**The Development Partner Network on Decentralisation and Local Governance (DeLoG)**

# 10th Annual Meeting, 9 – 11 September 2015

**Bonn, Germany**



**Implementing the SDGs: the key role of decentralisation and local governance in achieving effective, transparent, accountable institutions and sustainable urban development**

**Hosted by BMZ**

# Contents

## Abbreviations

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| AAAA | Addis Ababa Action Agenda |
| ADB | Asian Development Bank |
| APEC | Asia Pacific Economic Cooperation |
| BMZ | German Federal Ministry for Economic Cooperation and Development |
| CLGF | Commonwealth Local Government Forum |
| COP21 | 2015 Paris Climate Conference |
| DeLoG | Development Partner Network on Decentralisation and Local Governance |
| DIE | German Development Institute |
| DLG | Decentralisation and Local Governance |
| EU/DEVCO | European Union International Cooperation and Development |
| FfD | Financing for Development |
| GIS | Global Information Systems |
| GIZ | Deutsche Gesellshaft für Internationale Zusammenarbeit |
| GTF | Global Task Force |
| IIED | International Institute for Environment and Development |
| ICLD | International Centre for Local Democracy |
| MAE | French Ministry of Foreign Affairs and International Development |
| MDGs | Millennium Development Goals |
| M&E | Monitoring and Evaluation |
| NGO | Non-Government Organisation |
| NUA | New Urban Agenda |
| ODA | Official Development Assistance |
| OECD | Organisation of Economic Cooperation and Development |
| PPP | Public Private Partnerships |
| SDC | Swiss Agency for Development and Cooperation |
| SDGs | Sustainable Development Goals |
| SENE | Special unit working on the Post-2015 agenda for sustainable development |
| SMART | (Cities) Self-Monitoring, Analytical and Reporting Technology |
| | (Objectives) Specific, Measurable, Achievable, Relevant and Time-bound |
| SMEs | Small and Medium Sized Enterprises |
| U4 | Anti-Corruption Resource Centre |
| UCLG | United Cities and Local Governments |
| UNCDF | United Nations Capital Development Fund |
| UNDP | United Nations Development Programme |
| UNHCR | United Nations High Commission for Refugees |
| UNICEF | United Nations Children's Fund |
| VNG | International Cooperation Agency of the Association of Netherlands Municipalities |
| WASH | Water, Sanitation and Hygiene |

## Opening Remarks

**Dr. Tania Rödiger-Vorwerk, BMZ** opened the 10th annual meeting of the Development Partner Network on Decentralisation and Local Governance with the following words.

'The year 2015 is a crucial year for international development cooperation. In this context, decentralisation and local governance has increasingly been recognised as a key factor for delivering effective development results. Without the meaningful involvement of local governments and cities, it will not be possible to implement and monitor the ambitious set of SDGs. DeLoG represents an important platform for knowledge management, exchange of experience and mutual learning. Starting today, the 10<sup>th</sup> Annual Meeting of DeLoG will provide a perfect opportunity to identify key topics and potential roles of DeLoG for localising aid and implementing the SDGs.

Cities will play a decisive role in the achievement of the SDGs and other international development processes, such as the climate negotiations and Habitat III. We are committed to actively promoting the role of local governments in the "new urban agenda" that will be agreed upon at the Habitat III Conference in October 2016.

Recognising that a broad international partnership is needed for the successful implementation of the SDGs and for developing innovative and effective approaches for supporting decentralised governance systems, DeLoG can and will play a crucial role in networking, focused cooperation on key issues and providing platforms for mutual learning.'

# Thematic sessions

### 1. Framing the debate: decentralisation, local governance and meaningful implementation of the SDGs

The first thematic session started with a key note address by David Satterthwaite, IIED, and then further  inputs from panellists Silvia Heer, SENE, BMZ, Edgardo Bilsky, UCLG, Harald Schenker, SDC, and Jorge Bilbao, EU/DEVCO. A panel discussion followed which incorporated questions and reactions from DeLoG members in the audience.

In his presentation, *The SDGS; the ends are clear but what about the means?* **David Satterthwaite** spoke about the impressive extent of commitments made by the SDGs and at the same time their stark lack of specifics on implementation. He argued that the SDGs do not endorse the radical change that is needed to reach four billion city dwellers, because the commitments do not strengthen municipal and local governments, even though these same authorities have the responsibility of not only implementing the SDGs but also integrating three critical agendas: poverty reduction, disaster risk reduction, climate change adaptation and mitigation. Similarly the Addis Ababa Action Agenda does mention the need of sufficient resources and capacities on the local but hardly mentions the local level in the financial flows required for meeting the key SDG goals and targets. Historically, governments have been making commitments to urban dwellers for 40 years, since the Habitat I conference, with little progress.

His main message was that without a radical change in the way international development is done – in the international financial architecture, in the recognition of local governments as key actors, leaders, and policy makers, and in obtaining local data that supports action, transparency and accountability – the SDG targets cannot be met.

As a way forward he proposed that funds and support should be directed at city governments. He stressed the importance of learning from mayors of innovative cities that are already delivering the SDGs – cities with strong local democracies, city-citizen initiatives and some capacity to raise revenues to support local investments. He used the example of, on the one hand, Dar-es Salaam, Tanzania with four million inhabitants, 80% of whom are slum dwellers, and no investment capacity whatsoever, and on the other, Windhoek, Namibia or Rosario, Argentina where city governments are already achieving the SDGs – without actually knowing to name them as such - in water and sanitation, school services, and health care development.

**DeLoG members** discussed their immediate reactions in small groups and picked up on both the financing and the monitoring issues in their feedback. They commented on the need for a change in the legal framework so that the local level could access borrowing and funding, the problems associated with this, and the issues of 'big data' and national statistics in the M&E process.

**Silvia Heer, SENE, BMZ** commented on the inclusiveness, participation, and transparency of the process that has resulted in the 2030 agenda, with more member states and stakeholder groups than any international dialogue in the UN before. She pointed out that the SDGs, although central, are only part of the whole process. The political declaration, the means of implementation (financial and non-financial), and the review and follow up ae also essential for the effective realization of the agenda. The role of the local level needs to be considered in relation to all these aspects.

**Jorge Bilbao, EU/DEVCO** picked up David Satterthwaite's point about the need to reform the architecture of international funding because it is not geared to the local level. He pointed out the funds are there but the question is about how to use them at local level for local level development.

**Edgardo Bilsky, UCLG** gave an update on the three processes – the SDGs, the Addis agenda, and preparing for Habitat III – to highlight some important steps that have been made to include the local level. He discussed SDG goal 11 relating to cities, and how the territorial dimension is there. Paragraph 34 of the AAAA clearly refers to local government (even though other paragraphs only mention 'local actors' and predominantly refer to the private sector). In Habitat III, by definition, cities are included as well as the link between rural and urban issues. However, he added that the role local authorities and civil society will play in relation to national governments remains unresolved.

**Harald Schenker, SDC** described some of the entry points the SDC has used to strengthen the role of sub national governments. These include strengthening electoral systems (in terms of legislature and actors of democracy), as well as opening spaces for participation and accountability, and domestic resource mobilisation. On a larger scale he mentioned the importance of taking the political dimension seriously and how Switzerland, as a highly devolved country, drawing on a large number of institutions, is working with like-minded member states to channel the localisation process into government – especially as regards meaningful monitoring systems.

Responding to David Satterthwaite's 'call to arms' for the 2030 Agenda to create a new international development momentum for decentralisation and local governance, **Jorge Bilbao, EU/DEVCO** felt that a key turning point will be the post Cotonou agreement (EU bilateral support for 78 African, Caribbean and Pacific group states, all sectors); the current agreement says little about DLG; post Cotonou is an opportunity for member states to include DLG in a concrete way.

**DeLoG members** discussed the issues in their table groups and then put questions to the panel, which elicited the following points.

**On fiscal transfers and funding:**
- Local transfers are possible even in fragile contexts, as long as there is an agreement on what the money is spent on. If we work at both local and central level, there is a chance that transfers are fair and needs are addressed. The main precondition is local capacity: the capacity of people to describe their needs, and the capacity of local authorities to administer the funds. The main problem is time – funds can't be provided quickly. Therefore we need a new framework on how we operate. We need to establish new alliances and networks.



**On capacity building:**
- We need a mixture of national programme support and city-to-city exchange at local level.
- If we don't offer incentives, we can't build capacity.
- National associations have a core role to play in localising the agenda, but are often high-jacked by development partners to implement projects instead.

**On localising the political level:**
- We need a paradigm shift in the way international organisations work: we need a more holistic approach at territorial level. Local governments are political animals so we need to relate to them on the political level.
- Local citizens and national governments need to be included in the political dialogue and they should learn from each other. The key is through work we can do in advising and mobilising local politicians who can bring the local issues into the national agenda.

**On working at territorial not sectoral level**
- We realize that we might need territorial instead of sectoral approaches. Sector policies are mainly implemented in a top-down way because national governments do not believe local governments have a role to play, and because international development partners have also organised themselves in a sectoral way. But this isn't working.

**On monitoring and evaluating:**
- For mayors to identify needs they need territorial data - street data. It's hard to get this kind of data from informal settlements. However some good sources include censuses, sector data, cause of death data, data from GIS, local newspapers, mobile phones, and even gossip as data – the word on the street.

## 2: Financing the SDGs at local level

**Stephan Ohme, BMZ** talked about *Financing the SDGs at local level* from the BMZ's perspective. Even though the commitment is there to finance the SDGs for the greater public good, billions of dollars will be required

on an annual basis. In a climate where ODA is shrinking faster than GDP is growing, private financing is becoming increasingly important as a means of meeting the shortfall, especially in lower income countries where domestic finances are very small in comparison.

The AAAA saw a paradigm shift; previously public financing was considered more important, but now with the investment in SMEs and from international corporate financing, public finances are not the only way. The fact that more than 70% of spending is at sub national level in OECD countries is a good indication of what will be needed at local level in developing countries, and why ways must be found to increase local public and private financing. In keeping with the key message from Addis - the need to break down the financing for development debate into concrete action – policy needs to emphasise domestic resource mobilisation at local level, revenue creation, changes in the legal framework, projects which are designed to make local financing more productive, increasing stability for international private finance, and reviewing detrimental subsidies.

**Jorge Rodriguez Bilbao, EU/DEVCO** presented a *Methodology for providing EU budget support to local authorities in de-centralised countries*. The bulk of DEVCO bi lateral aid supports national policies and programmes through budget support – that is, through financial transfers to the national treasury of the partner country, accompanied by policy dialogue, performance assessment frameworks, and capacity development measures, all at the national level. The main focus is on the central level and the capacity development of those who live in the capital. The local dimension is missing. There is a large gap between policy and implementation and policy makers' lack of knowledge of the local level prevents them from establishing realistic modes of delivery, conditions, SDG indicators and measuring for budget support. This is compounded by the 'suduko' of institutions involved in integrated, multi-level decentralised financing, planning and implementation and a corresponding lack of capacity at local level. At the same time, budget support means different things to different donors and further problems arise when it is viewed as a fiscal rather than a political issue.

However things are beginning to change. Partner countries undergoing decentralisation need to make the process more efficient. Development policy financed by budget support is only made good if it can be implemented on the ground. This implementation in turn relies on multi-level institutions, and integrated local development financing, planning, and management. From the donor's perspective, valuing decentralisation means supporting local authorities as political actors for development: not just service providers or implementers of central government policies, but also as political entities in their own right – and there is growing international recognition of this dual role that local authorities play. In fiscal terms, this also means local authorities can not only make national spending more efficient at local level, but also mobilise resources for the centre.

There are ways of integrating local authorities in budget support. Policies do not have to become more radical, but more flexible, with budget support supporting policy at central level and also supporting concrete measures at local level. This kind of double support is possible if the partner country has a national policy on local development. Examples include
- making sector policies and programmes rely on decentralised, multi-level delivery systems which leads to dynamically investing in and strengthening them– as in the EU's budget support for Ethiopia's health sector;
- strengthening decentralisation reforms and developing local authority systems, for example legal framework reforms and capacity development – as in the EU's budget support for Tunisia;
- implementing place-based policies – central-local development  'contracts' - which 'localise' budget support,  promote local/territorial development and political recognition, and mobilise additional resources – as in the EU's budget support for Peru (with central-regional contracts to

develop local policies) and to Colombia (where resource activation provides two-way financial support).

In addition, DEVCO's methodological concept enables budget support to target the local level in a more equitable way. It encourages local government associations to play a central role, creating a bridge between the local and the national level so that the mega-cities are not left to dominate the local arena.

**Lili Liu, World Bank** added that Budget Support to the local level could be enhanced by fiscal transfers, taxation, revenue beyond taxation (land, etc.), capital investment (tapping savings) and public-private-partnerships.

She then presented World Bank research on *Ensuring sustainable financing at sub national government level*, in response to the knock-on effects of local government insolvency and the global financial crisis. She explained how sub national governments need to access the capital market because of funding shortfalls in sub national infrastructure. To do this, measures need to be put in place to overcome risks that have arisen from sub national governments' irresponsible borrowing. Sub national government lack of credit-worthiness has resulted from those who have had a short term view, political rather than economic ad hoc policies, and a propensity to 'moral hazard' – reaping the benefits of loans while leaving others to pick up the tab.

The Bank's approach to unlocking fiscal space is to get borrowers to use debt responsibly, to think of debt restructuring in a positive way for building up infrastructure, and to consider debt repayment with future generation's taxes rather than current savings as intergenerational equity. The Bank's recommended mechanisms for sustainable financing include

- tools for Debt Sustainability Assessment, Medium Term Financial Frameworks, Debt Management Performance Assessment (a rigorous tool which employs more than 30 indicators from macro governance strategy level to micro basic operating systems level to measure the 'health' of the borrower);
- policy advice on decentralised and city finance, intergovernmental fiscal agreements including in fragile contexts;
- capacity development through conferences, training, knowledge management on sub national government fiscal reform, debt and fiscal management.

As seen from Detroit's 2013 insolvency, bankruptcy at local government level can bring down national creditworthiness and there is a lot to be learned from the US debt crisis, including reforms to contain insolvency for macro stabilisation. Some of these lessons have been captured in the World Bank study, 'Till Debt Do Us Part':

- borrowers and lenders should be seen as jointly responsible for debt and default;
- without punishment for defaulting, pre conditions won't be taken seriously; the rules should have some teeth;
- Sub national governments and national governments should play by the same rules; lobbying and rule-breaking deals should not be tolerated;
- Lending decisions should be tied to revenue generation repayment plans.

**Jenifer Bukokhe Wakhugu**, UNCDF then talked about *Mobilising domestic finance for implementing the SDGs at local level* – but from the rural perspective. She gave an overview of UNCDF's financing instruments and how they expand local fiscal space to support, for example, local economic development, climate change reduction, food

security, and the empowerment of women. These instruments included

- UNCDF's Local Development Fund, a discretional fund to build local authority capacity, efficiency and accountability in public finance management;
- Structured Project Finance;
- Cluster financing for SMEs (many very small enterprises don't have the potential to attract finance from banks; clustering makes them more bankable);
- Municipal finances through public private partnerships, for example finding innovative ways to use remittances;
- Climate change adaptation performance based grants: topping up existing country systems and requiring local authorities to meet core standards to qualify.

**DeLoG members'** discussion focused on local government borrowing, opening up credit markets and reducing risk with firmer frameworks and regulation. The following points were raised:

- Local governments are usually restricted from borrowing but it depends on the national constitution. The World Bank lends to the state government, not the municipal government level, but it uses its own distribution regulations to ensure that funding reaches local authorities.

- Borrowing at sub national level is as much a political process as it is a technical one – and not just in developing countries. Big cities tend to dominate the local level because their mayors are often closely linked to the national government, so they can negotiate fiscal issues at the national level and this gives them a huge advantage over smaller cities.

## 3. Measuring decentralisation, local governance and the SDGs

**Silvia Heer, SENE, BMZ** explained *the SDG review mechanism* laid down in the outcome document of the 2030 Agenda process. The review will take place on national, regional and international level; every country will be responsible for conducting its own review and will have a chance to discuss their results at an international forum in a state-to-state exchange. In addition there will be a high level political forum to discuss progress on implementing the agenda and the challenges faced. This will lead to an assessment of where the international community is, and what needs improving. However, it is not yet clear how this will play out at regional level; for one thing, the role of the OECD still needs to be clarified.

**Tim Auracher, GIZ** presented the issues behind the work he has been doing on the *Governance indicators for the SDGs*, with specific reference to SDG 16 and its target, 'peaceful societies, rule of law and effective institutions'. Wide ranging governance goals on peaceful societies, anti-corruption, the rule of law, effective, accountable and transparent institutions, fundamental freedoms and access to information, have been easily adopted, but agreeing on how to measure these targets is another matter altogether. Measuring governance at sub national level is problematic because:

- There is a lack of agreement on what certain governance concepts mean. For example, disagreements on what is meant by 'rule of law' have resulted in disagreements over using criminal justice statistics in the indicator.

- The disaggregation of data to identify, for example, disparities in aid distribution, can only be done if data is collected in a disaggregated way in the first place. For example, the German National Statistical Office cannot measure land ownership disaggregated by sex – one of the gender equity indicators - because the German land register does not specify whether the owner is a man or woman.

- Local governments will be more motivated to implement the SDGs if they have been involved in the decision making process on measuring; for example in Colombia, data on MDG targets at the subnational level showed sharply uneven rates of progress which in turn motivated local governments to implement key interventions according to local priorities.

- Governance indicators need to be measured at sub national level because this lies at the heart of local authorities having a political role. In practical terms, this means finding ways to measure at sub national level if access to justice is provided, institutions are effective, accountable and transparent, decision making is responsive, participatory and representative, and public access to information is ensured.

To overcome these issues, capacity has to be developed in three areas:

1. Local authorities need to be able to gather, disaggregate, analyse and draw conclusions from data in order to set their own geographical priorities.

2. As service providers, sub-national governments need to be able to set their own SDG priorities according to the specific context of their development planning and budgeting. In addition, they need to be able to define and pursue their own indicators for measuring progress.

3. As political actors, sub national governments need to be able to measure underlying governance indicators: effectiveness, transparency, participation, access to information and justice, all of which require careful consideration of the political economy.

**Sebastian Bartsch, DeLoG Consultant** talked about strengthening links between *M&E partner systems for DLG and measuring progress on the SDGs* at local level, based on the DeLoG working paper he has produced. His research found that despite some momentum in all the decentralised countries surveyed, and a convergence of interests between decentralization M&E and SDG M&E agendas over the demand for disaggregated data and capacity development at the local level, there were also striking weaknesses in DLG M&E systems, especially in moving from design to implementation. Although international interest through the 2030 Agenda has become an important motivating factor for convergence, it also brings with it the danger of destabilising nascent M&E systems. These risks can be described in terms of parallel data collection and undermining partner country statistical collection systems, stretching limited human and financial resources, and pursuing SDG results (the 'what') at the expense of sustainable processes (the 'how').

For better synergy between decentralization and SDG M&E, there needs to be stronger political will to measure SDG progress locally and keep the 'localising' perspective on the agenda. At the same time there should be more realistic expectations about the extent of synergy possible and how much the limited M&E systems already in existence can really deliver.

Some of the weaknesses in these systems include a lack of dedicated conceptual plans and institutional frameworks for M&E; a lack of coherent data collection tools and data sets; difficulties in aggregating data regionally and nationally; too many indicators or poorly designed indicators which don't ensure relevant, standardised data collection; weak links between data collection and data processing; the problem of multi-level integrated institutions and stakeholders involved in decentralised, deconcentrated, or devolved systems – too complex for an efficient M&E system, especially at the sectoral levels of health, education, water and sanitation; a lack of capacity in technical (statistical, analytical) and managerial posts as well as coordination capacity and capacity to use M&E findings in development planning and implementation; a lack of funds because of lack of commitment to a systematic approach to DLG M&E and an over reliance on international funding; not enough civil society advocacy or participation at local level for improved service delivery or

transparency/accountability; and not enough M&E data being used for evidence-based steering of decentralising processes.

In the **DeLoG members and presenters' discussion** that followed the following points were raised.

- A key challenge to implementing the 2030 Agenda is its review and reporting system. 'Statistics for development', 'strengthening national statistics offices' and 'exploring Big Data' are high on the agenda. The panel agreed that Big Data remains a real challenge for everyone.

- The sort of data being collected in national surveys does not support the local authorities who need to implement the SDGs, because the sample sizes are too small and do not represent specific territorial needs. In addition many of the SDG indicators follow the same problem as the MDG indicators by measuring the wrong thing; with water and sanitation for example, the indicators don't measure the quality or affordability of the water. Even though censuses are more useful because they have the local dimension of every household and every street, they only happen every 10 years and this is not practical for measuring the SDGs.

- It's not so much a question of lack of data but one of labelling. A lot of bigger cities are collecting SDG data, for example on water and sanitation, only they don't call it that, just as a lot of national governments are monitoring SDG indicators, but to them its 'statistics'. The bigger problem is political commitment to M&E rather than aggregating heterogeneous data sets. Some countries have extremely efficient M&E systems, elsewhere there are huge gaps – and this is because of political will. There should be a greater focus on the political economy of M&E and investment incentives to increase buy-in, especially in low-income countries.

- The problem is local stakeholders – like innovative mayors and other civil society leaders - are not invited to participate in meetings where decisions about measuring the SDGs take place.

- We need to invest in SMART indicators – with the emphasis on 'relevant'. Using 'the ratio of local spending and revenue' as an indicator is not useful because the desired ratio for each country is different. Using 'democratic elections' as an indicator is problematic when democratic governance is already low… and so on.

## 4. The role of decentralisation and local governance for the New Urban Agenda and a successful implementation of the SDGs

**Franz Marré, BMZ** gave an overview of the *Contributions and expectations of BMZ in the Habitat III process.* The Berlin Habitat Forum, where mayors will be invited to discuss innovations in the planning and implementation of sustainable cities, mobility, climate change, and solutions for marginalised sectors, is evidence of the BMZ's strong commitment to the process.

The German Government's view is that municipalities and local authorities should be empowered as actors, so that national and local governments can work in a complementary way and create liveable

cities with integrated solutions. Germany's experience of rebuilding confirms that the empowerment of cities is the way forward and should not be viewed as destabilising to sovereignty. National governments should not be threatened by municipal self-governance nor see the need to be in competition with local authorities. Likewise cities need to put people, not bureaucracy, first.

In terms of the New Urban Agenda, Germany has five expectations: that it (1) supports urban governance through the active participation of local authorities, (2) enhances capacity of city finances, (3) creates national policy frameworks, (4) establishes effective monitoring, reporting and reviewing mechanisms, not just for Goal 11, and (5) overcomes the traditional divide between urban and rural settlements.

Working from the principles of subsidiarity for sustainability, empowered cities can only happen if, as well as creating the legal framework to provide access to the finances; local capacity is built to handle the resource transfers. Equality and inclusion are of prime importance. The growing number of people who do not participate in development must be stemmed. People need to be provided with access to services that are broad based enough to include marginalised groups and peri-urban areas which are officially outside the urban remit but have the same needs. As such, the new urban agenda needs to overcome the traditional divide between rural and urban.

In terms of creating liveable cities, there is a tendency to say that a good city is a well-managed city – but beyond the technocratic view of service delivery there is a need for governance - citizen participation to ensure local government responsiveness, inclusion and transparency. 'Liveable' is a concept that cuts across the service-delivery – governance continuum. Some slum areas may be more 'liveable' because of the freedom they offer than an electronic-gated community. The creation of safe public and recreational spaces is therefore important at more than one level.

Integrated solutions for resilience and sustainability means an end to 'silo' thinking and an increase in cross-sectoral cooperation for integrated planning and management of urban resources and services, SMART cities with intelligent infrastructure systems, and 'no regret' measures that support sustainable infrastructure, resource efficiency and resilience to climate change.



**Fabienne Perucca, UN Habitat** described the role of *Urban governance and decentralization in the Habitat III preparatory process* in order to bring DeLoG members up to speed on the UN Habitat preparatory process and to further advocate the importance of local governance in the New Urban Agenda.

The preparatory process involves 6 areas: social cohesion and equity, urban frameworks, spatial development, urban economy, urban ecology and environment, and urban housing and basic services. Each area has policy units who work on issue papers, and incorporate feedback from online dialogue and comments from member states and stakeholders, in preparation for the negotiations and the draft outcome document. Currently there are 17 issue papers concerning local governance. The issue paper on 'Governance - the enabling environment to make the new urban agenda work' covers decentralisation, local self-government, multi-level governance and localizing the New Urban Agenda. It discusses
-    the increased importance of governance in global debates and the crucial role of local governments as implementers;
-    the need for adequate legal frameworks, institutional, financial, planning  and service delivery capacity;
-    metropolitan governance and the need for cooperation to deal with the conurbation spill-over in terms of boundaries and jurisdictions;
-    the need to rebuild trust in fragile states, where the weak governance leads to competition for control of cities and their resources;

- the importance of strong, capable leadership that is accountable, transparent and puts anti-corruption mechanisms in place to reinforce citizen trust in formal service provision;
- the need to deal with informal settlements;
- the importance of governing through citizens, the inclusion of women and youth, and the need for government responsiveness;
- the need to build community and public private partnerships;
- the role of local government associations and city to city exchange.

**Carl Wright, CLGF** then spoke on the Gaborone Declaration regarding holistic urban policies, and CLGF's sustainable cities network to strengthen municipalities in his presentation, *Taking the 2030 Agenda forward: mechanisms for sustainable cities.* Although the focus on SDG 11 is the most relevant, SDG 5 on gender, SDG 8 on economic growth, and SDG 16 on effective and accountable institutions are also important to the New Urban Agenda. Moving on from goals and targets to implementation, the current need for the NUA is to focus on subnational finances and capacity – as in paragraph 34 of AAAA. In order to carry this work forward, mechanisms already exist which should be strengthened and given a more prominent role.

For example, city and local government networks should be empowered to voice, at national level, the needs of smaller or secondary cities and advocate for more political diversity. In addition, international city and local government networks such as UCLG, CLGF and DeLoG can share knowledge, build capacity and encourage the formal recognition of local authorities as distinct actors in the process.

Habitat III should not try to re-invent the wheel but build on the 2030 Agenda which already contains the NUA in its SDGs. Instead, Quito 2016 should focus on concrete practical measures.

In the ensuing **debate with DeLoG members** the following points were raised:



- The status of local government at Habitat III is not yet approved. The 2030 Agenda and Habitat III cannot be integrated when the experts who work on the new urban agenda are primarily concerned with infrastructure and not DLG.

- It would not be useful if the output to Habitat III was another document like those produced for Habitat I and II. Instead why not get the mayors of 60 key cities where innovative change is happening, to tell their stories – for example how New York or Copenhagen have dealt with climate change and zero carbon emissions. It's an amazing statement that the New Urban Agenda should guide national governments – if that's the case, then the city actors need to be there.

- Organisations like Cities Alliance have a sector approach so it is refreshing to hear the integrated argument; DeLoG members have a unique opportunity to merge the 2030 and Urban agendas which are currently artificially separated. This can only happen, however, with domestic resource mobilisation. DeLoG's discussion on financing the SDGs at local level is crucial to enabling cities.



- Eliminating hunger is of course a fundamental goal, but the hunger issue in cities is not about food production – it's linked instead to wages – so in this sense the hunger goal in cities is different from in rural areas.

In a further round, **DeLoG members** discussed what contribution DeLoG could make to the NUA process. Ideas included

- With so many agendas converging – not just the ones we've been discussing but also climate change, the data revolution, the use of social media – we should carry out the role we already have as members of the DeLoG network – and advocate the importance of local government actors and help link them up.

- In general let's increase both formal and informal exchange on issues that link the urban agenda to DLG.

- Specifically let's have an event that brings together urban specialists and DLG practitioners. This could even be a side event at the Africities conference, as part of a future DeLoG meeting, or by introducing the DeLoG experience to the Berlin Habitat Forum.

- Let's compile some case studies of some of the outstanding cities and city mayors that have been held up as examples so far.

## 5. Decentralisation in fragile environments: reasonable, suitable, transferable

**Jörn Grävingholt, DIE** presented *Decentralising fragile states? Pitfalls, opportunities, and requirements for international support.* He started with a definition of fragile states which looked at state and society in active-passive relations in three dimensions: authority (the control of violence), capacity (the provision of basic services) and legitimacy (the acceptance of rule). The dimensions, as well as challenges and risks, vary according to the fragile context, the nature and timing of the decentralisation, and whether it is a low income or emerging economy country.

Dealing with trade-offs and conflicting agendas in fragile states is par for the course: although decentralisation and reform on the one hand, and stabilisation and containment on the other, are apparently contradictory, both are needed to build resilience in fragile states. Local government can contribute to this peace building by improving people's security locally, providing basic services, infrastructure and administration, reducing economic dependence through local economic and livelihood development, and contributing to state legitimacy with good governance – increasing inclusion, participation and responsiveness to the communities they serve. For this, local capacity development in crisis management and domestic finance mobilisation is needed.

Fragility is essentially a failure of governance, so working with governance institutions is key to overcoming fragility. Other lessons learnt include:
- Do No Harm is an operational given, but can lead to non-action;
- conflicts attract large number of development partners, so coordination of inputs and activities is important;
- flexibility is required - it can't be business as usual – instead there is a strong need to use different modes of delivery and timing, to change track, tap the potential of the fragile environment, and monitor more closely; as such, adaptability and flexibility need to be promoted above the delivery of planned outputs.

**Marija de Wijn, UNICEF** presented UNICEF's approach in fragile contexts, *Delivery of basic social services for peace building* - nutrition, health, WASH, basic education, and safety and security measures such as child protection, effective policing, judicial services - through decentralised local governance. UNICEF uses risk analysis and mitigation strategies to

provide a systematic reduction of vulnerability for children to disaster and conflict while integrating humanitarian and development programmes and increasing the voice of women, youth and marginalised communities. The main idea is to increase resilience and preparedness, not as a direct service provider, but through the strong involvement of local government and the integration of state and community basic services to build capacity and build peace.

A recent stock take of UNICEF's engagement in DLG in fragile contexts showed that 15 counties are active in this way. Two case studies illustrate the different ways that UNICEF does this: Niger, with external influence from development partners, and Kyrgyzstan where the impetus comes from supporting 400 municipal development plans.

In Niger, the work focussed on children's rights and building resilience through integrated local development planning, which involved coordinating a large number of international development partners and their multi sector inputs through local government. In Kyrgyzstan, the work supported a large number of municipalities to address social welfare through a good governance approach: the inclusion of youth participation in the decision making process across different ethnicities, so the process as well as the content contributed to conflict transformation.

**Hélène Julien, MAE** presented *Decentralisation, local governance and fragile contexts: from analysis to action.* She explained the French definition of fragility as different from others in that it doesn't adopt a list of fragile states but rather considers fragility as a wider concept which can evolve in time and in space. In this way the French approach does not exclude states which may have been blacklisted by others. Its focus is as much on communities as the states which govern them. The key issues to consider when working on DLG in fragile contexts include

- creating a 'social contract' between the authorities and the public, both at state and local level, to revitalise the social fabric and the state's legitimacy at the same time;

- using DLG to strengthen accountability of public policies rather than seeing decentralisation as a destabilising factor;

- strengthening local governments to deliver essential services and security in crisis situations (because of their rapid access to the location) and ensuring they are not superseded by NGOs, international humanitarian organisations or the private sector;

- finding compatibility between elected and traditional authorities (e.g. tribal leaders) at local level for local conflict transformation (e.g. land and domestic disputes)

- using a territorial governance approach especially in natural disasters where central services cannot reach;

- using good governance aspects of DLG as a crisis management and disaster relief tool for ethnic, territorial, cross-border conflicts and to mitigate rising social tensions, by instigating participation, inclusion and equity.

Some operational considerations for international development partners include the need to:

- quickly establish who the real decentralised actors are in a crisis situation, and what stabilising role they play, both vertically with the state and horizontally with the traditional authorities;

- develop capacity in crisis management and disaster relief – rapid response, leadership skills for emergencies, risk and security… so that local authorities can deliver rather than the UN agencies or NGOs;

- coordinate donor and international development partner inputs;

- mobilise international, regional, and national local government associations.

**Rolf Swart, VNG** presented *Building resilience: experiences from working in the Al Za'atri Refugee Camp in Jordan* where 85,000 Syrian refugees constitute a city in itself with full scale urban service delivery needs. UNHCR is doing the humanitarian relief and VNG is working on DLG in crisis management, by taking a host local government – camp governance approach. This involves the Governor of Mafraq, the Ministry of Interior and Ministry of Municipal Affairs, various line ministries in Amman, the UNHCR camp management, UNDP and other development partners, UNHCR Amman and Geneva, representatives from the local authorities that the camp borders on, and technical support from the City of Amsterdam. VNG ensures the DLG aspects of the process, working on links between the local and central government levels in Jordan, while the Amsterdam team provide technical know-how on municipal service delivery and local economic development, including urban planning, roads, transport, and WASH. The strengths of this territorial, integrated multi-level approach working inside the jurisdiction of the host country include:

- building the capacity, sustainability, understanding and support of the host community and surrounding local authorities which in turn reduces further conflicts over resources;

- linking humanitarian relief and development assistance for short term wins and longer term gains and working with the existing Jordanian local authority legal and service delivery structures to prevent 'parallel' emergency structures being created by relief organisations;

- developing a model that could be applied to other refugee contexts, building resilience for host and displaced communities alike, developing new models of integration, cementing a body of practice which links short term humanitarian relief to the longer term development perspective, and preparing for a future where a lot more refugees are expected.

In the ensuing **panel discussion**, the four presenters and other meeting members responded to questions with the following points.

- In general, the role of DLG in fragile contexts, and entry points for engagement are very country and context specific and a thorough analysis is needed before engaging. There are opportunities as well as risks, and in this sense DLG in fragile contexts should be treated as a highly complex topic.

- It would be interesting to get some more concrete examples of how decentralisation actually stabilises a conflict situation.

- Multi-stakeholder approaches empower the local level. State building from below is a nice idea but power issues are the reality.

- Although the work in fragile contexts lies somewhere between humanitarian relief and development aid, we often find we don't have to do things so differently. But we have to address different aspects of the puzzle. The provision of basic social service delivery is one aspect. There are others.

- Fragile contexts draw on a different range of development actors. NGOs especially take a much bigger role and this makes a big difference in what we do and how we do it.

- The size of a refugee camp is often comparable to a big city but without any internal local government structure to support it (due to the laws that govern camps and the way UNHCR organises them). Under these circumstances, the surrounding local authorities, on whose territory the camp infringes, have substantial issues to deal with. Long-term planning under critical social circumstances is necessary.

- A very useful starting point for DeLoG would be to raise awareness about the kind of conflict transformation relief and development activities that take place at local level. Without this integrated mitigation at local level, local fragility increases and becomes national fragility which contributes to the refugee crisis.

- Making development partner monitoring and reporting mechanisms smarter would allow for the kind of flexibility that is needed on the ground when working in fragile contexts.

# 6. Thematic wrap up

Relating to the thematic sessions, members agreed the following points were relevant to DeLoG, to be pursued in general, and where possible incorporated in the DeLoG 2015 – 16 work plan.

### 6.1 Finance



DeLoG should do a stock-take of what has already been done in terms of Domestic Resource Mobilisation by accessing the ample examples that must be out there in the network, and gather more practical, specific instances of good and bad practice in local financing - especially local revenue generation, innovative financing mechanisms (PPPs, local banks, loans...).

DeLoG should also
- be used as a platform for discussing changing legal frameworks for financing Local Authorities;
- design a tailor made on-line course for local government financing;
- organise an event – perhaps a side event to another up-coming meeting – on local financing;
- draw on a more 'story-telling' format;
- link examples to policy discussions;
- investigate ways of ensuring intergovernmental NGO money reaches the local level.

### 6.2 Measuring

DeLoG should

- screen existing impact studies on decentralisation for SDG relevance;
- contribute the findings to the finalisation of SDG indicators;
- provide facts and figures for the political level.



### 6.3 Urban Agenda

DeLoG should



- increase formal and informal exchange on urban issues;
- compile some case studies of innovative cities already working on the SDGs, drawing on the 'right people and concrete examples', that can be used to advocate the DLG urban agenda in members' own organisations;
- bring together DLG and Urban specialists in an event, for example linked to Africities;
- introduce DeLoG to the Habitat Forum in Berlin.

### 6.4 Fragility
DeLoG should

- act as a facilitator to bring different definitions of fragility together to strengthen the study on fragility;
- collect more examples of how DLG works in positive ways within conflicts;
- collect experience of how development partners have implemented more flexible programme designs, M&E and reporting formats to cope in fragile environments;
- use all of the above to compile a theory of change on how we work in fragile environments;



- open up a discussion on the moral dilemma of staying engaged in a conflict situation with actors who compromise the implementing agency's integrity: where to draw the line.

## 7. Looking Forward

**Claudia Pragua**, **BMZ**, thanked DeLoG members and presenters for their thematic inputs, and for kicking off the debate with a key note address by David Satterthwaite that really pointed the finger at the weaknesses in the 2030 Agenda in addressing the local level. But she affirmed that the BMZ views the situation as 'the glass is half full'. The SDGs are a major improvement on the MDGs in their acknowledgement of local actors, and the BMZ's strong support for localising the agenda can be seen through its cooperation with UNDP on the Global Governance Consultation, and with the Implementation Dialogue on Effective Institutions. She endorsed the need for a new global partnership for the implementation of the 2030 Agenda of all stakeholders: private sector, civil society and local actors. She then went on to share three impressions from the DeLoG thematic sessions:

1. A new urban agenda is not needed because all the relevant elements are already in place. What is needed is a plan for implementation that addresses the political, institutional and resourcing challenges. Awareness needs to be raised regarding the dual role of local governance – not just its technical role as service provider, but also its political role as upholder of democratic governance. This in turn begs two questions, (a) how processes, mandates, capacity, and finances – including private sector resources and climate funds  - can be resourced so that local governments accomplish their role as implementers and (b) how vulnerable groups, women and youth can be included in the decision making processes of local governance in an equitable way.

2. Donors and development agencies are getting prepared for the SDG Agenda. In order to honour the universal character of the SDGs, BMZ is keen to test its readiness for the process. This involves the often slow coordination of a multitude of organisations at local level. Germany already cooperates with political foundations, churches and civil societies, but what about cooperation with local actors and 'direct ODA for local communities' as mentioned in the sessions? BMZ's 'Charter for the Future' was launched to foster widespread local participation in defining the national SDG agenda. This sort of awareness raising, along with the checking and adapting of strategies, approaches, means of implementation, and instruments, is relevant for almost all of the donor organisations represented in DeLoG.

3. Looking forward, there is a need to decide on the key messages to be conveyed through the current international processes. These include defining the SDG indicators and SDG mechanisms for monitoring, and preparing for the COP21, Habitat III and the aid effectiveness debate. Part of this process is to decide what role DeLoG can play, in terms of conveying messages to our respective headquarters and governments, being at the forefront of knowledge management and networking, and fostering learning for members and key local actors alike.

# DeLoG Business

## 8. DeLoG report for 2014-15



**8.1 Jochen Mattern, DeLoG** reported on the achievements and challenges regarding the *DeLoG work plan 2014 – 15*. In terms of *supporting inclusion of DLG in the international agenda*, achievements included the Urban Institute paper, 'Localising public services and development', and DeloG support to the ODI study 'Localising Aid', UCLG's 'How to localise targets and indicators', and article 34 in the AAAA, 'Strengthening capacities of municipalities and other local authorities'.

In terms of *developing DeLoG work streams to strengthen effective development partner support for DLG*, achievements included the working paper on M&E and the upcoming Learn4Dev training on DLG and Fragility.

In terms of *managing and sharing knowledge on effective DLG support*, achievements included the new DeLoG website, the webex e-conferencing, the Global Seminar Series, the Annual Meeting, and the DeLoG member updates.

The main challenge was outlined as maintaining active communication and networking regarding the work streams, as well as the high fluctuation within partner organisations with its knock-on effect on network 'institutional memory' and thematic continuity.



**8.2 Lea Flaspoehler**, **DeLoG** presented the results of *The members' survey on the performance of the DeLoG Secretariat*. The Secretariat's overall performance was rated as good or excellent with high appreciation for the Annual Meetings, and the useful DeLoG updates. Respondents expressed appreciation of the content of the newsletters and requested the inclusion of members' organisational news and reports in them.

Respondents agreed that relevant topics of work remain Fragility, M&E, Localising the SDGs, Urban Governance/Habitat III, and Aid Modalities. A high interest in Learn4Dev involvement was expressed by 90% of DeLoG member organisations, while 40% of members have taken part in at least one Learn4Dev training event. As the old website was underused a new one has been launched ([www.delog.org](www.delog.org)) and is open for feedback. Suggestions regarding working together encapsulated the inherent challenge of doing this through DeLoG. On the one hand, the feeling was, 'The Secretariat should be stricter in supervising the work streams', and on the other, 'The limitation of the network is the availability of the members, not the role of the Secretariat'.

## 9. Ways of working

**Harald Schenker, SDC** suggested that DeLoG look at optimising its networking by increasing active participation, focusing on the work streams that make sense, and determining what added value DeLoG has as a network. Discussion on these issues should help determine a viable longer term future for DeLoG and the role of the DeLoG Secretariat, in terms of knowledge management, training, and/or advocacy.

**DeLoG members** made the following comments:

- DeLoG has worked well to date both as a network and as an advisory service. The question is if it wants to become more operational – in which case, what is its added value? DeLoG's role needs to be clarified. Let's check first what its added value is.

- DeLoG has existed for 10 years and every year it has taken on new members. No-one has dropped out. But we have more potential than that. We all work on DLG – it's this thematic 'box' that holds us together. We've published studies that are only possible because of the heterogeneous nature of the members who all have DLG in common.

- DeLoG members need the studies and the papers to back up the advocacy that its members do. DeLoG gives them the tools to lobby. A lot of members are not directly working on the SDGs but they can pass on key message to those who are. And there are a lot of hits on the DeLoG website – there's a lot of informal attention to what DeLoG is doing – the demand is there.

There were various responses to the question on how the network should be sustained in other ways throughout the year, beyond the Annual Meeting:

- We could coordinate at a working level or in the field more closely – establish better contacts on the ground.
- The networking and the annual meeting are enough. We don't need the work streams.
- 'Work stream' may not be the right word. The exchange and interest continue even if they don't 'produce' anything by the next meeting. Perhaps we don't need products, or we shouldn't look for them in such a formal way. The Fragility work stream didn't produce anything for the meeting but their interest in working together is still there. At the same time Marija produced her Stocktaking without a formal DeLoG working group, and it is a real product. We should increase formal *and* informal exchange and information sharing.

## 10. Agreements

**10.1 ADB was welcomed as DeLoG's 29<sup>th</sup> member**. Claudia Buentjen, ADB introduced the new member organisation with a brief overview of ADB's involvement in DLG. She mentioned the recent ADB re-shuffle into thematic and sector groups, much like the World Bank's recent reorganisation, and how her section, 'Local Governance' covered DeLoG's thematic areas with the exception of WASH and Fragility. Despite being involved with 45 of the 65 borrowing countries in Asia, decentralisation only constituted 4% of ADB's budget. In order to create greater support for DLG within the Bank, she was interested in an exchange with other development partners via DeLoG. In terms of shared events and platforms to do this, she mentioned the recent ADB-DeLoG seminar in Manila, 'Decentralisation Reforms in the Asia Pacific' in August 2015, ADB's peer reviewed publication, 'Governance Brief', their newsletter, and the possibility of having another shared learning event in 2016.



**10.2 Development Partners Network for Decentralisation & Local Governance** was agreed by members as the new name for DeLoG.

**10.3 Hélène Julien** proposed **MAE** as **host for the 2016 Annual Meeting in Paris**, and it was agreed that the meeting would be held in May rather than September when members would be more available. The proposed dates for the next annual meeting are 18.-20. May 2016. **Harald Schenker** proposed **SDC** as an alternative **host in Berne**.

**10.4 Jochen Mattern, DeLoG** announced that **the Secretariat will finalise the DeLoG 2015-16 Work Plan** and circulate a draft to members as soon as possible. The outcome of the Annual Meeting's thematic discussions has been produced under the thematic headings of the Annual Meeting – Financing, Measuring, Urban Agenda and Fragility – rather than the work stream headings, Fragility, M&E/Impact Evaluation, Localising the SDGs, Urban Governance/Habitat III and Aid Modalities. Therefore the Secretariat will reconcile the themes and suggested activities with the work stream headings in the 2015-16 work plan. See Appendix C for further details.

## 11. News from members

**Manija de Wijn** presented *UNICEF's DLG stocktake* on how UNICEF offices engage with local governments in terms of political, legal, administrative and fiscal initiatives for peace building, gender equity, child friendly cities, disaster risk reduction etc.

DLG is a relatively new area of engagement and UNICEF offices see the demand increasing, especially for strengthening social service delivery and equity for children. The stocktake will provide the basis for a strategic framework for DLG and internal guidance notes for best practice, as well as contributing to a broad theory of change through UNICEF's effective engagement in DLG.

The stocktake was carried out through a word search of UNICEF documents as well as questionnaires to 68 country offices. The results show, among other things, that UNICEF is 70% globally engaged in DLG with 80% of respondents saying engagement will increase in the near future, with strategies for equity at local level as the motivation. Engagement is largely concerned with service delivery, administration, and fiscal matters but 50% were also engaged in the political dimension of DLG and a little under 20% in legal and policy frameworks for DLG at national level. The stocktake also outlines UNICEF's DLG themes and engagement strategies, partnerships and coordination with other implementing partners and next steps.

Marija De Wijn will share the stocktake document through the DeLoG network.

## 12. Learn4Dev Open meeting

**Nils Huhn, DeLoG** explained how the **DLG expert group** functions within **the Learn4Dev network**. Unlike other exert groups, DLG actively runs training events, teaming up with other expert groups within Learn4Dev to provide technical input. This arrangement provides an excellent platform for developing ideas, exchanging expertise, methodology, and approaches.



DeLoG through Learn4Dev supports three types of courses.

*Open courses for Development Partner staff*, co-organized and hosted by network partners, focus on aid effectiveness in decentralisation and local governance. The course content is modified according to context, host, and participant needs.

*In-country/regional joint learning events*, organised with development partners in their respective partner countries, focus on building capacity to deal with specific, in-country, DLG-related events, such as new legislation or local elections. In-depth research on the topic or situation is conducted prior to the joint learning event so that the course content can meet participants' real needs.

*E-learning courses*, are organised for development partner practitioners as well as DLG public officials, civil society organisations and academics around the world, and aim at enhancing interactive learning.

The **Open Meeting members** made the following suggestions on how they could get the most out of the Learn4Dev network.

The Secretariat should conduct a training survey which covers subject and content needs, types of participants, formats and methodology, and what contributions DeLoG members and partners are willing to make, in terms of funds and expertise.

Links to other trainings should be put on the DeLoG website, for example details of
-   the World Bank courses at the APEC-Institute in Shanghai,
-   the EU e-learning course on Municipal Finance
-   U4 (Norway)'s courses on anti-corruption and resource management.

Further training is needed on

- Local Governance and Disaster Risk Reduction
- An in-country/regional course with the ADB s on multi stakeholder engagement in DLG processes.

Further cooperation is needed with

- Learn4Dev expert groups: the exchange that happened with the Gender and Political Economy expert groups is welcome with the Fragility and Crisis expert group (in the upcoming training on Fragility and DLG, Nov 2015) and with the Public Financial Management expert group;
- South-south local training institutes (e.g. national municipal training institutes).

Further thought should be given to

- Regional open learning courses;
- Ways of funding national partner staff on open courses, for example as 'resource persons';
- A community of practice;
- Follow up training for joint learning events, for example, after a reform process has been in place for a certain time;
- Blended learning (a mixture of e-learning and face-to-face);
- A strategy for scaling up training due to a predicted increase in demand from local governments as a result of the 2030 Agenda.

# 13. DeLoG Annual Meeting Evaluation

**Psyche Kennett, Moderator**, conducted an evaluation of the Annual Meeting. Results as follows:

In terms of content, DeLoG members agreed that all the thematic sessions were useful, with strong endorsement for the sessions on Financing the SDGs, Measuring DLG, and DLG in Fragile Environments.

Members mostly agreed there was a good balance between presentations and participation, and between coverage versus in-depth discussion on the topics.

As regards the DeLoG business sessions, there was general agreement that the DeLoG reports on 2014-15, and the Learn4Dev open meeting were useful, but the majority of respondents were not satisfied with the session on developing the 2015-16 Work plan.

In terms of process, there was strong agreement that the meeting was well planned and facilitated, provided ample opportunities to network, and that the arrangements in terms of venue, logistics, and information were appropriate and well organised. In addition, the majority of members preferred the 2 ½ day Annual Meeting format.

In the space for open comments, respondents particularly liked the informal exchange and networking that went on, the interactive methodology, the high representation of members, and getting the German perspective.

In terms of what to improve for next time, the majority of comments concerned getting a better link between policy and practice, and organising the DeLoG work-plan planning session in a way that produced more concrete outcomes.

Further comments can be found in Appendix D.

# Appendices

## 1. Agenda

| | |
|---|---|
| 09:00 - 09:30 | **Arrival and registration** |
| 09:30 - 09:45 | **Opening remarks and welcome by the BMZ** |
| | Dr. Tania Rödiger-Vorwerk, Deputy Director, General Directorate 31, Sustainable development, natural resources, economic and financial policy and infrastructure, BMZ |
| 09.45- 10.00 | **Introductions** Psyche Kennett, Meeting Facilitator |
| 10:00 - 12:30 | *Opening session***: "Framing the debate: Decentralisation and local governance and its implications for a meaningful implementation of the SDGs"** |
| | *Establishing a common understanding of the current international debate (FfD, SDGs, Habitat III) and the mutual relationship between the SDGs and DLG* |
| | **The SDGS; the ends are clear but what about the means?** David Satterthwaite (IIED) |
| 10.40 – 11.00 | *Morning break* |
| | **Panel discussion** with |
| | • Silvia Heer, BMZ |
| | • Edgardo Bilsky, UCLG |
| | • Harald Schenker, SDC |
| | • Jorge Rodriguez Bilbao, EU/DEVCO |
| 12:30 - 13:30 | *Lunch* |
| 13:30 - 15:30 | *Thematic Session 1***: "Financing the SDGs at the local level"** |
| | *Discussing modalities and ways of strengthening the role of the local level for financing the SDGs, in the light of the Addis Accord on FfD* |
| | • Financing the SDGs at local level, Stephan Ohme, BMZ |
| | • Providing EU Budget Support in decentralised countries, Jorge Rodriguez Bilbao, EU/DEVCO |
| | • Sustainable financing at sub national government level, Lili Liu, World Bank |
| | • Mobilising domestic finance for implementing the SDGs at local level, Jenifer Bukokhe Wakhugu UNCDF |

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| 15:30 – 16:00 | *Afternoon break* |

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| 16:00 - 17:00 | *Thematic Session 2:* **"Measuring decentralisation and local governance, and the SDGs"** |

*Identifying opportunities and challenges for monitoring and evaluating DLG reforms and the SDGs at local level*

- The SDG review mechanism, Silvia Heer, BMZ
- Governance indicators for the SDGs, Tim Auracher, GIZ
- M&E partner systems for DLG, Sebastian Bartsch, Author, DeLoG Working Paper

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| 17:00 - 18:00 | **DeLoG Business – Part I** |

- Work plan 2014 - 2015: progress, achievements, challenges and outlook, Jochen Mattern, DeLoG Secretariat
- Introducing new DeLoG member Asian Development Bank, Claudia Buentjen, ADB
- Strategic options for networking, Harald Schenker, SDC

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| 18:00 | *Evening reception* |

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<tr><td colspan="2" align="center">Day 2: Thursday, 10<sup>th</sup> September 2015 (09:00 – 17:00 h)</td></tr>
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Day 2: Thursday, 10th September 2015 (09:00 – 17:00 h)

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| 9:00 - 9:15 | **Wrap-up day 1** |

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| 9.15 - 10:45 | **Thematic Session 3: "The role of decentralisation and local governance for the New Urban Agenda and a successful implementation of the SDGs"** |

*Discussing the role of DLG and local governments in achieving goal 11 and the new urban agenda in the context of the Habitat III process*

- The role of BMZ in the Habitat III process: contributions and expectations, Franz Marré, BMZ
- Urban governance and decentralization in the Habitat III preparatory process, Fabienne Perucca, UN Habitat
- Taking the 2030 Agenda forward: Mechanisms for sustainable cities, Carl Wright, CLGF

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| 10:45 - 11:15 | *Morning break* |

| 11:15 – 13:00 | **Thematic session 4: "Decentralisation in fragile environments: reasonable, suitable, transferable"?** |
|---|---|

*Identifying rational, opportunities and challenges for decentralisation in fragile settings*

- Decentralising fragile states? Pitfalls, opportunities, and requirements for international support, Jörn Grävingholt, GDI-DIE
- Delivery of basic social services for peace building, Marija de Wijn, UNICEF
- Decentralisation, local governance and fragile contexts: from analysis to action, Hélène Julien, MAE
- Building resilience: experiences from working in the Al Za'atri Refugee Camp Jordan, Rolf Swart, VNG

| 13:00 - 14:00 | *Lunch* |
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| 14:00 – 15:15 | **Wrap-up** Psyche Kennett, Facilitator |
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- Summary of main discussion points and key thematic areas for future DeLoG engagement
- Preparation of the 2015-2016 work plan

| 15:15 – 15:30 | "**Looking Forward**" |
|---|---|

Ms. Claudia Pragua, Head of Division 303: Governance; democracy; rule of law; freedom of speech and of the press, BMZ

| 15:30 - 16:00 | *Afternoon break* |
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| 16:00 – 17:00 | **DeLoG Business – Part II** |
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- Survey on the Secretariat's performance
- Finalization of the 2015-2016 work plan
- Next Annual Meeting: Host 2016

| 18:30 | **Evening event: Boat trip on the Rhine** |
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Day 3: Friday, 11th September 2015 (09:30 – 13:00 h)

09:30 - 10:30 **News from our members and partners**

- UNICEF's DeLoG stocktake, Marija de Wijn, UNICEF
- other …

10:30 - 12:00 **Learn4Dev Open Meeting**

- Network update

11.00 – 11.15 *Morning break*

- Learning formats
- Information sharing

12:00 - 13:00 **Closing remarks and lunch**

13:00 - 14:30 *Optional: Guided tour of the "Bundeskanzleramt" (Federal Chancellery)*