LOCALIZING financing
From 101 to 120 countries

ICG (CR)  
CNM (BR)  
ACHM (CHL)  
CLAEH (URU)  
Independent expert

UCLG-A  
SALGA  
African Centre of Cities (SA)  
4 independent experts for Western and Central Africa, Northern Africa and Madagascar

ADB  
UCLG-ASPAC  
UNDP

Center for Fiscal Policy (EURO-ASIA)
Brazil
Bolivia
Colombia
Costa Rica
Ecuador
El Salvador
Dominican Republic
Guatemala
Honduras
Jamaica
Mexico
Nicaragua
Paraguay
Peru
Uruguay
Angola
Benin
Botswana
Burundi
Cameroon
Cape Verde
Côte d'Ivoire
Eswatini
Ethiopia
Ghana
Kenya
Malawi
Mali
Mauritania
Mauritius
Morocco
Mozambique
Namibia
Niger
Nigeria
Rwanda
Tanzania
Togo
Tunisia
Senegal
Sierra Leone
South Africa
Uganda
Zimbabwe
Jordan
Lebanon
Palestinian Territories
Turkey

ASIA-PACIFIC
Australia
Bangladesh
Cambodia
China
India
Indonesia
Korea
Japan
Malaysia
Nepal
New Zealand
Pakistan
Philippines
Sri Lanka
Thailand
Viet Nam

EURO-ASIA
Armenia
Azerbaijan
Kazakhstan
Kyrgyzstan
Mongolia
Uzbekistan
Tajikistan
A new methodology and tools
• Brief description of the government system and governance relations

• Institutional and regulatory framework of local and regional governments

• Local government structure: division of powers; electoral process

• On-going administrative and territorial reforms

• Assignment of responsibilities (under 8 functions) + *de facto* power sharing

• Local and regional government expenditure: by category and by economic function

• Local and regional government revenue

• Local and regional government debt
<table>
<thead>
<tr>
<th>Country</th>
<th>SNG expenditure % on GDP</th>
<th>SNG revenue % on GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>16.4</td>
<td>16.3</td>
</tr>
<tr>
<td>Cambodia</td>
<td>1.2</td>
<td>1.0</td>
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<tr>
<td>China</td>
<td>11.7</td>
<td>21.6</td>
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<tr>
<td>India</td>
<td>17.1</td>
<td>17.1</td>
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<tr>
<td>Indonesia</td>
<td>8.1</td>
<td>14.6</td>
</tr>
<tr>
<td>Japan</td>
<td>8.1</td>
<td>15.5</td>
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<tr>
<td>Korea</td>
<td>13.8</td>
<td>15.5</td>
</tr>
<tr>
<td>Malaysia</td>
<td>2.4</td>
<td>2.5</td>
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<td>Myanmar</td>
<td>2.9</td>
<td>1.2</td>
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<tr>
<td>New Zealand</td>
<td>4.4</td>
<td>4.3</td>
</tr>
<tr>
<td>Pakistan</td>
<td>8.9</td>
<td>8.4</td>
</tr>
<tr>
<td>Philippines</td>
<td>3.1</td>
<td>3.8</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>2.3</td>
<td>2.3</td>
</tr>
<tr>
<td>Thailand</td>
<td>4.0</td>
<td>4.1</td>
</tr>
<tr>
<td>Asia Pacific average</td>
<td>7.9</td>
<td>8.6</td>
</tr>
</tbody>
</table>
Uganda

Total expenditure

Current expenditure
- Staff expenditure
- Purchase of goods and services
- Current social expenditure
- Subsidies and other transfers
- Financial charges

Capital expenditure
- Capital transfer
- Direct investment

Total expenditure
- Staff expenditure
- Social benefits
- Direct investment

17.2% of total public spending
37.3%
38.7%
4.4% of total public spending

Total revenue

Tax revenue
- Personal income tax (PIT);
- Corporate income tax (CIT);
- Value-added tax (VAT);
- Sales taxes;
- Excises taxes;
- Property taxes

Grants and subsidies
- Current grants and subsidies
- Capital grants

Tariffs and fees / user charges

Property income

Social contributions
Challenges

- Complete the update in some countries (e.g., Republic of Congo)
- Solve risk of discontinuity: Cameroon; Mauritania.
- Limited data (7 countries)
- Lack of data in 10+ countries including:
  - Bangladesh; Burkina; Chad; Côte d’Ivoire; Ghana;
  - Guinea; Madagascar; Mali; Nepal; Sierra Leone.
• Create regional networks of partners and peer-reviewers;

• Update territorial information and enhance ownership

• Support financial data collection (Ministry of Finance or National Accounts (etc.))

• Support efforts for data reliability and harmonization

• Comment on the *de facto* spending assignment and revenue allocation

• Assess existing financing mechanisms and *de facto* conditions to mobilize external resources from national government or markets.

• Financial support to continue running

Join us!
Contact us, share and contribute

Thank you for your attention

You can follow us on Twitter: @GoldUCLG

You can contact us directly at: localfinces@uclg.org and gold@uclg.org
• How is the topic of fiscal decentralisation and local revenue generation addressed within your organisation:

  • What kind of actors, partnerships and innovative financing mechanisms are relevant from the point of view of your organisation?

  • Is your organisation integrating data of the World Observatory on Subnational Government Finance and Investment in some form in programming?

How about you?
UCLG – Strategy on Local Finance

WORLD OBSERVATORY ON SUBNATIONAL GOVERNMENT FINANCE AND INVESTMENT

Since 2017 UCLG-UNCDF promotes global policy on national-subnational debt strategy, pooled financing, asset allocation strategies for institutional investors.

MALAGA COALITION

Since 2017 UCLG-UNCDF promotes global policy on national-subnational debt strategy, pooled financing, asset allocation strategies for institutional investors.

LOCALIZING THE GLOBAL AGENDAS

Fifth edition of the UCLG triennial report on local democracy and decentralization. This edition is to be launch at the UCLG World Congress in November 2019.

INTERNATIONAL MUNICIPAL INVESTMENT FUND

Since 2018, this joint initiative (UCLG-UNCDF) in collaboration with FMDV, aims to financially support revenue generating projects/programs in 10 pilot cities in the Global South and provide additional assistance to build up creditworthiness of the cities.

LOCAL AND REGIONAL GOVERNMENT REPORTS TO THE HLPF

Since 2017 the GTF, has provided a bottom-up assessment of local and regional government engagement in the Localization of the SDGs, particularly the evolution of the institutional framework, alignment of plans and budgets and the available means of implementation.

ECOSOC FFD

Since 2016 UCLG, on behalf of the GTF, has contributed to the financing for development fora, reports and high-level panels