnerships that can be mutually beneficial in the long run.
 - Investments need to be aligned with local strategies. It's important to understand how one policy impacts another. However, there are challenges within the EU delegations, particularly with the disappearance of focal points dedicated to local governments. Efforts are being made to address this issue through ongoing dialogue with the EU delegations
- **Closing remarks by Gaby Senay**
 - The elephant in the room is climate change, which will impact the infrastructure. The infrastructure will be around for a long time and it is vital that it is resilient to the effects of climate change.