
Local governments in development cooperation

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The Konrad-Adenauer-Stiftung

The Konrad-Adenauer-Stiftung (KAS), founded in 1964, is one of the political foundations of the Federal Republic of Germany. Through its international activities and projects, KAS makes a substantial contribution to international cooperation and understanding. It is named after the first Chancellor of the Federal Republic of Germany, Konrad Adenauer.

Through international partnerships with private organisations and movements, state institutions and think tanks, KAS intensifies global knowledge transfer and promotes civic education. The 65 KAS offices worldwide act as central service and information centres.

Through its projects and activities, KAS contributes to the worldwide promotion of democracy and to strengthening of the rule of law, as well as to peace and social harmony, the fight against poverty and social exclusion, the extension of the concepts of the social market economy, and European Union integration. KAS considers these developments as conditions for the improvement of the political, socio-economic and environmental foundations of life.

The Council of European Municipalities and Regions

The Council of European Municipalities was founded in Geneva in 1951 by a group of European mayors; later, it opened its ranks to the regions and became the Council of European Municipalities and Regions.

Today, it is the largest organisation of local and regional government in Europe; its members are 49 national associations of towns, municipalities and regions from more than 35 countries. Together these associations represent some 100,000 local and regional authorities. At the head of its political structure is its President, the mayor and governor of Vienna, Michael Häupl. The secretary general is Jeremy Smith.

CEMR works to promote a united Europe that is based on local and regional self-government and democracy. To achieve this goal it endeavours to shape the future of Europe by enhancing the local and regional contribution, to influence European law and policy, to exchange experience at local and regional level and to cooperate with partners in other parts of the world.

Lastly, CEMR is the European section of the new worldwide organisation United Cities and Local Governments.

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Abbreviations

ACP	African, Caribbean and Pacific group of states
ANMP	Association of Portuguese Municipalities
CoE	Council of Europe
CoR	Committee of the Regions
CEMR	Council of European Municipalities and Regions
DCECI	Development Cooperation and Economic Cooperation Instrument
DG	Directorate General
EC	European Commission
EU	European Union
EUR	Euro (currency)
GNP	Gross national product
IT	Information technology
KAS	Konrad-Adenauer-Stiftung
MEDA	Euro-Mediterranean Partnership Programme
MEP	Member of the European Parliament
MDGs	Millennium Development Goals (UN)
NAPLA	National Association of Portuguese Local Authorities
NGO	Non-governmental organisation
PR	Public relations
UCLG	United Cities and Local Governments
UN	United Nations
UNDP	United Nations Development Programme
USA	United States of America

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Foreword

Gerhard Stahl

The Committee of the Regions

The Committee of the Regions (CoR) is the institution that defends the interests of those at local and regional level in Europe. Based in Brussels, it facilitates discussion of subjects that link the local and regional levels with the European level, with a view to developing coordinated action to achieve common goals.

The CoR works on the principle that, in the face of globalisation, success can only be achieved in the EU if the local, regional, national and European levels work together.

High inequalities

Global economic and social discrepancies are considerable; a billion people live on less than a dollar a day and every day many children die needlessly. The EU comprises the biggest actors and biggest donors in development policy aiming to reduce poverty and ensure that sustainable development can be achieved: 54 percent of all aid, more than EUR 7 billion to more than 150 countries, comes from the EU. Human values must be respected, but first and foremost economic development is essential and current political action is inadequate.

Political coordination

Better governance and increased coordination between levels of government are required to generate sustainable development in developing countries. Multilateral governance is not just a slogan, but a way of ensuring policies can be implemented effectively. Actors have to be aware of what is happening, what different bodies are planning and how initiatives and actions can be coordinated. Local and regional bodies and the CoR have key roles to play here.

The willingness of Europeans to help is demonstrated by how much they do, for example to help the regions affected by the 2004 Asian tsunami. However, such examples also show how much coordination is necessary to take advantage of that willingness and make the European contribution visible.

Mediterranean cooperation, although it is faced with many difficulties, is a good example of local, regional and European cooperation. Cooperation between EU member states towards economic development is another example. There are many other examples and further models to be contributed to the European discussion by conferences such as this.

Foreword

Walter Leitermann

Introduction

The Council of European Municipalities and Regions (CEMR) is a European local government association with about 100,000 local authorities as members, spread across 34 European countries. It deals with the role of local authorities in development cooperation and is a partner in this conference.

The roots of CEMR can be found in twinning. Although the twinning movement is focussed on Europe, it has always reached outside Europe including to regions of the “Third World”.

The United Nations (UN)

CEMR is also the European section of United Cities and Local Governments (UCLG). This is a global local government association founded two years ago and enjoying the support of the UN, especially UN-HABITAT (the United Nations Human Settlement Programme). Two existing global local government associations were merged to create a stronger, more united representation, particularly at the level of the UN.

The UN’s interest in intensified cooperation with local government started with a fundamental change in attitudes on development cooperation. Cooperation had been designed to empower national governments to develop their own countries, but this inter-governmental approach has lost support. Today terms like decentralisation, good governance and civic involvement (proximity) are the buzzwords as local authorities are recognised as key actors in development cooperation.

Urbanisation

This trend is intensified by unprecedented urbanisation. The UN forecasts that the

urban population in developing countries will increase from two to four billion within the next 30 years. Two thirds of the world population will then live in cities.

Central governments do not fully understand the problems of cities and therefore cannot solve them alone. Colleagues from local governments and local government associations around the world can contribute to finding solutions.

In 2000, the UN engaged in a project to achieve aims in eight policy areas by 2015: the Millennium Development Goals (MDGs). In September 2005, UN Secretary General Kofi Annan told an international delegation of mayors in New York that local governments are the most important partners in implementing the MDGs. He said: “While our goals are global they can most effectively be achieved through action at local level.” Mr Annan’s statement recalls the slogan used to promote a more intense engagement of local authorities in development cooperation: “Think global – act local.”

EU policies

The EU is not a beginner in the area of decentralised cooperation, but is entering into a new phase in development cooperation. This is revealed in the communications on *non-state actors and local authorities in development* (25 Jan 2006) and *EU-aid: delivering more, better and faster* (2 Mar 2006).

This conference aims to bring this slogan to the attention of the EU in its deliberations. It is useful to show the EU what local authorities are doing, what they can do and what a precious partner they are for development cooperation. If the EU is seeking ways to deliver more EU-aid better and faster, it should build on cooperation with local authorities. As Archbishop Desmond Tutu said recently: “I am of the attitude that, like in politics, development is local. You can have the grand view but if you don’t infuse people at grass-roots level you’re playing marbles.”

Introduction

Dr Peter Köppinger

The Konrad-Adenauer-Stiftung (KAS) is a German political foundation. For over 50 years Germany has had a tradition of political foundations set up by the various democratic political parties and working in development cooperation. KAS has offices in over 60 countries and projects in about 100 countries.

The EU has redefined its development policy and written new programmes in terms of decentralisation. Key actors beyond national governments have typically been private consultants, NGOs and experts from state or multinational development cooperation organisations. However, it is now necessary to ensure that a more appropriate role is granted to local and regional governments in Europe, which should realise their full potential in promoting better and more efficient development cooperation stemming from Europe.

There are two main advantages to getting local authorities on the ground involved in development cooperation. First of all, drawing on people from local and regional governments means engaging with people who are very practically minded, with daily experience in local administrative tasks and development planning at local level. The second distinct advantage is that actors from local and regional governments in the developed and transforming countries are genuine partners for dialogue with each other; they have credibility because they are equals.

The major current problem is that many local and regional governments lack the structures for sharing expertise. The cultural background and political access are often missing when they first get involved in projects. It is therefore sensible for them to work with other actors, be it NGOs or political foundations who are active in specific countries and who have structures in place. This can take place at national or international

level and many interesting examples of such cooperation exist.

This conference has brought together actors involved in implementing projects for several years to share their experiences, both in terms of what they are doing in these countries and what this work means for them personally. Cooperation is never a one-way street.

The discussions on the second day of this conference take a critical look at the documents drafted by the EU for the next financial period 2007-2013, particularly the paper that specifically looks at the inclusion of non-state actors and local governments. It is important to look beyond theory to what is practically achievable in development cooperation with local and regional authorities. This is done in dialogue with the European Commission and European Parliament since the work of local and regional governments can benefit European development cooperation policy.

Part I
**The specific contribution of local and regional
government to international cooperation**

Establishing municipal administrations in Cambodia: pilot project with Rhein-Sieg-District, Germany

Frietjof Kühn

Introduction

Rhein-Sieg-Kreis is an association of various local authorities, municipalities and districts below Cologne, Germany, and around Bonn, the former seat of government. It is the second biggest district in Germany and one of the biggest local authorities in North Rhine Westphalia with more than 600,000 inhabitants. It is nearer to Brussels than to Berlin and is well situated on the European map.

Rhein-Sieg-Kreis is the leader of a consortium working on a good example of development cooperation with local authorities in Umbria, Italy and Cambodia. The project is part of the EU-funded Asia Urbs Programme and aims to develop well-functioning administrative authorities in two pilot urban districts of Cambodia, Battambang and Siem Reap, by increasing citizens' participation within the administrative structure.

It is a partnership project so representatives from the local authorities work as colleagues sharing their expertise and experience. Although it is a great deal of work for European partners, participating in this type of project is advantageous. Visiting countries such as Cambodia and helping set up local administrative structures ensures that European local authorities take the time to think about their own structures, work and political priorities. Problems faced by European authorities such as burdensome administrative processes are then seen differently and this can bring about a shift in priorities.

Cambodia - background

Cambodia is more or less half the size of Germany with an area of 181,040 square

kilometres and a population of 13.6 million. Its capital, Phnom Penh, has 1.3 million inhabitants, whilst 85 percent of the population is rural. The project took place with Battambang (170,000 inhabitants) and Siem Reap (150,000 inhabitants).

Cambodia has:

- 20 provinces and four so-called urban municipalities. The governors are appointed by the Interior Ministry.
- 185 rural and urban districts. The governors are appointed by the Interior Ministry.
- 1,622 rural and urban communes with elected councils, but without their own revenues or many powers.
- 13,866 villages. The village chiefs are actually appointed by the Interior Ministry.

Traditionally, Cambodia has been a centralized state according to the French model. At national level there is the King, who does not have very many powers, the Parliament, the Prime Minister and the Council of Ministers. There's a Home Affairs Ministry that has the traditional role of appointing provincial and district governors and has direct influence on all administration at lower levels. However, the individual ministries, with their provincial and district branch offices also compete for political influence. This often generates lack of clarity and political conflict.

Project Partnership

- Rhein-Sieg-Kreis, in Germany, which is the official lead partner of the project and has provided short-term experts at its own cost.
- Spoleto in Italy, a town of 40,000 inhabitants whose administration draws on the local employment market advantages provided by tourism and concentrates on helping the disadvantaged.
- The districts of Battambang and Siem Reap in Cambodia.
- BBJ Consult, which provides administrative support, evaluation services and short-term experts.
- KAS, which initiated the project, accompanies and supports the project. KAS Phnom Penh carries out political coordination through its excellent local connections, including to the ministries and makes office infrastructure available in the city.

Reforms

The reform programme for these districts is based on a strategy of decentralization of administrative structures in Cambodia and deconcentration of tasks and functions of the Cambodian government. There is currently no proper administrative structure for local and regional level, but the government is delegating new tasks from the national level, creating new structures.

Organic laws are under preparation to provide a kind of framework for tasks, organisation and financing of province and district administrations including special structures for urban districts. There is an experimental clause, Government Decision 47, for the urban districts of Battambang and Siem Reap, whereby tasks, together with financial resources, are delegated to the districts.

The project aims for transparent, efficient, effective, accountable and democratic integrated town government and administration as a model of good governance for Cambodia. The long-term objective is to alleviate the poverty of the population by creating conditions favourable for economic development.

Horizontal administrative structures will replace vertical ones, which are damaging because there is no cooperation; people work in parallel with no coordination. Elections will strengthen democracy and an integrated urban government and administration will be set up. Increasing transparency will improve the administrative services offered to citizens.

Under the leadership of German experts, services previously provided by line ministries are now going to be provided under the umbrella of district administrations under the local government. This means direct contact with the citizens and transparent services from the front office. A big noticeboard in the front office clearly indicates all the charges for different administrative services so there is no more arbitrary pricing by whoever happens to be serving. Previously, two-thirds of the price would be over the counter, the rest of the price would be under the counter.

Integrated district planning has now been organised in principle in Battambang under the supervision of the district governor. Unfortunately, local political developments can impact on this, although this is often the case in all countries. In the field of tourism, there is a kind of gold-digger atmosphere with new hotels springing up. There is a real risk of inappropriate and mistaken developments there and the Italian experts from Spoleto have taken the lead in promoting proper planning to help control developments.

BBJ is developing a job placement agency with the involvement of relevant line ministries and enterprises. Job placement and administration are completely new concepts in Cambodia, so work is ongoing. Similarly, the Italian experts led the establishment of an Ombudsman as an independent body for administrative complaints from citizens. Since the country used to be highly centralized with no citizens' rights, this is a new departure for Cambodians.

Technical instruments

An integrated budget cycle was introduced by the Italian partners looking at planning, drafting and implementation of budgets. Budget controls were introduced by integrating line ministry budgets into a new district budget under the control of the Governor. German experts developed the generation of own resources, particularly through the introduction of local fees and taxes, which are essential for local authorities to do their job.

German and private experts have been working to developing e-government by integrating computer networks into the new administrative structure and establishing an interactive homepage for the district. Direct democratic participation in urban planning and the dissemination of political information is an ambitious objective. This has to be mutual at local level. Administrations and communes have to inform and consult citizens and help them participate in all of their planning and all their decisions.

Having a public relations (PR) office with a PR spokesperson under the control of the district governor was not recognised practice. Culturally, they found independent press work at that level strange, but this is now in place. It seems that provincial governors, one level above district governors, have now asked to have PR spokespersons themselves, having become aware that the district governors in the two pilot districts have them.

There have been directly elected local councils since 2002. These now send three representatives to the new district councils so that representatives from all the communes can discuss issues important to the district. According to current electoral law, the biggest party in the elections provides the mayor, the next biggest the first deputy and the third biggest party provides the second deputy. However, the three biggest parties are represented at equal strength in the district council. Although there was much debate about this proposed lack of proportionality, in practice it has not given rise to problems. This is because those involved in debates are representing the interests of the citizens in their communes rather than their political party.

Although, formally, the district council only has an advisory function, it does have a certain political influence and has already demonstrated its effectiveness in exerting pressure on the provincial governor. The council therefore has a political role and members of district councils tend to be satisfied with the role. Together with the work of the independent Ombudsman, the district councils represent democratic progress.

Conclusions

To sum up, the project has led to vertical structures being changed into horizontal structures in the pilot administrations of the two districts, Battambang and Siam Reap. Responsibilities and financial resources have been delegated from state ministries to district administrations. Transparency has been improved and services are now provided closer to the citizens. Democratic participation and legitimate democratic representation have been increased.

Knowing the troubled political history of Cambodia, it is crucial to build up democratic structures at local level to contribute towards the stability of national democracy. This principle applies not only in Cambodia but everywhere; this is something that the local level often has to remind the national level. After all, without the legitimate democratic participation of citizens in their local authorities and without a mandate from citizens through elections, the EU would not be able to exist.

Cambodia/Germany: questions and answers

Was the Asia Urbs Programme an efficient programme to work with?

Answer from Frietjof Kühn

The overall content of the Asia Urbs Programme is good. The European Commission is moving in the right direction with this kind of programme by ensuring the involvement of the local authorities themselves. It is also positive that local authorities are able to make their financial contribution to projects in terms of staff time, since financial pressures on local authorities make it difficult to provide a few thousand euros in cash. This programme is very local authority friendly.

Would this kind of project have fitted under the geographical programmes of the EU and if not, would this type of project fit a thematic programme?

Answer from Dr Peter Köppinger

The Asia Urbs Programme was a very interesting programme for this type of project. During the two-year pilot phase of the programme there were certain limitations: projects were a maximum of two years and follow-up projects were not foreseen. Following evaluation, it became possible to have three-year projects and, under certain conditions, follow-up projects. Unfortunately this programme was suspended at the end of 2004 due to internal issues at the Commission. It is to be hoped that the new financial instruments will render this sort of programme possible again since it was so successful in developing cooperation between Asian and European local authorities with non-state actors involved.

If such a programme can be integrated into a future thematic programme then this should not be restricted to small 'micro-projects', but it must be possible to develop projects of a certain scale.

Within the geographical programmes such projects could work in Asia, Latin America,

Africa or Eastern Europe. This would allow for more comparisons in terms of project development and projects could take account of local conditions more easily.

What influence does Cambodia's political background have on the work the experts are doing?

Answer by Frietjof Kühn

The experts take account of political realities, which continue to generate conflicts, and the political changes that are taking place. These can impact on the work and so it is important to understand them. However, experts must keep some distance from national politics and avoid wanting to control and change everything. It is not their task to correct political decisions, but rather to make the best of the situation they are presented with.

Experts in the work of local authorities may not be experts in development issues. How did the experiences of work at home translate to a completely different society with a different history and a different culture?

Answer by Frietjof Kühn

This was one of the most exciting aspects for partners at the beginning of the project since people did not have this kind of experience. However, this project looked at the daily running of local administrations and the really important knowledge was around working in an administration, communicating with citizens, being service-oriented in approach, setting up ordered structures, local self-government, etc. You do not need to be a development expert to be acquainted and at ease with these aspects, but have practical experience of them through working in a local authority.

Not being development experts also ensures that project partners focus solely on their area of knowledge, local administration. Development experts might have tended to be distracted by other issues such as basic water supplies and lost sight of the original project's scope.

A very friendly and positive cooperation was developed between the German, Italian and Cambodian partners. It is possible to offer help and experience without trying to control everything. The major obstacles to cooperation were around language and the climate. It was important to have good health and be able to stand the heat.

Answer by Dr Peter Köppinger:

It is an extremely positive result of the project that, in a country still affected by violent political conflict, the main political parties came round the table together, supported

the concept and became actively involved. If this model had been imposed from up high it would have been very much opposed. As it started from grassroots level the opposition parties agreed to it; this shows what is possible by working at local level.

The results of the project did not arise simply from Spoleto or Rhein-Sieg-Kreis coming in with experts and saying, "this is what you have to do", but rather from discussion in working groups with the Cambodian experts. KAS played the role of moderator so as to coordinate and bring together the various experts and show commitment to this sort of model. It is through cooperation like this that the best results are achieved.

Would it have been possible to have the same kind of positive results out of this project if the German civil servants had not been involved?

Answer by Frietjof Kühn

This project proves that European local authorities can and should be involved in the development process by passing on ideas to other local administrations, which is a great help to people who really need it. Ideally, each European local authority should pursue this type of project, although the work taken on has to be proportional to the resources available, particularly in terms of staff.

It is a highly enriching experience for those who participate in the project as they get to see a country in a completely different way from that experienced, for example, by a tourist. This is both positive from the point of view of personal development and experience and can also lead to more flexible approaches in the workplace.

How can local authorities proceed in such projects without external advice?

Answer by Frietjof Kühn

Small local authorities do not usually have development experience but can provide practical know-how and good practice examples, and can help colleagues at their level of experience and expertise.

In those areas where they do not have expertise, other actors, such as foundations, can provide a lot of important information and support. Local authorities provide especially IT and technical help, but foundations know the country and know the local project partners. They can provide good, politically neutral contacts who are in a position to help on the ground. This is crucial in enabling cooperation to start immediately without having to spend a lot of resources finding the right people and developing relationships

from nothing. Future programmes need to take this into account.

How will the training and know-how derived from the project be developed and used? Also, what role do the UNDP or donors such as the World Bank have in guaranteeing the success of projects such as this?

Answer by Frijtof Kühn

The project has led to positive changes within the local authority in Rhein-Sieg-Kreis in terms of the attitude of the staff and use of lessons learned. It is difficult, however, for a local authority on its own to initiate cooperation. It is necessary to have an organisation that has some experience on the ground or that takes care of all the formalities, as BBJ Consult did in this project.

Whilst some of the bigger local authorities might have the resources to have staff permanently devoted to issues around international cooperation, for the majority it is not feasible. In the specific case of this project, the experience should be being picked up at a higher level both in the EU and under the UN; associations of local authorities are better placed to do this work than individual authorities.

Contribution of the Portuguese National Association

Landri Pinto

Introduction

It is particularly gratifying for the National Association of Portuguese Local Authorities (NAPLA) to participate in discussions on development cooperation, taking particular account of the historically-based linguistic link between Portugal and many African countries. The Portuguese language is advertised through carrying out projects at national level.

NAPLA aims to make people aware of how democracy works using three guidelines:

1. Promote political training.
2. Infuse dynamism into democracy.
3. Support the association of local authorities.

Promoting Democracy

NAPLA cooperates with African local authorities on the basis of clear and non-negotiable rules of procedure to create awareness of democratic principles, responsibilities and representativeness. An essential condition of cooperation with NAPLA is the holding of local elections. The Portuguese partners come in before elections take place and work on training and provide any necessary support to ensure compliance with international rules. This approach also leads to activities at grassroots level that benefit the local populations of these areas of Africa.

NAPLA works very closely with national associations of local organisations to support and encourage the training of local managers. NAPLA sends over qualified trainers from a national school in Portugal and provides annual local administration courses, paying both for the courses and providing bursaries for those attending. The Portuguese

trainers start the training of the hundreds of local officials who benefit from the programme and then local trainers take over.

This process is an excellent way to mobilise local resources, which is particularly important given the situation on the African continent, and makes the most of the limited resources the Portuguese authorities have to contribute. The training is essential for achieving strong and dynamic local authorities on a permanent basis and developing democratic awareness and an approach based on the primacy of law and ethics.

NAPLA has directly helped associations of local authorities with statutory and procedural issues, such as their constitutions, to make them good international partners. Good relations and simple measures that avoid bureaucracy are favoured to encourage initiatives for inter-municipal cooperation. National associations of local authorities now exist in places such as Cap Verde, Mozambique and Saint Thomas Principe, giving NAPLA official interlocutors there. Through these associations, the authorities express the voices of their people from local and regional levels, power sharing is negotiated and conflicts are avoided.

As cooperation has developed, several tools have been created to facilitate the activities:

- A free telephone line, a green line, links these areas of Africa to Portugal
- A protocol exists between NAPLA and the Portuguese agency for support to development. This forms a structure for co-funding by the Portuguese government to decentralise cooperation initiatives in African countries.
- Contributions are made to local infrastructures, schools, hospitals, roads, electricity, libraries and so on.

Strategic partnerships between Portugal and organisations in Africa have led to projects such as a digital cartography project in Cap Verde. By providing more than just aid, NAPLA is making a greater impact with the limited resources available. This work represents a model of cooperation and has produced results that are rewarding for all parties involved. Local authorities are strengthened and local populations are better served.

Remark by CEMR Representative

It seems unrealistic to think that those few local authorities that are active in such work would have the resources to keep travelling round to share their experiences with other local authorities. International and European associations can be helpful with the dissemination of results and experiences. Lower level officials have knowledge to

share, but it is particularly useful when high-level officials talk about their practices and this can be shared amongst the network.

Working through publications is useful, as are web sites. However, these require more motivation on the part of the people looking to learn and the information is indirect with no possibility to ask questions of the people working on the ground.

Portugal: questions and answers

As the work is with Portuguese-speaking African countries, does the funding mainly come from the Portuguese government and if so from which budget, and has European funding been used or considered?

Answer by Landri Pinto

There is a protocol agreement with the Portuguese government. Every year when the state budget is negotiated there is a part of this budget that is for decentralised cooperation and that is where the Association of Portuguese Municipalities engages. Possibly for linguistic or national reasons, Portugal is alone in working in these African countries and there has not been cooperation with other European countries. Portuguese cooperation in Africa is generally through micro-projects: building skills, installing public lighting, etc. Only occasionally is there a big project such as the digital cartography project for Africa's Cap Verde, which has a budget of millions co-financed by the Portuguese government.

Most of the funds used in the micro-projects are the local authorities' own funds. The Portuguese local authorities choose to allocate part of their resources to fund work with Portuguese-speaking Africa. These amounts are not always big, depending on the resources of the local authority, but they are often significant proportions of their overall budget. Many Portuguese local authorities have twinning projects with African communes.

How can procedures be made less bureaucratic and education and training systems simplified so that dealings with partners in developing countries can be clearer?

Answer by Landri Pinto

In Portugal, the local authorities have a large degree of autonomy from the national government, which significantly reduces the amount of bureaucracy compared to some countries. There is a golden rule that Portuguese local authorities do not give

money, but only fund projects and pay local civil servants to carry out the work. As an example, the mayor of Cap Verde might say to the mayor of its twinned city in Portugal that he really needs to build a school. The Portuguese mayor can put this question to his local authority assembly and if it is approved then no further authorisation is necessary. At least in development cooperation activities, the local authority can act directly without any intermediaries or interference from government. The partners buy all the equipment needed in the country of origin so administrative costs are low. There is flexibility in the arrangements of these micro-projects.

What is the position of the state within the framework of the cooperation by NAPLA and is it right of the Commission to move towards decentralisation and deconcentration of projects?

Answer by Landri Pinto

NAPLA's experiences are mainly with working through direct informal contacts between local authorities rather than working with the national governments. However, it seems that funding such as ACP agreements, agreements between states and community funding for Africa currently benefits the states, but does not reach the local authorities. Proposals for European funding for non-state actors would be fine if decentralised. The people working on the ground are the ones who know how to use the money best. CEMR has taken a very strong position on this and needs to draw on the support of all the different national organisations and lobby MEPs to achieve decentralised community funding for support to Africa in the future.

Drawing on the Portuguese municipalities' experiences, is there coordination and cooperation with small and medium-sized towns or just big towns, and how are local populations made aware of this type of development cooperation?

Answer by Landri Pinto

Most of the Portuguese municipalities are small communes or towns with only around 15,000 inhabitants. Even though they are so small, they often cooperate with Portuguese-speaking Africa. It is very important for them because many people who live in rural parts of Portugal have come in from the former colonies, so they are interested in establishing strong links with the African local authorities. Even the big Portuguese municipalities do not have many resources, but they just contribute where they can. Sometimes this involves donating equipment or objects like cars and tyres that are no longer highly valued in Portugal.

Of course there are always people in the population who do not know about this sort of cooperation or do not understand such cooperation since Portugal has serious

financial difficulties itself. It can be a political problem that some groups feel resources should not go abroad when all needs are not met at home. In most local authorities, people who are themselves from Portuguese-speaking African countries balance these views. We are not talking about political interest here but a sense of solidarity with Portuguese-speaking African countries.

Remark by European Commission representative

It is not true that most of development aid just goes to the centralised states. For example, for Africa, since 2000, EUR 400 million has been committed in programmes to support decentralisation and to support local development, which go directly to local authorities, regions and provinces. There is EUR 130 million that has been committed to the MEDA countries and that goes directly to local authorities as well.

Just two days ago, the Commission approved EUR 20 million to send to Mali to support structural reform and decentralisation. There is a big commitment on the part of the EC in Latin America, in Asia, in Africa and MEDA to actually support decentralisation processes.

The money does go to the member states but it is for programmes that involve local authorities and regions directly and these are huge decentralisation programmes. In 2005 alone, the Commission approved seven decentralised support programmes in Africa for a total of EUR 207 million.

There are procedures that the Commission has to follow, which mean that funding cannot go directly to local authorities, but generally has to go through a management authority at state level. However, lobbying efforts to change this should be directed at the EU member states rather than the Commission since they agree the financial regulations. Only by convincing national governments to agree a change to this in the Council of Ministers will the Commission be able to act differently.

Remark by CEMR representative

In the example of the support for Mali there was an initial decentralisation phase concentrating on infrastructure, so that all the officials had places to do their work. Following that, support concentrated on local governments. This is where European associations of local authorities can help the EU and countries such as Mali with expertise on local affairs and experience and training in making the best possible use of resources.

Contribution of cities: Ghent (Flanders, Belgium) and Mangaung (South-Africa)

Jelle Monstrey

Framework of the city link

The legal framework for the city link between Ghent and Mangaung is the Flemish Covenant Policy on Municipal Development Cooperation, which Ghent joined in 2001. The covenant was still largely experimental until April 2004 when a decree on the policy related to covenants for municipal development cooperation was adopted by the Flemish government.

The decree primarily aims to:

- Encourage local governments to play a full part in development cooperation.
- Achieve a broad level of awareness of municipal development cooperation in local government.
- Encourage local government to pursue good governance in municipal development cooperation by increasing the capacity for administrative management.
- Support direct cooperation between local governments in a North-South context with a view to strengthening the administration, improving public services and reinforcing local democracy.

The Flemish Government gives local governments funding to achieve these objectives and provides a mandate to the Association of Flemish Cities and Municipalities to support local governments on issues of policy development, information and advice and promotion of networking. Local governments often need this support and the Association of Flemish Cities and Municipalities performs a valuable role.

City links

A city link is a model of cross-border and international cooperation between local governments. Two objectives are central: working on fair global relations and mutually reinforcing local governance, particularly focusing on a more effective, efficient and fair management of municipality governance. This focus on governmental assistance offers a local government a comparative advantage compared to other stakeholders in North-South cooperation.

All successful links have four characteristics in common.

1. The government appears to have undertaken a real engagement and earmarked the necessary means.
2. There is a broad involvement of the local population, which embeds the link at the local level.
3. There is mutual understanding and dialogue, which requires a greater degree of openness.
4. Reciprocity: they are valuable for both parties.

The partnership

The partnership between Mangaung and Ghent is based on a memorandum of understanding signed in September 2004 in Ghent and attended by the Flemish Minister of Development Cooperation and the ambassador of South Africa in Belgium.

The memorandum of understanding contains the following key issues that underpin the city link:

- The concept of a city link was pleaded in a resolution of the General Assembly of the United Nations as early as in 1971 (resolution 2861).
- A shared vision on local government recognising the crucial role of local government as a catalytic agent promoting the development of the city, the region, and its inhabitants.
- The objectives, which are: to support strong and decisive local government that responds to the needs of the inhabitants – human development, in a broad sense – creating awareness amongst the inhabitants of both cities about the interdependence between the North and the South and about the importance of international cooperation.
- The principles of the partnership: reciprocity, mutual respect, understanding and equality; openness and transparency of the cooperation; professionalism; and the

-
- explicit commitment to learn from each other.
- Both cities appointed someone to be responsible for the coordination of the city link.
 - An outline of monitoring and evaluation and an identification of policy areas.
 - The memorandum remains valid for a period of five years and is renewable if both parties agree to that.

Focus on youth policy

After exchanging policy documents on youth policy, two working visits, and discussions, Mangaung and Ghent decided to work together on the establishment of multi-purpose youth centres in Mangaung. At the end of 2005, Mangaung Council passed a note regarding the establishment of youth centres in Mangaung. The objectives of these youth centres are to:

1. Support youth organizations.
2. Coordinate youth work in the area of the centre.
3. Develop life skills and training of youth workers.
4. Provide information/support (funding, self organization, management) to youngsters and refer them to various institutions in order to develop themselves.
5. Integrate youth development in MLM in an interactive manner.
6. Develop programmes in the working area of the centres that responds to the needs of the youth.

Mangaung took several concepts as key from their study of Ghent youth policy:

1. The principle of small-scale and neighbourhood-oriented operation.
2. The idea to develop initiatives at a local level for children/youngsters under the age of 15 (although this is in fact the competence of the provincial level – in South-Africa, the local level is reserved for the age group 15-35).
3. The principle of youth work for and through youngsters.
4. The complementarity between government and private initiatives.

Ghent officials and/or youth workers go to Mangaung in order to support the practical development of the youth centres and a delegation of (future) youth workers from Mangaung will be invited to receive training in Ghent youth work.

Sustainable local economic development

One project that has already been realised is the participation of a Mangaung delegation to the MIPIM (World Property Market) fair, the world's leading real estate event, in

Cannes. Two staff members represented the Mangaung local municipality at the city of Ghent stand with full logistic support from the City of Ghent. Mangaung was able to present the investment opportunities in Mangaung to the invited international investment actors during the ‘Ghent Day’. Being present at MIPIM created a unique opportunity for Mangaung to establish high-level international contacts and to point out the promising opportunities to candidate-investors.

The above corresponds to the economic development strategy of Mangaung, which states that: “The Mangaung Local Municipality recognises the urgent need to create an enabling environment for economic growth, job creation and investment promotion.” As a result, the development of the municipality’s Economic Development Strategy is guided by the vision to create a “world class African city with a broad-based inclusive local economy within a sustainable, dynamic, business-friendly environment that is not only attractive to investors, but also benefits all the people of Mangaung”.

The Voka (Vlaams Economisch Verbond) Chamber of Commerce in East Flanders and the Bloemfontein Chamber of Commerce and Industry are at this moment working on the Plato project, funded by the Flemish government. The Plato project focuses on the professional coaching of SME-owners by managers from major companies. It creates a multi-sectorial, economic and international network and offers four targeted aspects:

- Knowledge and management skills (since SMEs often do not think about training, have limited management skills and limited access to the newest technologies).
- Information via networking (since SMEs are typically closed entities with little or no external contacts crucial for daily management).
- An external network for SMEs to deal with the management of change.
- Stimulation for research and development via the creation of a network between companies and research and educational organisations (thanks to the methodology used, based on the transfer of professional know-how, the exchange of expertise and networking, major companies also gain because of an intensive practical training of their managers).

The City of Ghent invited Mangaung and the Free State Province to the Annual Trade Fair in Ghent in 2007 to be the guest region.

Community participation

In South-Africa as a whole, and more specifically in Mangaung, community-based planning is of huge importance. Local communities are involved in preparing the local

integrated development plan. Ghent recently started its own version of community-based planning and so is eager to learn from the Mangaung experiences.

Strong points

The core of the Ghent approach to the city link is broad support from both political and administrative local actors. The city council needs to know what is happening and relevant parts of the city administration should be involved in an active way. A multi-sectorial task force and the city manager cooperate to make the city link a success. Active involvement of the city manager opens a lot of closed doors. A city link cannot be a project of a city's Department of North-South Cooperation alone.

Having things in common, dealt with on a similar scale, enables a true city link to be established. Even though Mangaung has almost four times the population of Ghent, there are a lot of similarities between the cities:

- Both are university cities with a large student population.
- Both are provincial capitals: Ghent of the Province of East-Flanders and Mangaung of the Free State Province.
- Both are the economic centres of the region.
- Art and culture are very important to both cities.
- Both are ambitious cities, looking to put themselves on the map.

The link is about working together and learning from each other; Mangaung does not wait for Ghent to take the lead or show it what to do. It is not a case of one local authority moulding the other into an exact copy. Projects are not implemented in each other's territories without joint involvement. Reciprocity is not only the mutual exchange of material and non-material support, information and services. It also means equal involvement and a shared responsibility for the results obtained.

Reinforcement of local government

The city link looks to reinforce local government in both partner cities, making them strong and decisive in responding to inhabitants' needs. On local youth policy, Ghent assists Mangaung with the establishment of multi-purpose youth houses and Ghent youth workers will be able to learn from their involvement in the Mangaung approach.

Ghent will learn from Mangaung's community-based planning. The creativity of Mangaung's local municipality in stimulating entrepreneurship can inspire the City of Ghent to establish similar initiatives, particularly to deal with unemployment of low and unskilled youngsters.

Challenges

Long and numerous e-mails and phone calls are not always effective; complex information exchange and discussion often needs face-to-face contact. Working visits are effective, but also expensive and some accuse working visits of being glorified city trips for participants. Clear terms of reference setting out the background and objectives of each working visit are essential to ensure visibly effective work.

Continuity is hard to guarantee within a city link. Democratic local governments are confronted with elections every few years and new leaderships have different priorities. The involvement of a broad range of local political, administrative and other actors results in better continuity when certain individuals leave and others come in.

City links must not become or be seen to become 'donor-receiver' relationships. A local government is not an international donor and a city link works best when both partners share expectations and see the link as an equal relationship. A city link remains a living project: often very exciting, sometimes really frustrating, but always a challenge.

Belgium/South Africa: questions and answers

How does partnership, with external actors like university institutes, work and is the work funded from own resources or does the Flemish community contribute?

Answer by Jelle Monstrey

The Flemish government provides most of the funds, but there is cooperation with many partners. The City of Ghent works on project task forces with the provincial governments and is assisted by a consultancy firm, which is specialised in local government and development cooperation. The large university in Ghent also cooperates keenly.

To what extent have the citizens of Ghent and the city in South Africa really been involved in the implementation?

Answer by Jelle Monstrey

It was easier to involve the population of Mangaung than Ghent because the community-based planning was more developed over there. However, the project expects to involve the local youth council in Ghent, so at least one part of the population will be actively involved. Community-based planning should also increase in Ghent to improve participation.

Contribution of the city of Lyon, France

Jacques Pétriment

Introduction

Within the European framework, development cooperation has aimed to motivate people, utilise their expertise and build up local democracies. Across the diversity in type and method of decentralised cooperation, limited resources, differing legal frameworks and a lack of political will pose the greatest challenges to success.

In France, local authorities can work directly with their counterparts in developing countries without asking for approval from the Ministry. In practice, networks of local authorities tend to send and receive delegations to act on local authorities' behalf rather than there being many direct links from city to city.

A crucial challenge for development cooperation is explaining to citizens at home that public funds will be used for the benefit of distant countries. Debates around immigration and economic difficulties at home create great political sensitivity. It is therefore a tribute to the politicians, governors and mayors who have the political courage to engage in development cooperation; without their commitment, decentralised development cooperation would be impossible.

The city of Lyon has created a department responsible for international relations, which carries out cooperation activities with Beirut, Algiers and other cities. Tools have been used to create more effective partnerships between Lyon and contributing organisations. In France, there are some public private partnerships; the 'Udin' legislation means that a small percentage of water bills goes towards development. Cities Against Poverty pools resources and projects and develops collaboration.

Increasingly, African local authorities have sufficient expertise to no longer need

European help. Decentralised cooperation between local authorities has existed for 25 years with all the corresponding investment, expertise, resources, failures, successes and analyses of experiences. In some countries, like Mali, there are now national associations that meet regularly with the EU and other donors.

Successful cooperation relies on understanding that working with Africa means working with equals. Decentralisation may need more time in Africa due to the move from a very authoritarian hierarchy to a new structure, but the local authorities there have understood the challenges and the required solutions to their problems.

The strength of networks and cooperation

To engage actively and effectively in development policy debates local authorities need to be able to talk coherently and demonstrate their added value and good practice in combating poverty and achieving the MDGs. Local authorities need to assess together what they can and cannot provide to present their vision of cooperation to the EU, World Bank, governments and the UNDP. Local government organisations have therefore come together in an international network and established a decentralised cooperation committee, bringing together local authority representatives from all regions of the world.

The network is discussing new approaches to avoid incoherence between the work of the different actors. Rather than the local authorities working in one corner and the UNDP and World Bank in another, they should come together to identify the problems and challenges in a particular country and discuss what each group can contribute in terms of expertise, skills, funding and other resources. Making effective use of the expertise that already exists in the South should not be forgotten in this context.

This kind of approach is being developed in Bamako in Mali following the realisation that resources were being used inefficiently. The World Bank and African Development Bank had both carried out independent studies on sanitation issues with little or no awareness of each other's work. Local authorities had been working through decentralised cooperation on education on sanitation and the need to pay tax to fund sanitation systems. Meanwhile, mayors were trying to develop sanitation systems without building on this work.

Traditional ways of working are not as successful as people might like to think. Mayors in developing countries look for funds and start by asking for fire engines, buses, radios, etc. Unfortunately too much decentralised cooperation amounts to cities in the North showing they are helping cities in the South by providing the requested objects.

But how many buses sent to the South are then just stuck in garages because they do not have any spare parts?

Whilst local authorities cannot solve all problems through decentralised cooperation, changing practices and working tools to create synergies between all of the stakeholders is the way to generate the most progress. A move away from ad-hoc cooperation and random projects is needed to play a more effective role on the international scene.

Local authorities involved in these projects so far should join in the work of the committee since these issues affect all. A meeting will be held in Vancouver 19-20 of June to identify new practices in cooperation and examine the international efforts and methods of local authorities in a technical way to identify future perspectives. That event should build on the discussions and expertise presented at this conference.

City of Lyon: questions and answers

The 25 years of development cooperation has not really been through local associations but with individual mayors. Since mayors in the South are more interested in responding to immediate, short-term needs in their communities, do they see the added value of these continental platforms?

Answer by Jacques Pétriment

It would be interesting for you to come on a mission to Africa to talk to these mayors. The main usefulness for them is networking with local and regional contacts who are similar to them and working on similar challenges. They can then learn directly from each other.

At higher levels there is benefit for all from representing the grassroots experience in discussions with governments or international bodies. For example, last year there was a meeting on the premises of the World Bank with Mr. Wolfowitz and there was political representation for local authorities there. As long as the networks are based on the real experiences of the local authorities then this is an added value for all local authorities.

Northern local authorities and the Millennium Development Goals

Mandeep Bains

Introduction

In September 2000, at the historic Millennium Summit at the United Nations, world leaders committed to eight Millennium Development Goals (MDGs). They agreed to fight together against poverty, hunger, gender inequality, environmental degradation and HIV/AIDS. They promised to improve access to education, health care and clean water, all by 2015.

Leaders recognised that no walls divide the world and that all nations are interdependent, whether through the common environment, by flows of migration, or through the spread of disease or conflict. Leaders showed a vision to change the world and make it a safer, more prosperous place for all. However, vision without implementation is just hallucination. We are now six years into the fifteen-year implementation period and progress has been slow and patchy.

On current rates of progress few of the Goals will be achieved at a global level while the poorest countries and most vulnerable populations risk being left far behind. The technology, resources and know-how necessary to achieve the MDGs by 2015 are available; what is lacking is the political will to achieve them.

The eighth Goal requires rich countries to provide more and better aid, cancel debts and provide a level playing field for developing countries in world trade. It is national governments that provide the majority of aid, issue almost all official debt and conclude a wide variety of international agreements, of which trade agreements are perhaps the most important. National governments must therefore be the focus of efforts towards the achievement of the Goals.

The role of local authorities

Local authorities make up the level of government closest to the citizens and have the political legitimacy to carry the voices of their constituents to the national level. The focus of local authorities' efforts should be to raise awareness and generate political pressure to force national governments to keep their promises. They can lobby national governments directly on development issues and try to get local members of national parliaments involved in local events as a shortcut to national-level decision making.

Local authorities can organise MDG events, such as concerts, film screenings, and fairs to raise the greatest possible citizen awareness and media coverage on the Goals and on development issues. Increased awareness is the first step towards political action by citizens. A wonderful examples of such work in partnership with NGOs was between local authorities and the Global White Band movement in 2005 when town halls and local landmarks were wrapped in white bands as a stand against poverty.

Local authorities can show their own commitment to the Goals by adopting a resolution in the local chamber in favour of the Goals. This is not only a political act – sending an important political signal to the national government – but also raises awareness among local politicians and citizens, particularly if the local media is involved.

Educating the young on development issues and the Goals has proved to be an effective long-term way of generating a strong constituency in favour of development issues and official development assistance. Where local authorities have input into educational curricula, this can be done in a formal fashion, but other educational tools, such as competitions can also be used.

Where local authorities are running decentralised cooperation projects, or have partnerships or twinning initiatives with towns in developing countries, a key focus of these initiatives should be to raise awareness and media coverage at home.

Following good practice

Local authorities, like all players in development cooperation, must implement the best practices from international development cooperation:

- Aid only works where it supports home-grown local priorities.
- All donors must refrain from supply-driven projects and expatriate advice.
- The public services crucial to the achievement of the Millennium Development Goals, such as health or education, do not require additional 'investment' spending, but budgetary support for the recurrent costs of existing facilities.

Overall, the key lesson is that the project model of development – characterised by a raft of small-scale donor-led development projects – has not generated sustainable development in poor countries. In fact, this model may even have undermined the very institutions necessary to provide the public services necessary for the achievement of the MDGs. A great alternative to decentralised cooperation for local authorities is to provide funding for the many great, yet under-funded, international initiatives.

Conclusion

Local authorities in the North are crucial to the efforts to meet the MDGs. However, given that the primary burden of achieving the Goals in rich countries lies with national governments, local authorities need to focus their activities on raising citizen awareness and political pressure that will make national governments keep their promises. Without political will at the national level, the Goals will not be achieved. There are no excuses. Today's is the first generation with the knowledge and resources to stamp out poverty – the opportunity must not be missed.

Part II
**Strengthening the role of local governments in
decentralised cooperation – thematic fields and
aid modalities for local-to-local partnerships**

The future of European decentralised cooperation programmes

Alfonso Pascual

International consensus on governance

There is an international consensus that governance is a priority of development policies and cooperation programmes with partner countries. The prospects of significant growth of development aid over the next few years justify consolidation of this international approach. The role of local authorities in development cooperation links directly to issues of governance and the relationship between the state and citizens, including management of public affairs.

The EU has a lot of experience in cooperation and governance. The EU takes a broad perspective on the situation in a country and is present via community cooperation in many sectors of governance: management of public finance, democratisation processes, support to state institutions. Various approaches from a sectorial approach to projects and direct budgetary aid are followed.

The preferred approach is to support good governance. Decentralisation in partner countries is important both as a strategic instrument and in terms of financial volume which is diverted to regions. Decentralisation is a process that gives resources to centres of governance closer to citizens developing local capacities to supply services to citizens and strengthening democracy.

Definite policies are needed to make decentralisation an instrument for cooperation and of democratisation. There is a gap in many countries between government and citizens threatening crises of legitimacy and problems for democratic governance. Where citizens feel unable to hold institutions to account because they are too far away, a

perception of democratic deficit arises. Inefficient administrations unable to provide basic social services also create dissatisfaction.

As well as countries' initiatives, development cooperation needs to support other development actors such as local authorities, civil society and private bodies. It is at the local level that we can best help activate participation of citizens in partner countries in political life. Local authorities can contribute directly to bridging democratic deficits because they are close to the citizen and allow citizens a greater feeling of direct influence. Local authorities in partner countries have to be supported and involved in consultations on developing cooperation strategies.

Progress being made

Progress is visible. After the Cotonou-review in June 2005, the local authorities of ACP countries "will be informed and involved in consultation as to policies and strategies for cooperation". These provisions will become tangible in the current programming process and will come to an end towards the end of 2006. This upstreaming involvement of local authorities from the very beginning of the process and the definition of priorities for development has a huge strategic significance for local authorities and the developing process itself.

Local authorities require access to financial resources to engage actively in the programming and support programmes are needed for this. The 2007-2013 financial perspectives may be able to develop this. The EU needs to get better use of these instruments and programmes so that the process of decentralisation with ACP countries can be consolidated. Once local authorities in partner countries see their capacity strengthened, they can play their own role in contributing to the MDGs.

The participation of local authority representatives in the dialogue around eradicating global poverty is invaluable. The aim is for more involvement of EU local authorities backed up with financial resources from the community. In this way, local authorities and the EU get closer to central governments of partner countries. Support by community aid to networking and exchanges of information and good practice amongst local authorities in partner countries will strengthen capacities.

A final challenge is to aid initiatives and local authorities in the EU when it comes to raising public awareness about development issues and mobilizing citizens in favour of development. Supplementary support programmes including a new thematic non-state and local authority programme will respond to some of these needs.

European programmes: questions and answers

Will there be supranational support programmes for decentralisation incorporating the European local authorities in the framework of future geographic programmes?

Answer by Alfonso Pascual

Existing cooperation programmes with Latin American, Asian and Mediterranean countries focus more on cooperation from local authority to local authority. The role of EU local authorities is quite clear, because you have twinning or other direct contacts between local authorities.

The ACP cooperation programmes are aimed at pursuing policies of decentralisation. The role of EU local authorities is perhaps non-existent. Ways need to be found to ensure the expertise and specific added value of local authorities is used to support this process of decentralisation and bolster the capacities of the ACP countries. It is a shame that, although the Cotonou-Agreement contains the right spirit, different approaches are all too often taken in practice.

Approaches to development cooperation are differentiated, but it seems that a common strategy is needed. Can decentralisation be developed in a way that does not raise contradictions between development and democracy?

Answer by Alfonso Pascual

Problems of governance and the link between democracy and development are extremely complicated. This is why the Commission is trying to take a holistic view of things rather than picking out one particular aspect of governance. It is best to support reforms that have to be internalised by the country, decided on by the country and implemented by the country.

It is important to analyse what is happening, identify problems and areas of weakness in governance and set out priorities for action in each country. Work can then focus on

those points, ensuring greater complementarity of efforts between the different actors of development cooperation and less ‘dispersion’.

Given that twinning is a primary stage of cooperation for the community, why do such schemes not extend to other European countries that might join the EU such as in the Western Balkans?

Answer by Alfonso Pascual

The Commission does not regard accession/candidate countries as being developing countries and they are not therefore the subjects of development cooperation. However, other countries are covered under alternative programmes, for example pre-accession instruments, which enable these sorts of actions.

Development cooperation has been marked by too much competition between different actors and many local authorities are limited in how they spend their money. How can NGOs, governments and local authorities ensure that cooperation is possible?

Answer by Alfonso Pascual

The communication on the thematic programmes groups these actors together as eligible for this sort of action. This provides opportunities for allowing for synergies and partnerships between all stakeholders to fight for their common goals.

Remark by Dr Günter Dill

The paradigm shift in development cooperation from the top-down approach to a bottom-up approach with better cooperation with the local authorities is an ongoing process. In the mid-1980s KAS did not have a single project in the international realm for local authorities. Development cooperation did not strengthen the local authorities but offered administrative support to the lower administrative structure in certain countries.

In the late 1980s and early 1990s things started to change with the following crucial milestones:

- The local agenda 21 agreed in Rio in 1992, which strengthened for the first time on a global level the role of local authorities.
- The conference of mayors in Istanbul, 1996.
- The MDGs, 2000.

There was an initiative in 1998 on a European charter of self-administration for local authorities, which many argued was just as important as the establishment of an international framework to support democracy at local level.

There is wide agreement that decentralisation should be prioritised, but it is not so clear that everyone agrees on what decentralisation means. It is not a question of strengthening an administrative level from the bottom, but transferring the power to act and political responsibility.

In different parts of the world there are different origins for the transfer to a decentralised programme. In Latin America, decentralisation is a question of moving from a military to a civilian regime. People also want to push for decentralisation for other reasons, whilst many who are losing power may seek to fight it. Too much decentralisation can be a threat to the stability of a country and generate issues of separatism like in the Basque Country in Spain.

In Romania, many people fear the end of the unitary state when they hear talk of decentralisation because of all the separatist forces at play. This means that ‘decentralisation at any price’ might cause problems for the EU and its programmes.

Urbanisation challenges the ability of decentralised structures to be effective. Rather than strengthening the decentralised approach, the fact that Latin America is about 84 percent urbanised has meant stronger tendencies of centralisation.

The future of European decentralised cooperation programmes

Panel discussion

Panellists:

- Chairman: **Dr Günter Dill**, Director, KAS Country Office, Romania
- **Clare Denvir**, Policy Officer, European Commission DG Development
- **Anne Hermier**, Assistant to Pierre Schapira, Member of the European Parliament Committee on Development, and Deputy Mayor of Paris
- **Andres Tobias Y Rubio**, Principal Administrator, DG E II-External Economic Relations/Development, Council of the European Union
- **Juliette Soulabaille**, Municipal Counselor of Corps-Nuds, Commission for External Relations and Decentralised Cooperation, Committee of the Regions
- **Dr Heinrich Hoffschulte**, Honorary First Vice-President of CEMR

Presentation by Clare Denvir

The European Commission's Directorate-General for Development (DG Development) is responsible for drafting general development policy for all developing countries and has specific programming responsibility for the ACP countries. Meanwhile, Europe Aid is responsible for the implementation of programmes and projects; it controls access to funding and aid modalities, for example.

DG Development's Coherence and Forward Studies unit has a horizontal mandate to develop general development policy. This includes maintaining an overview of the Cotonou agreement, which sets out relations with the ACP countries, and defining policy on the inclusion of civil society and local authorities in development cooperation.

European development cooperation

2005 was an important year for European development cooperation. Firstly, the Cotonou

agreement was revised after ten months of intense negotiations, with a new explicit reference to the role of local authorities alongside non-state actors. Secondly, the EU, the world's biggest donor, agreed to an increase in development aid up to 0.7 percent of GNP by 2015, amounting to about EUR 20 billion additional funding per year by 2010.

To reach the MDGs, financial commitments are needed, but the efficiency of aid must be improved. At the beginning of 2006 the Commission adopted concrete proposals for a plan of action to improve the effectiveness of EU aid. Increased coordination and harmonisation between member states and with donors is foreseen.

The European Council adopted an EU strategy for Africa in 2005 setting out the framework for how to get Africa on course to achieve sustainable development strategies and the MDGs. Africa is the continent lagging furthest behind so there is a commitment that 50 percent of the agreed aid increase will go there.

In December 2005, the EU adopted its first joint development policy declaration. This consensus provided the EU, for the first time in over 50 years of cooperation, with a common vision and framework for action for both the member states and the community.

The first part of the consensus contains values and principles such as that all work should be overseen by democratically elected citizens' representatives. This necessitates an increased involvement of national assemblies and also of local authorities.

The second part sets out areas of EU development cooperation and specific priorities for action at community level to implement the vision. There is a commitment to improve the legitimacy and accountability of country-driven reforms. The community will support decentralisation and local authorities, governance, democracy and issues of human rights.

The framework for action is being opened up to local authorities where they have a specific added value or within multi-actor partnerships. The Cotonou Agreement now contains provisions to consult local authorities on cooperation policy strategies and provide them with financial resources and other capacity building support.

Programmes

With very rare exceptions, initiatives presented spontaneously to the Commission will not receive funding. Calls for proposal for grants and service contracts are published

with strict rules and procedures that must be followed. Information can be found on the Europe Aid website and can be obtained from the delegations in each country. For local authorities there are two major avenues for access to funding: geographic programmes and thematic programmes.

The geographic programmes are the Commission's principal cooperation instrument intended to cover all cooperation with the partner country. A strategy paper is drafted for each country looking at issues such as governance and decentralisation and setting priorities depending on the country's context. The process continues with periodic evaluations and reviews during the course of the implementation.

Since 2000, the Commission has devolved more management responsibility to its delegations in the field to promote ownership of the strategy in the country. In the case of the Cotonou Agreement and ACP countries, the strategies are co-decided and the European Development Fund is co-managed by the Commission and by the partner country. It is crucial that local authorities and civil society organisations are actively involved at each stage of the process.

Thematic programmes are a complement to the geographic ones. They outline EU political priorities, meaning there is less involvement of partner countries. Thematic programmes must demonstrate a distinctive added value, complement the geographic programmes and respect the principle of subsidiarity.

Thematic, rather than geographic, programmes are foreseen for:

- Multi-regional actions.
- Actions on crosscutting issues.
- Where there is no agreement on implementing participatory approaches with the government.
- Where the country's strategy paper is suspended for whatever reason.

The Commission has proposed a rationalisation of the geographic and thematic instruments to achieve more policy aims with the resources provided. The non-state actors and local authorities in development programme would replace two budget lines: the NGO co-financing budget line for European NGOs and the decentralised cooperation budget line. This would have two principal innovations: the programme would be opened up to a much wider range of actors including local authorities; and local actors and civil society organisations from the partner countries will be eligible to participate as well as the European NGOs.

The programme has three main strands:

1. 75-80 percent of the allocation will go to interventions on the ground in partner countries to promote an inclusive and empowered society.
2. Awareness raising for development issues in Europe – local authorities will be important here.
3. Funding for strengthening coordination and interaction between stakeholders in the form of networking, advocacy, platforms, etc.

The political orientation has been given, but a programming document to set out the details is being debated within the Commission. The planning for the thematic programme on non-state actors and local authorities envisages a first period from 2007 to 2010, within the overall financial perspectives up to 2013.

A public consultation will be held in summer 2006 to help identify priorities for action, possibly priority countries or criteria and the implementation modalities. The programme will also be developed as a process with evaluation, reviews and consultation.

Conclusions

The challenge today is to have greater involvement of local authorities in the geographic programmes. The revised Cotonou-Agreement explicitly recognises local authorities as an important partner in consultation and dialogue. This principle needs to be capitalised on and turned into reality.

All stakeholders, including local authorities should respond to the external consultation on the thematic programmes this summer. The overall challenge is to articulate a strategy that will translate the policy principles set out in EU documents into action through the Community instruments.

Contribution from Anne Hermier

Centralised cooperation has involved local authorities and civil society in the execution of development projects. However EU cooperation is increasingly looking to involve local authorities, not just in implementing development policies, but in preparing them. In 2000, the European Commission sent a note to all Central and Eastern European and ACP countries outlining how to ensure local authority involvement at each stage, including the political choices of development.

Local authorities are no longer just implementers, but also definers of development

policy and this political element added to the role of local authorities is significant. The principle of partnership has been most developed with the ACP under the Cotonou Agreement. However, for six years civil society was involved in drafting strategies but local authorities were systematically excluded. The 2005 review of the Cotonou Agreement clarified the role of local authorities and called for their involvement at an early stage.

The European Parliament is preparing a view on the Commission's geographic and thematic programmes. The thematic programme can be useful, for example, where there is no dialogue between the Commission and the country aid will have to take a different route to get through. The programming is not problematic; it strengthens the role of local authorities at all stages of the process.

However, in the Commission planning for the geographic programme, the local authorities are not mentioned in the context of project preparation, but only appear at the implementation stage. The Parliament feels that if local authorities are to be successfully engaged in project preparation and have political power they should be effectively involved in the geographic instrument from the beginning. Local authorities have shown that they are good on local development, whether on waste or water management or transport; they are closer to the ground and know the features of each area.

The Parliament will be working to ensure the Council respects the increasing powers of the local authorities. Pierre Schapira is behind an own-initiative report on the role of local authorities in development, particularly in the preparation phase. There will be a consultation and a hearing on these issues in the European Parliament after the summer.

Contribution from Andres Tobias Y Rubio

The legal framework for development cooperation is in the treaties. Article 177 and following state that European development policy shall be complementary to that of the member states. In this context, 2005 was a year of development, including the agreement of the financial mechanism that allows policy in ACP countries to be implemented.

A rational process has reduced the number of EU instruments from around 40 to seven. The most interesting here is the Development Cooperation and Economic

Cooperation Instrument (DCECI) on which there is currently a proposal of the Commission. A policy statement has set out the need for policy coherence at all levels, which must include local authorities. Objectives include supporting initiatives by civil society organisations and local authorities, except in the case of difficult partnership, fragile states or post conflict situations.

2006 should be the year of implementation, although it seems to be becoming the year of discussion. When the Commission published its communication on the thematic instrument it seems they hoped to push it through the Council and Parliament with little debate. This was never going to be possible.

The Council was not convinced by the need for separate thematic programmes and, rather than agreeing to the existing proposals, is seeking to integrate them into the relevant instruments. However, the Parliament, represented by the rapporteur for development cooperation and the development instrument, Mr Gay Mitchell, has simply refused to work on the existing proposal. The Parliament is demanding more power, not for the initial co-decision but also in the definition of strategies.

Mr Barosso made a statement that the Commission agrees to have several instruments up to a maximum of four. One would be a development cooperation instrument, another one an economic cooperation instrument. It seems the Parliament might be ready to negotiate now, which is essential since many of the geographic and thematic instruments expire in 2006. They will not be automatically extended and if there is no legal basis on 1 January 2007 for thematic programmes, there will be no money for local authorities.

In the proposed articles on eligibility for funding from special programmes and co-financing, local authorities are eligible, although there is debate about whether to separate non-state actors and local authorities in this context. It is, however, unclear whether in the splitting between the development cooperation instrument and the cooperation within industrial countries there will be similar provisions for local authorities, or if the article establishing a delegation on the development of developing countries would also be applicable to local authorities.

Contribution from Juliette Soulabaille

The Association of French Mayors stresses the need to promote a new model for development based on the structures of local activities based on participatory democracy

and the will of citizens. Decentralisation and cooperation between local authorities are crucial and yet still underestimated.

My own-initiative opinion on decentralised cooperation in EU development policy was adopted in the regional committee in early 2005. The opinion stresses that local actors have expertise, skills and specific experience, which must be integrated into the EU approach. Local actors must inspire and be recognised in all dimensions of community development policy. There should also be an explicit recognition of the local dimension in the global fight against poverty and the achievement of the MDGs.

In the thematic programmes, local authorities should be partners in drafting the programmes as suggested by the review of the Cotonou Agreement. Democracy must be part of the local dimension of an overall strategy for development. Better coordination of actors' efforts is needed. Local authorities must have a central role, close to the ground and able to raise awareness of this approach to international solidarity and cooperation.

French communes have actively participated in European initiatives and this can add life to our own cities. Under a 1972 law, all French communes have competence to undertake cooperation agreements. Thus, each commune is able to contribute in its own way to national and international solidarity, involving citizens and making actions visible. A national committee coordinates this decentralised cooperation, which develops work in fields like urban development, agriculture, and tourism.

Conclusion

The commitment demonstrated by local authorities to development policy must be given more recognition.

Contribution from Dr Heinrich Hoffschulte

There is a UN declaration giving a framework of guidelines on decentralisation and strengthening local authorities. Despite the difficulties inherent in dialogue across five continents and problems of terminology, interpretations and scope, the UN was able to agree to have a declaration whilst discussions continue on a world charter. The agreement is remarkable given the diversity of countries signed up to the declaration.

Decentralisation has proved successful, and governments worldwide now recognise the value of it in principle. Governments worldwide have called for decentralisation

and the strengthening of local authorities, including their financial administrative capacities in recognition of their special role.

Council of Europe Charter

The discussions in the UN built upon the experiences of the Council of Europe (CoE). In 1953, a conference of mayors called for recognition of local communes and communities as active protagonists in policy. This eventually led to the CoE charter of local autonomy in 1985.

The CoE charter came at the important time of opening up to the centralised states of Central and Eastern Europe. All the candidate countries and new members of the CoE ratified this charter. It is true that there has been a resurgence of centralisation in places, but in countries like Russia this is often to tackle corruption and sometimes it is even the local authorities asking for central intervention. Such ‘centralisation from below’ can occur when decentralisation gives responsibilities that the local level is not ready or experienced enough to deal with yet.

UN Declaration

Countries like the USA have opposed a binding agreement by the UN, but there was strong enough agreement on principles to have a declaration on draft guidelines on decentralisation strategy and strengthening of local authorities whilst discussions around a charter continue. 182 countries should come together at the UN-HABITAT conference in Nairobi in 2007 with a view to agreeing a charter.

In the context of international cooperation it is perhaps better to have a freer detailed agreement on good practice than a more limited, binding document. Perhaps the strongest chapter, on commune finance, sets out thirteen points on how communes should be financed within the framework of decentralisation. These points can be used to lobby national governments and strengthen local actors.

Local authorities in Europe

The EU has not had a very positive history of including local authorities. Not long ago, of the then 12 member states, ten said no to advice fed in from local authorities and only Germany said yes. Even the federal country Belgium abstained, since it saw conflicts between the regions and the national state.

The progress made in establishing a Committee of the Regions at EU level has been encouraging. However, local authorities must continually fight to defend and improve their position and their resources against centralism from the EU and member states.

Local actors also need to be given more resources and to get better involved in policy development rather than merely reacting at the end of a process when there is pressure to accept proposals.

Important principles were adopted, despite initial opposition, within the draft Constitutional Treaty on the position of local authorities. Opposition largely disappeared when it was clarified that Brussels would not be interfering with local authorities, but respecting their local autonomy.

The UN declaration can be used to set out how work should be carried out in the EU. The agreement needs to be pushed inside the EU if it is to have legitimacy for the developing world. In this context, it is mostly irrelevant whether work is under a geographic or thematic programme

Conclusion

There has been a paradigm shift in approach to local authorities around the concept of subsidiarity. Centralisation was typically taken as the norm and decentralisation involved passing responsibilities ‘down’ to lower levels. Subsidiarity sees the citizens as the most important actors and responsibilities are only passed ‘up’ where necessary.

That this principle, which was not understood even in the mid-1990s, is also a core element of the UN document represents a change of mindset and sets ambitious political goals for the large number of non-democratic states in the UN, but also to the countries of the EU.

Discussion

Contribution from Clare Denvir

On the importance of the concept of subsidiarity, it is right that what cannot be done at one level is done at another. This logic can be seen in the division between geographic and thematic programmes since what cannot be done in the geographic programmes is done through the thematic ones. Thematic programmes should complement and be subsidiary to geographic programmes.

On the lack of involvement of local authorities in the planning of the geographic programmes, the Commission approach has traditionally been to consider local authorities as implementing partners. However, this has changed and the Commission

genuinely believes that local authorities should be involved in dialogue and consultation on strategic priorities and not just limited to implementing partners. This is the case in other instruments of the Commission, so perhaps this just needs to be clarified in the context of the geographic programmes.

Contribution from Anne Hermier

The Parliament's problem with the cooperation on development instruments is that the Commission's text limits parliamentary engagement to the procedures and not the political content.

The sixteen regulations that run out in December established not only cooperation procedures on certain points but the political content for applying them and involved the Parliament in the co-decision procedure. The Parliament does not therefore understand why it will only be able to comment on the procedures under the new proposal.

At the first reading, the Parliament amended the Commission's proposal in procedural terms but cannot go further without seeing the Council position on the strategic content of future development cooperation. The Parliament will not be forced by deadlines; the funds will not be cut off as the existing regulations will carry on regardless.

On the specific matter of local authorities, the Commission's proposal contains articles on the programming phase referring to civil society, but local authorities are not referred to. To have clear references to other actors but not to local authorities is disappointing and needs to be changed.

Contribution from Andres Tobias Y Rubio

On subsidiarity and decentralisation, regional and local authorities have a limited impact on the Council decision-making process because it is a matter for the member states to decide how they incorporate their voice in the debate.

Subsidiarity is not just putting the competence at the lowest level; it is putting competence at the most efficient and effective level. In development policy there are issues that are best dealt with at the EU or national level, whilst others are best dealt with at local level. As an example, slums are hampering progress towards the MDGs and local authorities have a key role in tackling this problem.

The Council has already presented a political proposal on the strategic content of development cooperation, which, if not the final document, is a good basis for work.

There has been joint work by the Commission and the Council already and it is to be hoped that the Parliament will start working on its contents.

The primary challenge of negotiations between the three institutions is to find a balance between these conflicting elements: on one side, the principle that developing countries should be masters of their own development; and, on the other, the desire to set out clear and definite guidelines and regulations on the development instruments. A few guidelines are needed to ensure the basic principles are followed and then there has to be some flexibility of approach for the developing countries.

Contribution from Dr Heinrich Hoffschulte

Local authorities cannot be considered as included under the generic term 'civil society'. They are a legitimate and official level of government, and have an entirely different status. The two groups can be referred to in the same programmes, as they can both be effective actors, but it must always be clear whether one, the other or both are included under a provision or not.

The Commission should put into practice the provisions in the draft constitutional treaty and the recommendations of the Parliament and the Committee of Regions by consulting local authority associations at all stages and in a timely manner. Even though the Treaty has not been adopted, the principles of timely consultation and dialogue were agreed to in the Convention by the member states and the Commission itself and should already be followed.

Question from Dr Peter Köppinger

It seems that the regulation on the thematic programmes has already been concluded, so what is the process of consultation the Commission is organising in July and August?

If local authorities are central actors, why is it not clearly outlined in the priorities that local and regional authorities will be properly involved in the fields of local administration, decentralisation, local planning, democracy shaping and governance?

Contribution from Clare Denvir

The Commission adopted a communication in January, which is a proposal for the political orientation of the future programme. This document was addressed to the CoR and the Economic and Social Committee for consultation and has been the subject of negotiations with the Parliament and the Council.

Although the value and role of each actor is perhaps not explicit in the policy document, the title of the programme ‘non-state actors and local authorities’ reflects the recognition that there are a number of activities, from democratisation abroad to awareness raising at home, where local authorities can play a specific role, which should be identified separately to that of NGOs.

Building on this political orientation, there is a thematic strategy paper, which is the programming document for the period 2007 until 2010. This defines priorities, clarifies the specific roles and added value of different actors and the implementation modalities of the programme.

The consultation will take place around this strategy paper and it will be important to hear the views of the local authorities on the specificity of their role, particularly in comparison to European NGOs. The consultation should not be seen as a competition between the actors, however. The consultation will look at the best ways to achieve the political objectives of the programme, including maybe linking actors to activities or developing multi-actor partnerships.

Contribution from Dr Günter Dill

There is a long tradition as part of multi-stakeholder dialogue to involve regional and local authorities at UN level. In Johannesburg, in 2002, local authorities were represented by a single forum and this was an important milestone. This could be considered in Brussels; it would push the crucial questions of representation of local authorities through associations and the provision of resources to follow up dialogues.

Contribution from the floor

The ACP local government forum published a study on the use of geographical programmes by local authorities in the South. The conclusion was that there was little involvement in these programmes and an underlying lack of awareness of them by local authorities, national officers and even EU delegations.

If subsidiarity is being used to distinguish which tasks should be in the thematic programme and which in the geographic programme, there seems a danger that local authorities will simply be excluded from the geographic programmes and referred to the thematic ones for awareness raising. This will not lead to success.

Contribution from Clare Denvir

Although the practice has not lived up to the principles, geographic programmes should cover local authorities and decentralisation processes, as set out in various

agreements. The revised Cotonou Agreement makes inclusion of local authorities more explicit and efforts are being made to improve this.

The idea of the thematic programmes is not to make up for a failure of the geographic ones in this respect. Rather, they are to be used in difficult partnerships and situations, such as where geographic programmes have been suspended. It is in this sense that the thematic programmes have a subsidiary, or complementary, role to the geographic ones.

Geographic programmes are implemented in developing countries only, and therefore cannot support the aim of raising awareness and mobilising European public opinion. Thematic programmes can be used to work towards this objective within Europe. This is another complement to the geographic programmes and local authorities can be active here.

Question from the floor

What hope is there for local authorities in this discussion when resistance to local authority involvement comes mainly from the Council and national governments?

Contribution from Andres Tobias Y Rubio

The Council has not taken an approach in opposition to the local authorities. The member states in the Council feel that local authorities have a role to play and the local authority role is recognised in article ten, defining who is eligible to take part.

The existing proposals are still being discussed and if local authorities feel that something else is needed they should pressure the member states, the Commission and the Parliament on these points before the decision on renewal expected for January. Local authorities will need to work together to make a strong voice with clear messages to be delivered to the right people in good time to make a difference in the debate.

It must also be remembered that the regulations have a review clause so that in 2010 any aspect of the implementation that is not working can be reviewed. If the involvement of local authorities has not been sufficiently implemented, measures can be taken.

Contribution from the floor

Problems with the implementation of the programmes are not so much to do with the Commission ideology as with practical questions on the ground. In Senegal, for example, a local authority can be 800 kilometres from the capital. This creates logistical

problems to consult everybody at local level. It is very difficult to have a quick impact.

Other points of blockage in procedural terms are created by NGOs and the state. NGOs that get European money do not want to share it out, but rather defend their position. Meanwhile, the government does not look favourably upon the local authorities or opposition parties getting too involved and undermining them. Although this is not always the case, local authorities could be more involved in many countries if the state did not prevent it.

Question from Walter Leitermann

The Council representative warned that funding might run out if there was no agreement on the programmes, so what is the schedule for taking this issue forward and how likely is it that funding will be cut?

Contribution from Andres Tobias Y Rubio

A trialogue will be held next Tuesday (13 June) in Strasbourg between the Council, Parliament and Commission to establish a form of work programme with timetable. The Council hopes to agree to work on the basis of the proposal tabled by the Commission and the Council.

The Parliament has already voted on the proposal at first reading and procedural rules dictate that the proposal now passes to the Council to work on a new compromise. The rules do not set a specific deadline for this next step so there is some flexibility there, but time is running out to achieve a legal basis for the programmes by the start of next year: under normal procedures there would have to be a second reading in Parliament on the new compromise followed by a second reading in the Council. Even assuming a final agreement by this stage, it seems impossible that this could be done before January.

The only realistic way to achieve this is if the Commission and Parliament work with the Council on its first reading, so that the document put forward at that stage is already an agreed compromise, which can then pass through the Parliament at second reading without any amendments.

This is not a simple task as the three institutions need more than political agreement; they need to agree a formal text in all its detail. This document would then have to go through all the formal procedures of translation, legal revision, official approval by the Council of Ministers and transmission to the European Parliament before becoming law.

The formal processes take time and, furthermore, the summer break and the difficulties experienced, including agreeing a format for discussions with the Parliament and the Parliament's inflexible calendar for processing proposals, do not give much cause for optimism.

It would not be a disaster if agreement was reached in February instead of January. It is possible to cope with a small gap and the Commission can start preparing work in advance of the formal agreement so that the programmes can start as soon as the legal basis is agreed. However, there are genuine time concerns; the longer it takes to reach agreement the more problematic it will be to the functioning of the programmes.

Question from the floor

Speakers have talked of the need to involve all actors in development policy and to mobilise public opinion in Europe. Given the specific capacities of local authorities, which have been demonstrated in the projects presented at this conference, should the funding available to local authorities be increased?

Contribution from Clare Denvir

Although the final budget still has to be agreed, the new thematic programme replaces the two budget lines on NGO co-financing, which has an annual allocation of about EUR 200 million per year, and on decentralised cooperation, which has an annual allocation of about EUR 6 million per year.

The programme does not aim to generate competition between actors or challenge access to resources, but just to ensure the best implementation of the programme. Local authorities should not lose out, but it must be remembered that local authorities have more resources at their disposal already than most not-for-profit actors. This has to be taken into account when deciding the most effective allocation of resources.

In the geographic programme there are specific allocations to civil society organisations and non-state actors and specific support to decentralisation and local authorities. Overall there should be no real risks to the funds available to local authorities.

Contribution from Christoph Rau, Permanent Representation of Germany to the European Union

The Council worked extremely hard to arrive at a draft position made informally available to the Parliament. The process is waiting for action on the part of the Parliament now as their opinion is needed to attempt agreement with the member states. There is a real risk that there is no agreement by the end of the year, which will

create a difficult situation for everyone.

On a separate issue, Louis Michel, the European Commissioner for development, announced that European Development Days will be held in Brussels 24-25 November 2006. These are to mark and analyse the EU contribution to development. There should be significant involvement of the regions and localities in these days both by being represented at European level and organising activities in their areas to build on the initiative coming from Brussels. This can impact on public opinion around development policy.

Contribution from the floor

The national and institutional relations are complex. At the moment the proposal on the table does not represent a formal position of the member states, so it is difficult for the Parliament to give an official reaction. However, the Parliament is working on the issue and taking the content of the document into account.

The proposal covers regulations on areas of aid and development that have been in place for many years. There is political background to the detail of policies around AIDS and food aid, for example. It is important to simplify and rationalise the programmes in a detailed and precise way in the joint position. Whilst the Parliament would be delighted to be able to agree a text in the coming months, it is most important to get the detail in the final agreement right.

Contribution from Clare Denvir

The Development Days are organised by DG Development and Europe Aid and are mainly aimed at raising European awareness in favour of the MDGs. It is a good opportunity for all actors to get involved. The Commission can provide further information about what is happening, what can be done and contact details of people organising events.

Question from the floor

Since the non-state actors and local authorities in development programme mentions the support that other thematic programmes can provide to the same actors, can the Commission clarify the relationship between the thematic programmes and the importance of the role of local authorities in other thematic programmes?

Contribution from Clare Denvir

There are seven thematic programmes covering a range of issues including migration, the environment, food and security. The framework of each programme would have

to be checked to see if full consultation or involvement of local authorities is foreseen.

Complementarity should certainly exist between the non-state actors and local authorities programme, and the human rights and democracy programme, led by DG External Relations. In difficult partnerships with a developing country, the very name of the human rights and democracy programme can make it difficult to carry out actions. The same action may be more acceptable under the non-state actors programme and DG Development has tried to ensure maximum complementarity between the two.

Finally, the non-state actor and local authorities programme is a different approach to the other six thematic programmes since it is actor-based rather than sectorial. This explains why it gives much more detail on the added value of each actor, whilst the others talk more about the type of actions to be carried out.

Question from the floor

Some regional authorities, such as Catalonia, have development aid budgets larger than many member states and a lot of experience in the field. The issues for regions such as Catalonia are not then about accessing resources, but rather cooperation and sharing experiences. How is the role of the regional authorities seen and do references to local authorities include regional authorities also?

Contribution from Clare Denvir

Certain regional initiatives can be covered under geographic programmes, which are often national or regional in approach. For a multi-continental approach, such as between regions in Latin America and Africa, the thematic programmes offer possibilities for regional-level actions.

Generally, references to local authorities do include regional authorities. The thematic programmes on specific intervention are open to the regional authorities and exchanges of good practice between regional authorities are welcomed.

Contribution from Andres Tobias Y Rubio

References to local authorities do tend to cover the regions. However, it seems that there is some confusion in the way that regions are referred to. In the draft proposal for the programme, the first eligible group is said to be partner countries and regions and the institutions. Here 'regions' is understood as regions of countries within continents. Later, reference is made to decentralised bodies within countries such as municipalities, provinces, departments and regions.

'Regions' are therefore mentioned twice in the regulations with different meanings, although it is clear in each context what is being referred to. When mention is made of regions in another text, it might not be so clear which of the two types of 'region' is being referred to. This will need to be clarified in the regulations.

Conclusions

Dr Peter Köppinger

Participants have presented examples of how local authorities are involved in development work, with different approaches, methods and subject areas. Projects have proved valuable for local authorities and should be encouraged. It is important that the groups involved act together and that they get financial and material support.

Networking amongst local authorities is increasing through national and international associations. Cooperation also exists with many types of organisations including universities, local NGOs and foundations. These can help identify projects or provide specific expertise, co-funding or political and logistical support in developing countries.

The experiences shared at this conference go beyond what is in the thematic programme for non-state actors and local authorities and it is important that the local authorities remind the institutions of this. Development cooperation by local authorities should not be isolated work in the context of overall development policy. The local authorities have expertise and competences that others cannot provide and they have practical experience of carrying out real projects on the ground. There is a need for programmes at national level and cooperation at national level. European programmes need to be open and provide opportunities for local authority cooperation.

In many cases, the opportunities that exist within the geographic programmes are not being used effectively. Often this is because national governments in transition and developing countries prefer not to communicate with their local structures on development issues. Geographic programmes need to be reorganised such that, as part of overall cooperation in the countries, the resources intended for local and regional development do not always go through the central structures, but can directly benefit the local and regional communities.

Conclusions

Jeremy Smith

The initiative to hold this conference was very timely. It was interesting and somewhat surprising that the situation between the institutions is so delicate at the moment.

European local authorities and the MDGs

The place of Europe in the world is a key theme in the minds of Europe's leading democratic actors on local and regional level. Although European actors have a primary responsibility to look after their own constituencies, Europe is also an actor on the international stage.

The final declaration of CEMR's three-yearly congress contains a section entitled: "From local to global - action and partnerships for dialogue and development". It recognised this international role, which must manifest itself through international partnerships, intercultural dialogue and city diplomacy. It backs the need for action by Europe's regional and local governments in support of the MDGs. As Kofi Annan recognises, these cannot be achieved without the local dimension.

The local authorities' role in relation to the MDGs has three main elements:

1. Development education and partnerships with local civil societies.
2. International cooperation focussed on aspects of the MDGs.
3. Reminding national governments of their MDG commitments.

The MDGs perhaps need to be presented better for local authorities. For example, within the overall goal of improving environmental sustainability are two specific targets of improving the lives of slum dwellers and increasing access to safe drinking water. International cooperation and local authorities can play a crucial role in achieving these sub-objectives at local level.

Encouraging support for international development is one of the local authorities' most important tasks. The idea of working on the 'Development Days' must be promoted. There is not long to prepare for this year's 'days', but a large number of European towns and cities have expressed interest in being active in this context. Even more will be possible in future years.

Europe's local and regional authorities wish to spread good practice and, more specifically, have international guidelines for good practice in local government agreed formally by governments. There has been a long struggle in the UN but guidelines are up for formal adoption by the UN-HABITAT governing council next spring.

Local authority associations should encourage as much strong support for the guidelines amongst their national governments as possible. Experience shows that countries like Iran, Egypt and the USA resist such agreements, either on specific details or on points of principle. Strong support from European governments is essential.

There are some legal and institutional difficulties hampering a stronger role for European local authorities in development policy. However, there is a major underlying contradiction in the approach of EU governments to the role of local authorities. They have supported a strong and clear role for local authorities in the international context of UN-HABITAT, and yet when the role of local authorities is defined within the EU context it is much more difficult to get the same level of agreement.

Local authorities also have to recognise that they failed to lobby effectively when EU heads of government were preparing to sign the political consensus on development. There is now a short passage on local authorities that is too limited and does not have the right approach.

Local authorities need to do better and cooperation and networking can support this. There has been some progress in networking so far. The North-South-Cooperation-Committee has existed in the CEMR for three years. Relationships are developing with a large number of towns that do a lot of development work. National associations are working hard to build capacity of associations in other countries.

As the representative association of national associations of towns, municipalities and regions from 35 European countries, the decision was taken to set CEMR up as the European section of United Cities and Local Governments (UCLG). UCLG brings together representatives of seven world regions, such as Africa, Latin America and Europe. An agreement is needed in the UCLG's Committee on Decentralised

Cooperation on concrete plans for how local authorities can work together better.

Local authorities also have to improve their capacity and understanding to lobby the institutions. The Commission has been excellent at involving CEMR in recent times, but the issue of the language around ‘non-state actors and local authorities’ is very important. More clarity needs to be given to these definitions and references. Whilst it is correct that local authorities should not be in major competition with NGOs, it is also true that European NGOs like CONCORD (European NGO Federation for Relief and Development) have lobbied to cut local authorities out of the programmes. Better communication is perhaps the answer.