



GLOBAL CONSULTATION REPORT

Report on the
key results of the consultation of
the issue paper "Local authorities
in development"

December 2012



PLATFORMA
The European voice of **Local** and
Regional authorities for development



The present report summarises and analyses the results of the consultation managed by PLATFORMA, the European platform of local and regional governments for development, on the European Commission's issue paper "Local authorities in development".

The consultation was held from August to December 2012, through three channels: nine sessions with local and regional governments from several continents, an online survey published on the PLATFORMA website and voluntary written contributions from associations of local and regional government.

The reports of the sessions, the exhaustive survey results and the written contributions are not annexed to the present document. However, they are available on the PLATFORMA website or at the PLATFORMA Secretariat upon request.

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I. INTRODUCTION

a. Background

Over the past decade, in European and international development discussions the profile of local and regional governments has been raised in inter alia achieving the Millennium Development Goals, thus underlining their potential for boosting development processes at the local level and enhancing democracy in partner countries.

European institutions have been at the forefront of acknowledging the role of local and regional authorities (LRAs) as true development actors. In 2006, the European Consensus on development encouraged “an increased involvement of local authorities” in the EU policy on development (article 16), and committed to “support decentralisation and local authorities” (article 87). In 2007, the European Parliament approved a resolution on “Local authorities and development cooperation”. Against this background, the European Commission issued a first communication on “local authorities: actors for development” in 2008, outlining a partnership strategy with these actors, and recognising decentralised cooperation.

In the period 2007-2013, the Non-State Actors and Local Authorities (NSA-LA) thematic programme has provided about 35 million euros a year to support local and regional governments’ development activities.

The Busan Partnership for effective development cooperation, adopted by the global development community at the end of 2011, in its article 21 emphasises local governments’ “critical roles in linking citizens with government and in ensuring broad-based and democratic ownership of countries’ development agendas”.

Meanwhile, a European structured dialogue was conducted with the European Commission, Parliament, civil society organisations (CSOs) and local and regional authorities (LRAs), as well as some Member States in order to review EU engagement with these actors in its development policy through a truly multi-stakeholder approach.

Further to the structured dialogue, European Commissioner for Development, Andris Piebalgs, announced the preparation of a communication on local authorities to take stock of lessons learnt in the past programming period and enhance the impact of the EU’s partnership with local and regional authorities. The communication is expected at the beginning of 2013.

b. Consultation process

In preparation for the forthcoming communication, the European Commission put forward an issue paper, outlining its vision and suggesting eight issues for discussion.

Furthermore, the European Commission proposed to PLATFORMA¹, the European platform of local and regional authorities for development, that it should jointly organise and manage a five-month consultation process with local and regional authorities around the world.

This consultation has not been official in the sense that the European Commission did not advertise any public questionnaire on its website and, in the interest of time, chose to target LRAs through their representative associations. Given the timeframe (August-December 2012) and this unofficial character, several channels were developed so as to target and involve a meaningful sample of actors and representative local and regional government associations. These channels were:

- Nine consultation sessions were organised in partnership with PLATFORMA member associations covering the following regions of the world: Africa (including a specific session for East Africa), Asia, Eastern Neighbourhood, Europe, Latin America, Pacific and South Neighbourhood;
- An online survey around the issue paper’s themes was available on the PLATFORMA website from 20 September to 26 November 2012;

¹ Further information: www.platforma-dev.eu



→ Voluntary written contributions around the issue paper's questions were collected from associations and individual local and regional governments.

This report analyses the results of the consultation through these three channels. The reports of the sessions, the exhaustive survey results and the voluntary written contributions are available in annex 1.

This majority of the contributions, however, have come from LRA actors. In some of the consultation sessions it has been possible to get the views of some civil society organisations' on local governance issues, but, in general, their contributions have been limited.

This report does not cover the outcomes of the discussions held by the European Commission through its delegations in partner countries or with multilateral organisations.

c. Range of contributions collected

SESSIONS (organising body)	Number of participants
Geneva (AIMF)	50
Arusha (UCLGA, CLGF)	30
Cadiz (CEMR)	30
Jakarta (UCLG ASPAC)	32
Bialystok (CPMR)	9
Madrid (UCLG, FLACMA, FEMP)	32
Honiara (CLGF)	24
Dakar (UCLGA)	29
Paris (ALDA)	22
Total	258

POSITION PAPERS	Number of papers received
PLATFORMA	1
AFCCRE	1
CEPRAOM	1
ORU-FOGAR	1
Province of Barcelona	1
UCLG	1
VNG international	1
LALRG	1
FMDV	1
Total	9

ONLINE SURVEY	Number of respondents per country
France	16
Germany	8
Peru	8
Argentina	7
Spain	6
Cameroon	5
Ecuador	5
Italy	4
Colombia	3
Uruguay	3
Belgium	2
Brazil	2
El Salvador	2
Morocco	2
Afghanistan	1
Åland Islands	1
Albania	1
Anguilla	1
Antigua and Barbuda	1
Bangladesh	1
Bolivia	1
Canada	1
Chile	1
Costa Rica	1
Czech Republic	1
Gabon	1
Lebanon	1
Martinique	1
Nicaragua	1
Paraguay	1
Serbia	1
Sri Lanka	1
Sweden	1
Tanzania	1
Tunisia	1
United States	1
Total	95



II. CONCLUSIONS AND RECOMMENDATIONS ON ISSUES FOR DISCUSSION

General issues

In the majority of cases, local and regional authorities are elected public institutions that draw their legitimacy from direct elections. Taking into account this essential feature, the wide majority of contributors requested that LRAs should be recognised in their democratic and political dimension, and prompted the European Commission to use the term “local and regional governments” instead of “local authorities”. Moreover, the European experience in local democracy and decentralisation was seen to be of great value for inspiring local development actions in partner countries.

Furthermore, as LRAs are representative of their constituency, acting in the interest of and being accountable to the community, the EC should consider them as development actors and key partners, and not solely as implementing agents of EU development programmes.

In most contributions and sessions it was also emphasised that the forthcoming communication should have an influence on EU policies and programmes that is genuinely cross-cutting, and hence its application to the NSA-LA thematic programme should not be the sole priority. In addition, it was felt that this communication should be seized as an opportunity for the EC to bridge the gap between the existing political recognition of the LRAs’ role and their poor integration into European strategies so far.

Finally, it is important to note that several of the issues discussed are interconnected. The recommendations made in one section should therefore be carefully examined in light of the recommendations from other sections. Some issues were also added - such as inclusive growth and local economic development – which were considered to be a transversal challenge for LRAs that had not been touched upon in the EC issue paper.

1 Framing the LRAs role in current international debates

Conclusions

One of the first things that was a common view was that global challenges are both tremendous and interconnected. This calls for action from all levels of governments to create bridges between the various international debates (climate change, aid effectiveness, post-MDGs etc.) and between the various actors involved.

The consultation highlighted that LRAs should be entitled to play an institutional role, and assessed the present situation and characteristics of LRAs in the light of current international debates. There cannot be genuine development without taking into consideration the local level as a catalyst for social, economic and political development.

The following points were made:

- In some global agendas, LRAs have been able to develop their own roadmap: for Rio + 20, for instance, they approved a roadmap on green economy up to 2016, thus making them genuine actors in this global agenda;
- International LRA networks play a paramount role in developing LRAs’ positions and advocating for them in international debates;
- For LRAs to be credible in international debates they must make more general progress and provide evidence that their capacity for accountability, financial transparency and know-how is being handled well;
- Developing action in international agendas should be a priority, together with shaping regional integration agreements in the continental blocs such as the West African Economic and Monetary Union (WAEMU), the Southern Common Market (MERCOSUR), and the Associations of South East Asian Nations (ASEAN), for instance.



The development effectiveness agenda is considered to be instrumental in LRAs development cooperation activities. Contributors recalled that significant progress has been made over the past decade in this regard. To raise awareness of aid effectiveness principles and reflect on their implementation at local and regional level, LRAs have organised themselves through regional and international experience-sharing platforms. They also have contributed to further analysis of these principles, for instance in developing the European Charter on development cooperation in support of local governance (2008). This aims to better coordinate and harmonise aid with LRAs under the EU development programmes and strengthen the EU's effectiveness at the local level. The document, which was annexed to the EC communication of 2008, provides guiding principles for European LRAs in implementing their own decentralised cooperation initiatives.

It was also recalled that the issues of evaluation and impact are central in decentralised cooperation activities managed by European LRAs. Democratic debates within municipalities or regions make elected officials demonstrate the tangible results of these activities and prove how useful these public policies are. Accountability is a reality. Re-elections depend on it.

According to the online survey, ownership and harmonisation were ranked the most important effectiveness principles for LRAs, followed by alignment, results-based management and mutual accountability.

However, it was stressed in most contributions that the Busan Partnership for effective development cooperation does not, so far, envisage the fully-fledged institutionalised participation of LRAs (there is no representative of LRA in the Global Partnership Steering Committee). This is a clear limitation to their involvement in monitoring the commitments and a bad signal for implementing the principles themselves.

This was judged to be a severe shortcoming, especially as LRAs actively help implement the key principles of the development effectiveness agenda:

- Democratic ownership: in most cases being directly elected with legislative and executive powers, LRAs allow the collective concerns of citizens to be heard and prioritised ensuring more effective development;
- Mutual accountability: a multilevel governance perspective is key to ensure vertical and horizontal accountability. Sub-national governments have a very relevant role to play in vertical accountability, both upwards (state) and downwards (citizens);
- Taking advantage of their role in public policy-making to gather a plurality of actors and coordinate their actions at local and regional level: to have a multiplier effect on impact. European LRAs, especially regions, have developed this model of cooperation, thus enhancing coordination, harmonisation and exchanges of good practices (see example below).

The case of Spain

Regional governments involved in decentralised cooperation meet once a year to discuss a wide range of topics of mutual interest such as: cooperation with specific geographic areas; management for results; evaluation; capacity development; common procurement practices and development education. Most of them have set up specific bodies responsible for coordination, exchange of information and mutual learning among local and regional decentralised cooperation actors.

In parallel, nine municipal development cooperation funds, belonging to the Spanish confederation of funds, act as agents for coordinating and knowledge-sharing.

Source: CPMR

On the post-2015 development agenda, there was a consensus on the great need to take into account the progress of decentralisation reforms over the world and the urban explosion. Development can no longer be thought of without local actors and local policies.

Recommendations

Three types of recommendations were made.

1. To LRAs and their associations:

- Duly record the various decentralisation processes underway and develop sharing of experiences and advocacy accordingly;
- Further organise themselves into international advocacy networks;
- Develop strategic alliances with civil society organisations, central states or the development partners according to the agendas;
- Demonstrate synergies between the poverty and sustainable development agendas.

2. To the EC in its direct partnership with LRAs:

- In most contributions, the EC was prompted to support, politically and financially, LRA representative associations to perform and be acknowledged as umbrella organisations in global forums. It was, for instance, requested that LRAs participation in international networks should be facilitated through, where possible, specific funding modalities for this. Contributions underlined that this is a win-win situation since the significant experience of LRAs in establishing partnerships can make a meaningful contribution to reaching multilateral agreements;
- The EC should support the setup of a joint roadmap on green economy and on smart economic models, and should support the LRAs to comply with the commitments in the various steps of the Rio+20 roadmap.

3. To the EC in general:

- Several contributions urged the EC, which is a member of the Global Partnership Steering Committee, to support the inclusion of an LRA representative in this Steering Committee together with Member States, CSOs, the private sector and multilateral organisations among others. In general, they encouraged the recognition of LRAs through:
 - ⇒ Respecting the subsidiarity principle by central states and development partners;
 - ⇒ Involving associations of local authorities (ALAs) in defining national development strategies, guaranteeing the inclusion of local priorities;
 - ⇒ Strengthening ALAs so that they can play their advocacy role fully and represent the broadly shared interests of their membership;
 - ⇒ Tracking the progress of the Busan commitments in a number of pilot countries from the perspective of LRAs and their associations.
- Recommendations addressed to the EC on the post-2015 agenda include the following:
 - ⇒ Make governance a transversal theme of the development agenda;
 - ⇒ Focus on who needs to act to address relevant recommendations and what support they need to do so;
 - ⇒ Acknowledge the coordination role of LRAs at local and regional level and support their planning capacities;
 - ⇒ Support integrated policies at the territorial level;
 - ⇒ Facilitate the emergence of innovative financing tools, such as the Oudin-Santini law in France, which provides water and sanitation funds for decentralised cooperation.

2 Good governance for development: the local level

Conclusions

In their introductory remarks, several contributions indicated that governance is about empowering people, including at grass roots level, to make them feel a sense of ownership of the policies implemented. It was also highlighted that, as elected public agents, LRAs are responsible for designing and implementing public policies, and ensuring leadership in



local development management. Furthermore, with decentralisation processes progressing in many partner countries, the agendas and responsibilities of LRAs have widened, and their practices evolved. They now include urbanisation, migration and environmental issues among others. Public-private partnerships at the local level have increased.

The consultation identified the following challenges for LRAs to improve democratic policy processes:

- The primary obstacle relates to fragile and incomplete decentralisation reforms. In many partner countries, particularly in Africa, legal frameworks are starting to be put in place but a significant gap remains between what is the law and what is implemented. The limited resources transferred to LRAs for service provision to citizens and the lack of clear division of responsibilities hamper LRAs ability to have impact, their legitimacy and their credibility;
- Human resources was also considered a major challenge: both finding and keeping qualified staff at the local level and also resisting steps by central governments to recentralise staff management. This is a challenge where support is needed (in training, setup of pay structures etc.);
- The survey respondents judged transparency to be the main challenging principle of good governance, followed by rule of law, effective participation, equality, accountability, fair representation and inclusion, (ranked from the most important to the least important);
- Corruption and poor management capacities were also quoted in one contribution as a significant issue in local and regional governments in many countries.

The main message on the opportunities that can improve democratic policy processes was around local elections. Local elections represent a crucial moment for accountability – a moment when the quality and coverage of basic services provided are assessed together with the local leadership and governance capacities. Indeed local elections support creating a democratic culture and provide possibilities for citizens, CSOs and development partners to assess how essential democratic principles have been enforced (frequency of elections, pluralism, participation of community groups etc).

In terms of interactions and coordination with CSOs and citizens, it was stressed that LRAs have both the duty and the legitimacy to involve and coordinate a wide diversity of local actors in their local development strategy. Some difficulties were reported in the case of CSOs working in sectors falling under the responsibilities of LRAs. Such situations, sometimes supported by development actors, undermine the LRAs' young legitimacy as institutional actors, vis-à-vis local people.

Recommendations

Monitoring of local elections and supporting mechanisms of check and balances in local policy planning were proposed as relevant areas for the EC to target.

A consensus emerged on the need to support participatory development as a central component of local governance. In general, it was recommended that the EC should offer incentives for the creation of local consultation frameworks for participatory policy planning. If it was done in this spirit, the EC proposal to finance pilot activities on the territorial approach to development in the next Civil Society Organisation and Local Authority (CSO-LA) thematic programme would be welcome. Thus citizens should be empowered to enforce the accountability and transparency of LRAs, and their associations should be promoted as campaigners for people's needs. In order to improve the accountability of LRAs, EU programmes should consider the quality and relevance of the basic services that they provide. It would be central to further work with community groups on the downward accountability of LRAs.

Four key elements could be targeted by EU programmes:

- Information: the right of citizens to access relevant information about the local decisions;
- Participation: the right of citizens to participate, in a meaningful way, in the local decision-making processes;
- Answerability: the power for citizens to get answers and explanations from their LRA;
- Controllability: the power, where necessary, for citizens to exercise control, formal or informal, over LRAs.

Deriving from these recommendations, most contributions called for a new partnership with the EC to enhance local governance systems. As significant changes for democratic governance require a strong relationship with supporting donors, and as LRAs are public institutions, the EC should engage in a more strategic partner approach with LRAs, rather than short-term relations based on small specific projects. To this end, the EU delegations were called on to have dedicated LRA desks – in order to be more aware of the issues facing LRAs and the areas in which the EU can support local governance – and then to communicate on appropriate funding opportunities. **As a particular focus for this new partnership, it was suggested that the EC give greater priority to enhancing local accountability through:**

- Supporting the establishment by LRAs of formal and informal mechanisms for information, transparency and citizen participation;
- Encouraging mechanisms for greater financial self-government – through fiscal reforms, for instance;
- Helping LRAs gain autonomy in managing their human resources;
- Supporting the implementation of a proactive public communication strategy;
- Helping LRAs put in place checks and balances systems to enhance their answerability.

As a response to the challenges identified, most contributions recommended that the EC should invest in capacity building of LRAs. This could be linked to internal capacities of LRAs (see section 7). In particular, the EC was urged to support frameworks for exchanges of good practices between local elected officials and ALAs, and it was suggested that retargeting support on long term planning, inclusive service delivery and financial management would make a clear difference in local governance. Furthermore, according to several contributions, ALAs should be considered as key partners of the EC in operating capacity-building programmes for LRAs. They are in the best position to express the needs of LRAs to the EU, and could help systematise the knowledge generated by cooperation projects and replicate them in other parts of the countries, i.e. create a multiplier effect. Through these programmes, both councillors and senior officials could be trained, in particular, in public communication and local accountability.

Finally, one recommendation pointed to the need to balance the allocations of the CSO-LA thematic programme in order to avoid some of the challenges listed above and allow some manoeuvre for LRAs to play their coordination role at the local and regional level to ensure consistency of local policies.

3 Territorial development

Conclusions

The consultation highlighted that this issue is one of the most important for LRAs and their associations, whatever region of the world they are from, and one which they would like to see as a priority in the forthcoming communication.

Contributors recalled the background to this. Because of their legitimacy and territorial responsibility, and their closeness to citizens, LRAs are in a prime position to deliver key services and stimulate partnerships at local level, essential to improving the quality of life of their citizens. They are also in a good position to coordinate the efforts of a range of development actors and to reduce duplication in view of their local planning function. In this context, they should be part of all planning processes that take place within their territorial jurisdiction and need to be empowered to take a lead role in local development as a core responsibility of their mandate.

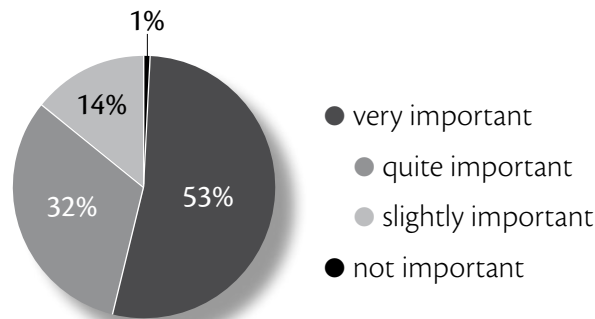
One contribution proposed a definition of the territorial approach to development: a comprehensive multilevel governance model integrating all sector policies and involving all the actors operating within a specific territory. This principle is deemed consistent with the principles of territorial cohesion and subsidiarity, as incorporated in the Lisbon treaty. Some contributions recognised the progress that has been made in including this approach in EU development policy, as well as in the strategy of some UN agencies such as UNDP and the FAO. Taking this further, LRAs should be able to take part in the design, implementation and evaluation of EU development policy, so as to consider territorial needs and to reinforce coordination between priorities implemented by various actors. In this regard, contributors recalled that



European LRAs provide a major contribution to aid effectiveness and to the inclusive growth of partner territories.

The coordination of sector policies at territorial level was on the whole felt to be a strong challenge. Indeed development partners tend to engage in programmes essentially involving central governments and CSOs. However, they are becoming increasingly aware that working through sector-wide approaches with central governments often means that sub-national governments are not involved in defining or implementing policies. This may lead to recentralisation in some cases or, at least, may undermine the efforts for genuine ownership and sustainable long-term results at the local and regional level. On this question, the results of the survey are self-explanatory: 85% of the respondents think territorial partnerships led by LRAs are either a very important or quite important complement to sector-wide programmes managed by central governments.

Results of the survey – Territorial partnerships (led by LRAs) are a complement to sector wide programmes managed by national governments



Considering that a shared vision on priority development sectors leads to greater effectiveness, development partners can be influential in promoting structured dialogues between central and local governments, essentially through the national ALA. The lack of dialogue is often due to either weaknesses of the LRA sector or reluctances of central government for a true devolution of powers.

The contributions also provided guidance on the challenges facing LRAs in terms of territorial development and participation of local marginalised groups. The African sessions pointed out that what was needed was not only investment in but also maintenance of existing infrastructures and services throughout the localities, and that this requires long-term funding, concentrated budgeting and improved revenue raising by LRAs. In addition, it was felt that citizens' participation in local decision-making processes should be the main channel for LRAs to engage marginalised groups - in particular women and youth - in local life. This approach is a win-win situation because it contributes to consolidating the legitimacy of LRAs. However, this should not lead development partners to support CSOs in conducting local policies and delivering services. Local accountability and participatory democracy should be ensured by LRAs.

The case of the Latin American Centre for Rural Development (RIMSIP)

This regional non-profit organisation was set up in 1986 with the objectives of strengthening the capacity of different social groups in the rural sector, supporting the processes of institutional change, production and innovation so as to revitalise and transform Latin American rural societies, and making them more just and equitable.

The organisation is committed to supporting those who are marginalised and excluded within rural societies. RIMSIP's legitimacy is founded on its organisational culture, its work and on the extent and type of relationships it has with its partners.

Over the period 2008-2012, activities focused on developing regional spaces and mechanisms for dialogue in Latin

America, on better understanding changes in rural societies, and on developing the skills of social actors. The purpose of these activities was to directly or indirectly influence strategies and public policies at national and sub-national government level.

Since 2005, RIMSIP partners and collaborators have included: national and regional governments, universities, bilateral and multilateral international agencies and research NGOs.

Source: www.rimisp.org

Recommendations

The first strong message was around the coordination of policies at national level with those of LRAs:

- The EC was called on to provide incentives to ensure central governments meet their legislative commitments to fund LRAs and devolve adequate funding for local development; at the same time LRAs should strengthen their ability to raise their own revenue. In parallel, multilevel dialogue systems – where national, regional and local governments can discuss, assess and programme the competences of each level – should be put in place wherever possible in order to reach a functioning degree of democratic governance, state reform and decentralisation. The EC was urged to help set up such a system as part of its bilateral cooperation.
- The EC was called on to support the establishment of sub-national integrated development plans on a multi-annual basis. This would allow tackling the different sides of a global territorial policy, such as social cohesion, economic development and innovation, education and training, environment management.
- Finally, for the sake of coordination, contributors encouraged that support to strategic local development plans should be aligned with national development objectives, and subsequent local development projects (donor-funded, centrally-funded, PPPs etc) should align with the planned objectives.

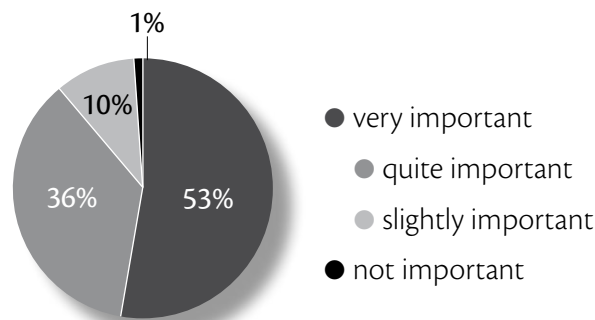
The second type of message focussed on the mechanisms and incentives to support territorial development and the effective participation of the different stakeholders. They are grouped henceforward according to their type:

- As an overarching principle, the EC should recognise LRAs as key partners in a multilevel governance system, and make multi-stakeholder territorial partnerships a key mechanism in the future architecture of EU development policy, as called for in the European Charter on development cooperation in support of local governance.
- Sustainable local development, including strengthening the role of LRAs in local economic development, should be made a priority in EU development policy. Various steps could be taken in this direction:
 - ⇒ Support activities to raise awareness and commitment of public and private actors and CSOs to help create sustainable local economies;
 - ⇒ Encourage the setup of local economic planning committees to analyse and benchmark the socio-economic contexts of given territories;
 - ⇒ Strengthen LRAs' capacity for strategic planning to produce local economic development plans;
 - ⇒ Support strategic implementation and review of economic policies in partnership with public and business programmes.
- The EC should clearly refer to the added value of European LRAs in terms of territorial development and furthermore take this into account in its development programmes. Their added value was put forward as very important or quite important by 89% of the respondents to the survey. European LRAs indeed have experience in capacity building (expertise, training) in the areas of democracy, decentralisation and good governance, and well-tried competences in conducting territorial diagnosis, designing long-term strategies, delivering public services,



implementing reforms, and involving a wide range of local stakeholders around joint strategies for endogenous development.

Results of the survey – How important is the added value provided by European LRAs in development cooperation?



- The EC should introduce roadmaps for engagement with LRAs at EU delegation level in order to improve the level of coherence between European initiatives and territorial needs and the impact, predictability and visibility of EU actions.
- It was also recommended that the EC should initiate forms of delegated management through contractual arrangements such as framework contracts which would allow European LRAs, in particular regions, to develop integrated programmes. In such a framework, European LRAs would act on behalf of the EC with a sort of delegated competence and a critical mass of funds. This would improve the effectiveness of existing activities led by European LRAs and the EC in partner countries, and make policies implemented on a given territory more consistent. Pilot experiences have been developed with the Basque country and Tuscany.
- The EC should promote innovative methodologies, instruments and partnerships developed by LRAs in order to increase the potential for inclusive growth and social cohesion, and thus facilitate the sharing of good practices.

Lastly, the risk of separatism at national level was never presented as a possible reality, neither in the sessions nor in the voluntary contributions.

4 Decentralisation

Conclusions

In their introductory remarks many contributions recalled some of the characteristics of decentralisation. Decentralisation is a long-term political process, which has three dimensions: political, administrative and fiscal. It is a politically sensitive process, which has generated continuous discussions between national, regional and local levels about actual decentralisation or recentralisation of powers. Therefore, most evaluations of donors support to decentralisation have demonstrated that sustainability requires multilevel approaches, i.e. approaches involving both national and local governments. Decentralisation reforms have progressed in a number of partner countries, where crucial powers have been devolved to LRAs, such as health, education, roads, human settlements, economic development, land planning, training, water and sanitation, urbanisation, migration and environment, depending on the countries.

The European experience, through the various models of decentralisation adopted in EU Member States and the European Charter of local self-government, was put forward as an interesting experience that the EC should make better use of to shed some light on proper decentralisation challenges and opportunities in partner countries.

A number of challenges were identified in broadening the multilevel policy dialogue. They are mainly due to uncompleted reforms, either in the law or in its implementation:

- Insufficient legal, administrative and financial frameworks;
- Insufficient regulations in the fiscal, financial and state-owned areas;
- Insufficient transfers of powers – lack of supporting measures, lack of decrees and orders, poor interpretation of regulations by the various parties, reluctance of officials from sector ministries to the actual transfer of powers;
- Delays in making savings bonds available to LRAs and to receding shares of local taxes.

The case of Ivory Coast

As part of the latest step in decentralisation reform, 16 competences were recently transferred to LRAs: education, health, electrification, hydraulic, and security among others. However, the resources allocated to LRAs represent between 2% and 3% of the national budget.

Whereas the regulative framework, which should allow LRAs to function and to reach financial self-government, has not been enforced since its creation in 2003, LRAs are in an extremely difficult situation in trying to fulfil the two main objectives they have been given to achieve by 2015 in the framework of the national development programme.

They have been asked to increase the share of the budget from their own revenues from 37% in 2008 to 70% in 2015, and to increase the rate of people's participation in local development actions from 25% in 2008 to 75% in 2015.

Source: AIMF

Against this background, a few contributions emphasised some existing opportunities and the role that various stakeholders could play to ensure an enabling environment at the local and regional level:

- Central governments can be an ally for decentralisation and good local governance when trust and a shared vision are well-established between the various tiers of government;
- Development partners, through their policies, conditions they set and budget priorities, have an impact on the capacity of LRAs to function well;
- National ALAs should voice the concerns and interests of LRAs vis-à-vis these different stakeholders;
- LRAs themselves should demonstrate their efficiency and credibility vis-à-vis these different stakeholders.

The case of Tunisia

With the help of development partners (Diputació de Barcelona, Tuscany Region, AIMF, CUF, Barcelona City Council, UCLG), three important Tunisian cities – Sfax, Sousse and Tunis – have initiated discussions with the Constituent Assembly in order to involve the National Federation of Tunisian Cities (FNVT) in the debate and drafting process on the constitution articles, especially in relation to the model for decentralisation.

While this is an ongoing process, with uncertain results at this stage, several international organisations are contributing as well as European actors of decentralised cooperation. This demonstrates a good example of coordination around a common objective.

Source: Province of Barcelona



Recommendations

To improve aid effectiveness in the field of decentralisation, it was recommended that the development partners transform at least part of their sector support in areas which are already decentralised into decentralised support to LRAs responsible for implementing the corresponding powers. The EC should ensure that funds committed to development at the local level are channelled through LRAs as the level of government closest to citizens and the most appropriate actor at the local level.

There was a strong message in favour of using political economic analysis to increase the EC understanding of the national dynamics of public sector. In this spirit, decentralisation should be considered in a holistic manner and understood as a state reform, impacting on both central and local governments. The EC was urged to adopt a long-term approach to strengthen multilevel democratic institutions, instead of the short-term project vision that is often in place. Decentralisation programmes would therefore instead consist of transfer arrangements that would change the structure of the state institutional system. Moreover, it would be instrumental if institutional capacity-building programmes for LRAs were consistent with the decentralisation processes.

In order to make decentralisation work for development and to improve the EU support in this context, several recommendations were made. They are grouped below according to their type:

- The EC should provide incentives to states for enforcing clear legal frameworks. A clear legal framework implies organic independence for LRAs, proper decision making powers for LRAs in accordance with the Constitution, sufficient resources underpinned by financial autonomy and autonomy in managing human resources, and freedom to develop partnerships between ALAs and national parliaments.
- In accordance with the Busan Partnership for effective development cooperation, the EC should support an enabling environment for LRAs through encouraging central governments to finalise legal texts, finance urban planning projects and LRA strategic plans, finance local development plans aligned with national development plans, support the establishment of resource centres for decentralisation and local development, and increase the financial envelopes allocated to LRAs and ALAs in the European financing instruments.
- The EC should support spaces for dialogue between central and local/regional governments to build trust and political good will, negotiate improved policies as well as a follow through on commitments at all levels of governments.
- As decentralisation is a sensitive process, it was widely requested that EC increase synergies with decentralised cooperation actors when supporting decentralisation. This would be in accord with greater sustainability given that European LRAs and ALAs are familiar with the technical and political challenges encountered by partner LRAs. Decentralised cooperation is a meaningful complement to EC direct support as it contributes to strengthening the LRAs' capacities in implementing effectively national policies at the local level, builds their vertical legitimacy, and ensures ownership at the local level. The EC should incorporate its support to decentralisation into wider public sector reform, and should monitor the progress in local self-government and fiscal decentralisation as genuine indicators of how decentralised systems perform.
- Greater coherence between EC geographic and thematic programmes should be ensured so that thematic programmes meaningfully complement bilateral cooperation agreements.



The case of Integra project in Uruguay

Between 2009 and 2012 the EC financed the first phase of the Integra project in Uruguay, which was coordinated by the Presidential Office of Budget and Planning in Uruguay and managed by VNG International (International Cooperation Agency of the Association of Netherlands Municipalities).

The overall aim of the project was to improve social and territorial cohesion and bring public policy closer to the local communities. In order to achieve this aim, departmental and regional development plans were formulated in a participatory manner, to ensure citizen ownership of the priorities for sub-national governments. In addition, comparative local economic and social development indicators were formulated to define an improved system for the distribution of national funds and thus contribute to a more equal development (benefiting particularly the most fragile groups).

The development of studies on decentralisation and training modules for the local government level has proven to be a useful investment in the newly-created third layer of 89 municipalities in Uruguay. The first phase of Integra has resulted in developing concrete activities in 150 local communities and 19 departmental governments, and thereby reaching over 60,000 citizens.

The programme has also contributed to improved coordination between local communities, departmental governments and ministries. This is crucial in the next steps of the decentralisation process and to further enhance the effectiveness of the sub-national governments in responding to the needs of the inhabitants.

With its roots in Dutch local government and extensive experience of decentralised development cooperation, in Latin America and elsewhere, VNG International successfully managed this programme. It is a good example of how the EC and European local government associations can forge functional collaborations in development projects to achieve tangible and sustainable results.

Source: Programa Uruguay Integra Continuará Desarrollando Políticas Públicas de Cercanía, Government of Uruguay, 2012; Uruguay Integra Programme successfully completed, VNG International, 2012

5 Support to urban and rural local authorities in a context of rapid urbanisation

Conclusions

In several consultation sessions, it came out that the topic of this chapter is interlinked to that of territorial development, given that urban issues cannot be addressed without taking into account the needs in rural areas.

Most contributions agreed that urban areas are the major challenge in partner countries. The impact of the characteristics of this urban explosion are felt by many regions. Cities are frontline actors in tackling the urgent challenges brought on by urbanisation, such as social exclusion, unemployment, infrastructure development, waste management, sanitation, public safety and environment. Participants in the Arusha session noted that East Africa is the most rapidly urbanising part of Africa, and that a large and increasing proportion of the urban population is forced to live in unauthorised settlements which lack adequate services and facilities. Participants in the Jakarta session pointed out that 23 of the 40 largest metropolitan areas of the world are located in the Asia-Pacific region. Most of the population growth in the coming years will be absorbed by cities; rapid urbanisation is therefore an important challenge for most Asian countries.

In terms of challenges, contributors emphasised the great need to examine the reasons for mass migration to cities. They are linked not only to employment opportunities but also to better education opportunities and better medical care. In many countries, the bulk of the budget devoted to sub-national governments is indeed allocated to urban metropolitan areas.



A significant number of opportunities were also reported in relation to urbanisation. First of all, it was stressed that big metropolitan areas are an asset for a country. Some cities have enormous weight in a country's gross domestic product; this provides opportunities in the distribution of wealth between urban and rural territories. Next sound fiscal planning and management was considered essential in dealing with the effects of urbanisation, particularly in the context of development of new infrastructure and maintenance of existing provision. Strengthening LRAs' capacity to support effective local economic development was also reported as a key strategy to help address the challenges of urbanisation. In the case of municipalities that are working on the same territory, synergies were encouraged to help develop integrated strategies. Finally, in the Pacific region, contributors expressed their appreciation of the EU support to sustainable urbanisation challenges and encouraged this to continue.

A consensus emerged on the urgent need for a balanced approach to both urban and rural challenges. Inequalities between regions of the same country and within these regions are now more important than inequalities between countries. This generates economic and social tensions and contributes to mass migration to cities. When urbanisation results in concentration on limited areas (coastal areas, for instance), a big divide may be created with rural and peripheral areas, with major social and economic consequences for the country.

Some challenges to a balanced approach were pointed out by the participants of the Latin American session. On this continent, which is facing severe territorial inequalities, local elected officials struggle to improve citizen security, local autonomy and territorial competitiveness as tools for more cohesion between regional territories. It was felt that, based on the agenda for change, the EC decision to cut down bilateral cooperation to only two countries in the region would jeopardise the efforts to tackle territorial inequalities within a country.

Opportunities for LRAs to promote a more balanced approach were identified as:

- Implementing sub-national structural policies to improve social and economic cohesion between territories as well as infrastructures;
- Working towards trust and openness both within local communities and with national partners;
- Stimulating balanced investment planning and seeking a more equitable share of industries and commercial activities between rural and urban areas;
- Including youth and women in local decision making processes for more inclusive policies.

Recommendations

The following recommendations were made to better respond to growing local public needs in the context of urbanisation:

- To ensure cities' sustainability, the EC should support LRAs' capacity in local economic development (LED) and in developing and managing public-private partnerships;
- To strengthen coordination, by regional or upper levels of government, of all the municipalities governing metropolitan areas affected by rapid urbanisation;
- To set up integrated planning working committees;
- To increase the focus on strengthening the quality of service delivery to limit the rise of inequalities.

With regarding to the particular case of big cities and their sustainability, it was recommended to:

- Develop new funding mechanisms to invest in infrastructure as a priority in dealing with the effects of urbanisation;
- Consider the special needs of coastal urban areas which are under a lot of pressure;
- Target specific groups, like youth and women, as agents of change at the local and regional level and ensure that LRAs are supported towards this greater inclusiveness;
- Support the setup of disaster recovery plans as a key sector for LRA.

To adopt a balanced approach between urban and rural areas, the EC was prompted to:

- Invest in rural areas as a priority to contribute to reducing territorial disparities, and as an opportunity to consolidate sustainability – food security is, for instance, a major challenge affecting both urban and rural areas and making them part of the same chain;
- Set up adjustment funds at the national level to address rising inequalities between territories;
- Support mechanisms for a more equitable distribution of commercial and industrial activities between rural and urban areas.

6 Associations of local authorities

Conclusions

The issue of associations of local authorities (ALAs) was considered to be closely related to the issue of internal capacities of LRAs, given that national associations of LRAs are instrumental in helping to shore up the capacities of their members.

Among the challenges that ALAs face, it was stressed by many contributions that national ALAs in partner countries are often weak structures. Yet, as permanent organisations delivering services to their member LRAs and as a conduit between central and local governments, they deserve to be supported in their capacity building. In order to perform well as representative umbrella organisations, ALAs need to have sufficient administrative, political and financial institutional capacity. Another challenge is that they are often seen by development partners as an interesting channel to reach LRAs in the field; however, their own institutional needs should not be overlooked.

The case of FEDOMU, the national association of the Dominican Republic

In the Dominican Republic, according to the decentralisation law of 2003, 10% of the state fiscal revenues was to be allocated to LRAs. However, only about 4% reaches LRAs' budgets, greatly restricting their actual powers. Thanks to the support of decentralised cooperation partnerships with European LRAs, FEDOMU was set up as a national association with representation in 10 regions of the country. Its first activity was to develop training in human resources for LRAs from these regions. Subsequently FEDOMU worked with the Observatory of Decentralised Cooperation on municipal management to advocate for the creation of municipal districts, which now have been elected. The association developed a guide on municipal management for its members, and has supported the creation of planning offices, of departments for environmental management, youth and culture within municipalities. FEDOMU is now seeking support from development partners to further develop institution building and management activities for its member LRAs.

Source: FEDOMU

Opportunities for ALAs were put forward as high priorities by most of the contributions:

- At national level, they are in a position to represent LRAs interests and cooperate with central governments to draft policy and implementation plans – and should be empowered to be effective contributors to governmental relations;
- They can support new decentralisation processes and can train newly elected representatives;
- Their coordination of LRAs into a unique national association eases the institutional dialogue with central states: the same logics applies for regional and global ALAs;



- European and global ALAs contribute to capacity building activities for partner ALAs for them to be better equipped in multilevel governance systems and service delivery to their members;
- In getting involved in the design of national development plans and representing the challenges of their members, national ALAs contribute to greater territorial cohesion, consideration of local needs and enhanced effectiveness;
- They have an added value in helping and training inexperienced members tackle challenges and disseminate best practices;
- Within regional or global ALAs, the diversity of members and their experiences is a great opportunity for sharing expertise and models;
- ALAs represent a crucial link in the chain of information from the global level to the local level and vice versa: they have the power to mobilise members and to experiment with new practices and partnerships in close relation with local needs;
- The experience gained with the ARIAL programme was highlighted a number of times. This programme has resulted in the setup and training of several national associations in the ACP region.

In terms of development effectiveness, contributors recalled that ALAs are pivotal organisations for exchanging information and best practices, which is of great importance for the effectiveness of cooperation initiatives. European ALAs have strived to do this, in particular, through their coordination within PLATFORMA, but they expressed regret that a meaningful tool like the European Atlas of decentralised cooperation has not been exploited. In order to meet challenges such as that of aid effectiveness reaching out to LRAs, including in partner countries, ALAs offer decisive channels that should have greater acknowledgement from development partners. It is fundamental that LRAs are represented, have a voice in the international arena, and, in return, report back to their constituencies worldwide. Over the past decade, ALAs have striven to organise themselves and consolidate their capacity to contribute to regional and global agendas. In particular, they work towards including local and territorial development challenges in wider development policies and therefore contributing to greater development effectiveness. Particular efforts of United Cities and Local Governments, through its Capacity and Institutional Building Working Group, and of ORU-FOGAR were reported.

Recommendations

Four types of recommendations can be identified from the consultation.

First of all, recommendations relating to the strengthening of ALAs were:

- The EC should support the capacities of national ALAs so that local elected officials are better equipped in their dialogue with central governments and national parliaments, and so that civil servants have opportunities for training and sharing experiences on local plans;
- The EC should use the expertise of European sister associations for carrying out ALA institution-building programmes, as they have specific knowledge about the political and technical dimensions of ALAs. Setting up associations with public members is a specific type of process, which needs a deep understanding. Sister associations are aware of the true needs of ALAs. Moreover, the peer-to-peer approach can help ensure that the shared knowledge can be institutionalised for long-term sustainability;
- Programmes such as the ARIAL programme should be replicated as it has been very helpful in building and reinforcing ALAs from partner countries.

Secondly, particular recommendations pertained to specific support for LRAs capacity-building activities. The EU delegations should consider national ALAs as key partners for development. Capacity development programmes for LRAs should be conducted primarily through them because they have a multiplier effect and they can best express the needs of LRAs. They can help systematise the knowledge of development projects taking place in a partner country and increase the possibility of replicating the experience elsewhere in the country. As a consequence, their role in exchange of

experiences and dissemination of best practices should also be strengthened.

Next, it was recommended that ALAs should have particular support in their institutional dimension and in their capacity for influencing donor and national dialogues:

- The EC should support the capacity of national ALAs to conduct consultations with their members ahead of national planning processes. Such work is of particular importance in the preparation of national budgets, before their approval by parliament. However, this is effective only if central government is open to discussion and actually willing to share power and responsibilities;
- EU delegations should engage in talks with LRAs and their associations, an objective that has been poorly achieved so far in comparison with discussions held by EU delegations with national governments or CSOs. National ALAs should, in particular, participate as significant actors in country negotiations for EU programmes. In this manner not only the needs of LRAs could be represented but there would be a greater assurance that resources, for example, for decentralisation projects assigned to LRAs would reach their destination. Furthermore, closer links between the EU delegations and ALAs would allow more quality exchanges on programming, project funding opportunities, and areas for collaboration, and would increase the effectiveness of the EU cooperation.

Finally, in order to facilitate a greater adherence of LRAs to the aid effectiveness principles, the following recommendation was made:

- The EC should open discussions with ALAs in order to find ways to make the European Atlas a meaningful instrument and, more broadly, should support LRAs in exchanging information about best practices and development cooperation activities implemented in the framework of the EU development policy. For example, an information system could be implemented between EU delegations and Member States embassies in countries where decentralised cooperation activities are conducted.

7 Enhancing the internal capacities of local authorities

Conclusions

In most contributions, this issue was considered a transversal theme pertaining to decentralisation, good governance and ALAs among other things. In addition, in all partner regions hosting a consultation session it was judged to be a crucial challenge.

A consensus emerged on the need to make support for capacity development a broader engagement than just training modalities for LRAs. Taking into consideration their role as service providers and given that interaction with central states and donors require capacities for dialogue, it was emphasised that the most appropriate approach would be to focus on building leadership at the local and regional level.

Some specific areas were put forward such as financial management, skills in new technologies, territorial planning, or the ability to coordinate public-private partnerships.

The case of Pointe Noire, Congo-Brazzaville

Pointe Noire is the country's economic centre and is an attractive city that has experienced significant migration flows and strong urbanisation. In the framework of the third national decentralisation experience in 2003-2004, a global assessment was carried out in order to establish a municipal development plan.

The need for refining the knowledge of the city's territory and potential tax payers came out as the main challenge. With



the support of decentralised cooperation partners, the city developed systems for land use and demographic planning as well as for signage and addresses; these form the basis for provision of services and collection of taxes. As a result, an urban and fiscal database has been established and provides essential information for investment planning and tax collection in consultation with community leaders and CSOs. New urban infrastructures were financed and the level of trust towards the municipality was enhanced. In parallel, the improvement of services delivered to the peoples has increased the level of revenue for the city.

Source: AIMF

Based on their know-how in local administration and management, the added value of the European ALAs and LRAs was also widely emphasised. Whatever their countries, LRAs often share the same envelope of sector responsibilities, and this thus favours their mutual understanding. Decentralised cooperation also represents a direct opportunity for building joint local solutions in accordance with local community needs. The specific role of European LRAs and ALAs therefore is to share their expertise on the basis of the needs and problems identified by the partner LRAs, which is a condition for ownership.

The case of Paris – Bamako – Ouagadougou cooperation for efficient health services

This tripartite cooperation in the health sector has resulted in ensuring access to more efficient health services to over 3 million people as well as reinforcing the autonomy of the cities of Ouagadougou and Bamako in managing these sectors. Following the decentralisation processes in the 90s, LRAs in Burkina Faso and Mali gained new powers, including the management of health centres. However, many weaknesses remained – for example, wrong diagnosis due to inadequate or inoperative material or under-qualified personnel – and did not allow an adequate primary health offer. From January 2010 to December 2012, with the support of the European Commission, the three capital cities worked together to reinforce their know-how and governance in this domain.

Thanks to this partnership, 688 persons were trained (health personnel, administrative personnel and elected representatives) and a local sanitation development plan was adopted in Ouagadougou. The plan highlights four priorities for 2013-2017: capacity building for health managers; reinforcing the coordination of all stakeholders in the health sector; increasing prevention campaigns, screening and treatment of sexually transmissible infections; and improving the quality and motivation of health personnel. In Bamako, despite difficulties related to the political context, the local sanitary development plan is being produced and should be adopted in 2013. In addition, a preparatory unit will be set up for a future department of health and social action.

The success of the project was thanks to the diversity of partners involved, especially the French *École des hautes études en santé publique*, the AIMF, the Esther Public Interest Group, the *Groupe Pivot Santé Population* in Mali, and Metis partners. The project is representative of the commitment of the city of Paris in terms of expertise sharing and reinforcement of local autonomy through decentralised cooperation.

Besides the tangible results, the tripartite relation has generated interest from Ouagadougou in the health system in Bamako, while Bamako has showed great interest in the cleaning and waste management policy in Ouagadougou.

Source: City of Paris



The case of Montevideo, Uruguay

The city took part in the three phases of the EU-funded URB-AL regional programme, which developed thanks to the city's decentralised cooperation with Spanish and French cities. The programme resulted in:

- Upgraded exchanges of experiences and institutional building, particularly on the issue of participatory budgets ;
- Concrete inclusive social policies implemented in the city, with greater transparency and citizens' participation;
- The development of pacific and efficient activities between partner cities, with particular experience on inter-urban exchanges.

Source: city of Montevideo

Recommendations

In terms of capacity development, the results of the online survey recommend that the top three sectors that should be the focus for LRA support are: governance (65% of the respondents), local economic development (59% of the respondents) and services and infrastructure (37% of the respondents).

The following sectors were also highlighted as sectors in which LRAs most need to be supported:

- Design and implementation of local public policy based on needs assessments;
- Tax collection;
- Land planning, signage and addresses;
- Implementation of consultation framework with central States, private sector and CSOs;
- In general terms, accountability and financial transparency.

Efficient ways to support LRAs include:

- Institutional building and reinforcing local leadership;
- Development of e-government for increased transparency and efficiency;
- In general, use of the expertise of local CSOs instead of expensive external consultancies for capacity building programmes.

As underlined in other sections of this report, the EC was called on to make better use of decentralised cooperation as a resource and the most appropriate instrument to build local capacity. Mechanisms supporting decentralised cooperation should be incorporated as a central component of the EC strategy towards LRAs. It was also recommended that tripartite and South-South cooperations should be encouraged as they can harness the expertise and experience of working at the local level.

8 Towards a consistent EU engagement with local authorities at country level

Conclusions

Many proposals were made under this section of the issue paper.

Contributions recalled linkages between decentralised cooperation and development effectiveness principles together with some options for greater effectiveness.



It was first highlighted that the underlying fundamental of decentralised cooperation is a peer-to-peer partnership between elected local officials, who share similar sector and political responsibilities. Ownership and long-term partnerships are often identified as the main strengths of decentralised cooperation. As a public policy, decentralised cooperation undergoes regular evaluations and elected representatives justify the spending of local administrations to the citizens by reporting the results and the usefulness of partnerships. In this context, partnerships tend to change over time, evolving towards empowerment of the partner LRA and a greater consistency with national development priorities. Partnerships with CSOs could be further developed so that the latter play a monitoring role on local public policies.

A majority of contributions looked at the present EU programming period (2007-2013) in order to identify possible weaknesses and options for improvement:

- The rapidly changing priorities of LRAs do not fit with the long EU timeframes in designing funding frameworks and committing funds;
- EC funding requirements are quite strict, with processes and criteria difficult to understand for local administrations;
- In particular, the following shortfalls were identified with the NSA-LA thematic programme:
 - ⇒ calls for proposals do not fit in with the way LRAs work and often do not allow LRAs to cope with urgent requirements and needs affecting their social and economic development;
 - ⇒ poor strategic approach taking into account the whole spectrum of partners' needs and providing comprehensive support in mobilising and coordinating all stakeholders (citizens, CSOs, etc.);
 - ⇒ EU delegations are sometimes poorly engaged in selecting key objectives and eligible measures of the call for proposals;
 - ⇒ Lack of an evaluation system able to fully take into account LRAs' capabilities and the value added of the way they work.

Recommendations

General EU engagement with LRAs

In building a solid EU involvement with LRAs, the EC is expected to consider LRAs as a public institution with which to engage in a long-term relation. A more strategic partner approach of LRAs with the EC is necessary acknowledging multilevel governance systems. The present manner of short-term relations based on small specific projects does not allow the achievement of real changes in democratic governance.

The EU should have a fully-fledged policy to support decentralisation and local governance, which would provide the best suitable mix of approaches to respond both to the commitments of development effectiveness through budget support and involvement of LRAs through programmatic approaches.

As in its communication "The roots of democracy and sustainable development: Europe's engagement with Civil Society in external relations", the EC should "consider all funding modalities and approaches allowed by the financial regulations. These include projects, programme funding, direct award of grants, pool funding, follow-up grants, core-funding, co-financing, ring fencing, simplified calls and re-granting" (COM(2012) 492 final, note 17, page 11).

In this framework, the EC should provide an operational response to the recommendations of the thematic evaluation on its support to decentralisation and local governance.

It was also recommended that further synergies between the EC, Member States and LRAs should be explored. Multi-level governance should become a stronger component of the EU development policy, in which LRAs should actively contribute to the design, implementation and monitoring of EU development policy. To this end, new mechanisms could be developed, such as holistic multi-actor (citizens, LRAs, CSOs, private stakeholders, etc.) and multi-level (regional/local, national and European) approaches. Lastly, an institutionalised dialogue should be further implemented through PLATFORMA and the Committee of the Regions.



EU engagement at country level

In reaction to the Agenda for Change (COM(2011) 637 final), it was recommended that the EC does not only support LRAs when a specific “country loosen(s) its commitment to human rights and democracy”. Aid conditionality is considered important. However, CSOs and LRAs, as agents of change and democratic progress, should be allies of the EC in partner countries, especially in countries with decentralisation schemes.

In general, acknowledging their strategic role in coordinating local public policies, delivering basic services and contributing to multilevel governance, the EC should fully involve LRAs in its cooperation programming and implementation at country level. As outlined in section 6, national ALAs should be empowered to play their representation role towards both central states and the development partners. Too often the consultation of LRAs gets the form of a general exchange that is not part of a planned process with proper follow-up. Consultations should not be too broad, but should be effective processes in which ALAs are the main interlocutors.

Development effectiveness

First of all, as a signatory of the Busan partnership on effective development cooperation, the EC should present a formal strategy for implementing its commitment to strengthening LRAs and enhancing participation and accountability at the sub-national level.

In particular, in the forthcoming communication, the EC should address how to make European LRAs’ contribution to EU development policy more efficient in the future. This was a recommendation of the thematic evaluation of the EC support of decentralisation: the EC should utilise its unique relation with European LRAs and their associations (through the structured dialogue, the European Assises on decentralised cooperation and the Committee of the Regions) and in particular the consensus at European level on the notion of “good local governance” as put forward in the European Charter on local self-government of the Council of Europe. Ratified by all EU member States, this Charter established the principle of decentralisation as a European norm. Building on the diversity of decentralisation systems in Europe, the EC should consolidate its technical expertise with the help of European LRAs and their associations.

Twinning, LRA partnerships and the opportunity to learn from practitioners’ facing similar challenges either on a North-South or a South-South basis are extremely valuable ways of building capacity in the sector and which the EC should support. The EC could be of particular support in helping to professionalise working methodologies. Performance criteria, benchmarking, and incentives to improve performance should be refined in partnership with LRAs.

Valuable instruments to systematise the reality of decentralised cooperation, such as as the Observatory of Decentralized Cooperation EU-Latin America, should be fostered and further supported. LRAs need this kind of structure to improve their practices, coordinate their activities, evaluate and benchmark their policies.

In addition, European LRAs have been able to capitalise on their expertise in local public policies and territorial development thanks to the European construction and structural funds, and particular experiences such as local agenda 21. This extensive expertise should be used and shared with partner LRAs, especially in view of growing global agendas on sustainable development. Regarding fundraising, European LRAs also are relevant actors to support their partners in putting together project proposals and ensuring project cycle management.





Aid modalities

The following recommendations were made on future aid modalities:

- The territorial multi-actor approach should be mainstreamed in all EC development programmes, in the respect of each actor's responsibilities. As underlined in the communication on the roots of democracy (COM(2012) 492 final), "the overarching objective of the EU in the realm of social services is to support the capacity of public authorities to build sustainable and quality systems for the benefit of population", which should be recalled in the guidelines for the 2014-2020 development programmes;
- EC guidelines should be simplified, and the selection criteria revised in order to comply with the realities and constraints of partner local administrations;
- In kind contributions, staff hours or the elimination of the co-funding requirement for LRAs should be considered in EC development programmes: the need to identify a co-funding contribution is a key reason for the low take-up rates under the NSA-LA in-country budget line for instance;
- Budget requirements in terms of volume should be revised in order to allow LRAs with more modest means to take part in the EC development programmes,
- With regard to the 2014-2020 CSO-LA programme, the following requests were made:
 - ⇒ Introduce a better internal articulation between CSOs and LRAs by allowing LRAs to participate in CSOs projects in order to ensure ownership of initiatives;
 - ⇒ Improve the visibility of all the future calls for proposals to cope with the existing gap between the multiannual programmes and LRAs at operational level;
 - ⇒ Introduce a new "process-based approach" with strategies and programmes that support long-term development plans and ensure that they complement other territorial initiatives. The new approach should be focused on the actors and their interactions, giving them more freedom to adapt activities and directions;
 - ⇒ Provide greater financial resources in favour of networking and twinning models among LRAs and with their European partners.
- Regional programmes such as URBAL III have demonstrated great results in knowledge-sharing and expertise-building. Their regional approach was considered a clear added-value. They should be replicated. URBAL III in particular has achieved the following results:
 - ⇒ Openness of LRAs to internationalisation and international cooperation, with increased competitiveness with more than a thousand cities taking part of the programme;
 - ⇒ Construction of a network working methodology amongst partners and promotion of exchanges for building institutional capacities adapted to the local level;
 - ⇒ Methodology available, linking concrete activities and institutional reinforcement activities enhancing civil society participation and political support, visibility of results and transposition into local public policies.
- As highlighted in section 3, pilot schemes for territorial partnerships should be established, with testing of delegated management options.



LIST OF ACRONYMS

ACB	Association capacity building
ACP	African, Caribbean and Pacific
AEBR	Association of European Border Regions
AER	Assembly of European Regions
AFCCRE	French Association of the Council of European Municipalities and Regions
AIMF	International Association of Francophone Mayors
ALA	Associations of local authorities
CEMR	Council of European Municipalities and Regions
CLGF	Commonwealth Local Government Forum
CPMR	Conference of Peripheral Maritime Regions
CSO	Civil Society Organisation
EC	European Commission
EU	European Union
FAO	Food and Agriculture Organisation (of the UN)
LRA	Local and regional authority
ORU-FOGAR	Organisation of Regions United - Forum of regional governments and global associations of regions
PLATFORMA	European platform for local and regional governments for development
UCLG	United Cities and Local Governments
VNG International	International Cooperation Agency of the Association of Netherlands Municipalities







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