Urban and Territorial Governance

DeLoG 15th Annual Meeting, July 7 – 16, 2020 (online)
Input 1: LED for Covid-19 Recovery
Lucy Slack (CLGF)
THE COMMONWEALTH LOCAL GOVERNMENT FORUM

LED for the Covid-19 recovery

Lucy Slack
Context

Local Economic Development is a Process not a Programme

CLGF works with its members and partners at local and central level to integrate LED into all facets of local government (Infrastructure; Service Delivery; Procurement…). LED can be a powerful entry point for delivering the SDGs. It can support local government to look holistically at its mandate and responsibilities, moving from understanding its roll as a regulator and enforcer to an development actor. Local government is a local convener bringing together all local actors to support a vibrant, diverse & resilient local economy which delivers opportunities and livelihoods for citizens.

Challenges:

- LED is often not clearly mandated to local government
- Holistic integration of LED involves breaking silos and integrating teams
- Covid-19 impact on municipal budgets and service demand
Local governments need:

- **clear mandates** assigned through constitutional; legal; policy; and regulatory frameworks

- policies should provide **clear vision and strategic direction** in line with the national and global development agendas

- enabling **tools** such as guidelines, simplified versions of constitutional provisions, legislation and regulations, tools/toolboxes, templates, information sessions,

- **fiscal decentralisation** - where functions and responsibilities are followed by adequate funding for local government to play a developmental role.

- **administrative capacity** - local governments need to be adequately resourced with capable, knowledgeable and skilled officials to effectively play a role in development

- **effective performance management** systems
The Covid-19 pandemic has disrupted global value chains and business models, impacting lives and livelihoods. It has forced a focus on the local level and the need to increase resilience and diversity at the local level.

Local economic development has the potential to support this process however national government and international organisations must provide the supporting framework.

**COGTA’S COVID response plan**

The plan focusses on a set of interventions that can harness the current crisis as an opportunity for change and transformation of urban and rural economies. It consists of the eight (8) following pillars:

- Designing and implementing social-economic reforms;
- Building a labour-intensive economy;
- Introducing developmental infrastructure financing;
- Continued support of a developmental agenda for local government;
- Developing competitive economies that benefit local economies,
- SMME and cooperatives support;
- Ensuring productive agrarian reform that is inclusive and builds cohesive communities through mining;
- and Minimising the effects of COVID19 on the local construction industry
The Covid 19 pandemic has demonstrated how much more scope there was to delivery on-line and through innovative processes. Local government has the potential to support and incubate local solutions.

- Providing the **enabling environment** for Business (eg, reducing red tape; increasing information through online access)
- **Listening** and responding to the needs of business (eg LED Forums)
- Using **internal processes** to support local business (eg. procurement)
- **Supporting** existing & new markets (eg. Incubation centres; Skills support, transition to on-line markets)
- Understanding their **local resources** (eg. value chain analysis; circular economy; the informal economy)
Local government must be bold in facing the social and economic impacts of the Covid-19 pandemic, but it must also have the support to act.

Building consensus to support **LED** and **decentralisation** and responsive proactive local government will involve all partners: local government, national government, international actors and donors and the business community.

Building an evidence base of good proactive will be key:

- **Regional Dialogues on LED and Trade** – August 2020
- **5th World Local Economic Development Forum** – October 2020
- **Commonwealth Heads of Government Meeting** (CHOGM) – June 2021
Input 2: POST COVID-19 SOCIAL AND ECONOMIC RECOVERY MEASURES OF LOCAL GOVERNMENTS IN SOUTH-EAST EUROPE
Elton Stafa (NALAS)
POST COVID-19 SOCIAL AND ECONOMIC RECOVERY MEASURES OF LOCAL GOVERNMENTS IN SOUTH-EAST EUROPE

preliminary results

Elton Stafa
A strong impact at the local level

- Low: 13%
- Medium: 40%
- Strong: 39%
- Very strong: 8%
Challenges expected to persist…

Current challenges

- Education: 25% High, 35% Moderate, 26% Low
- Mobility: 31% High, 38% Moderate, 25% Low
- Local Economy: 33% High, 48% Moderate, 25% Low
- Social Care: 36% High, 41% Moderate, 25% Low
- Healthcare: 57% High, 26% Moderate, 17% Low

Expected challenges

- Mobility: 21% High, 39% Moderate, 36% Low
- Local Economy: 25% High, 54% Moderate, 25% Low
- Education: 25% High, 38% Moderate, 35% Low
- Social Care: 36% High, 40% Moderate, 35% Low
- Healthcare: 46% High, 36% Moderate, 18% Low
Local finance will continue to be under extraordinary pressures ...

### Revenue Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>High</th>
<th>Moderate</th>
<th>Low</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities</td>
<td>26.04%</td>
<td>34.38%</td>
<td>20.83%</td>
<td></td>
</tr>
<tr>
<td>General Transfers</td>
<td>29.47%</td>
<td>33.68%</td>
<td>21.05%</td>
<td></td>
</tr>
<tr>
<td>Fees &amp; Charges</td>
<td>32.41%</td>
<td>48.15%</td>
<td>14.81%</td>
<td></td>
</tr>
<tr>
<td>Earmarked Grants</td>
<td>33.33%</td>
<td>29.29%</td>
<td>24.24%</td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>39.62%</td>
<td>44.34%</td>
<td>14.15%</td>
<td></td>
</tr>
<tr>
<td>Asset Rental</td>
<td>40.57%</td>
<td>30.19%</td>
<td>24.53%</td>
<td></td>
</tr>
</tbody>
</table>

### Local Budgets

<table>
<thead>
<tr>
<th>Category</th>
<th>Large decrease</th>
<th>Moderate decrease</th>
<th>Small decrease</th>
<th>No impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash benefits</td>
<td>13%</td>
<td>28%</td>
<td>26%</td>
<td>22%</td>
</tr>
<tr>
<td>Salaries</td>
<td>24%</td>
<td>37%</td>
<td>20%</td>
<td>4%</td>
</tr>
<tr>
<td>Operations</td>
<td>25%</td>
<td>47%</td>
<td>17%</td>
<td>7%</td>
</tr>
<tr>
<td>Ongoing Investment</td>
<td>32%</td>
<td>28%</td>
<td>19%</td>
<td>9%</td>
</tr>
<tr>
<td>Subsidies</td>
<td>36%</td>
<td>30%</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>New Investments</td>
<td>50%</td>
<td>26%</td>
<td>13%</td>
<td>7%</td>
</tr>
</tbody>
</table>
What local authorities can do on their own?

- Fiscal relief measures
- Spending Reviews and Revenue Mobilisation
- Support local economy & vulnerable groups
- Awareness raising
- Monitoring and coordination
- Citizens and private sector engagement
What local authorities expect from the national government?

- Financial support
- Targeted recovery policies and measures
- Enhanced decentralisation (functional, fiscal)
- Improved coordination across levels of government
- Greater support for digitalisation
- Capacity Development
Key lessons learned

- LGs are at the forefront
- Actively engaged on their own
- But need support
- Coordination and cooperation between levels of government is key!
Thank you!
Input 3: Rating the National Enabling Environment (CEE) for Local Governments in Africa: Status Quo and Outlook

Dr. René Peter Hohmann (Cities Alliance)
François Yatta (UCLG Africa)
Rating the National Enabling Environment (CEE) for Local Governments in Africa: Status Quo and Outlook

François Yatta, Director of Programmes, UCLG Africa
Dr. Rene Peter Hohmann, Acting Head of Programmes, Cities Alliance

July 2020
What is the City Enabling Environment (CEE) Rating?

• An initiative launched in 2012, which undertakes an assessment of the national institutional enabling environment for local governments in Africa to play an effective role in managing urbanisation.

• It allows us to identify and monitor the gaps in policy and institutional frameworks that are impacting local governments, particularly in implementation of the SDGs.

• The rating analysis helps countries to draw lessons from each other and stimulates dialogue between ministers, mayors and development partners on the state of decentralisation.

1. Constitutional Framework
2. Legislative Framework
3. Local Democracy
4. Financial Transfers from the CG to the LG
5. Own Revenues
6. Capacity Building of LG Administrations
7. Transparency
8. Citizen Participation
9. Local Government Performance
10. Urban Strategy
11. Gender Equality
12. Climate Change

Scoring system

Each country receives a rating out of 5 for each criterion and a total score.

- **Green**: Score of 36+
  - Most favourable environments
- **Yellow**: Score of 30 - 35
  - Somewhat favourable environment
- **Orange**: Score of 24 - 29
  - Major reform required
- **Red**: Score of <24
  - Environment is unfavourable
Findings and emerging trends from the 2018 Report

- 4 countries most favourable
- 12 countries somewhat favourable
- 21 countries require major reform
- 13 countries unfavourable

Overall the enabling environments have improved. 35 countries increased their score between 2012 – 2018. The average score increased by 18%.

However, most African countries (68%) still have an unfavourable or somewhat unfavourable environment.
Findings and emerging trends

The dynamic of the country groups in 2012, 2015 and 2018:

There is a decrease in the number of countries whose institutional environment is unfavourable or somewhat unfavourable.

However, there is a stagnation of countries with a favourable environment.
Regional trajectories

Although the average overall rating went up 18%, there are wide variations between countries and regions.

<table>
<thead>
<tr>
<th>Region</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern Africa</td>
<td>14.07%</td>
</tr>
<tr>
<td>East Africa</td>
<td>44.76%</td>
</tr>
<tr>
<td>Africa</td>
<td>18.31%</td>
</tr>
<tr>
<td>West Africa</td>
<td>22.34%</td>
</tr>
<tr>
<td>North Africa</td>
<td>6.72%</td>
</tr>
<tr>
<td>Central Africa</td>
<td>2.98%</td>
</tr>
</tbody>
</table>
Which indicators contributed most to the improvement of the institutional environment in Africa?

It is concerning that urban strategy has been one of the slowest to improve, three years after the adoption of the NUA.

The strong improvement of financial transfers is reassuring in terms of the political will for decentralisation.
Outlook: Plans for the 2021 edition

- Will be launched at the Africities Summit in November 2021 in Kisumu, Kenya

- We continue to refine the methodology and the criteria used to ensure they are robust and adequately reflect the enabling environments.

- We are identifying new partners, sources of information and strengthening the peer review process.

Concept Note Report
Thank you for your attention

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www.uclga.org | www.citiesalliance.org
News from Members and Partners
EIGHT YEARS TO BUILD AN URBAN FUTURE: INNOVATING, IMPLEMENTING AND EXHIBITING URBAN “NEXT PRACTICE” WITH THE IBA APPROACH

GIZ PROJECT INTERNATIONAL BUILDING EXHIBITION AFRICA

DELOG ANNUAL MEETING 2020 | 15.07.2020
PROJECT FACTS


CAPE TOWN, ADDIS ABEBA + +

GOVERNANCE OF URBANIZATION, URBAN DEVELOPMENT

IBA AFRICA GUIDE + 2 IBA SKETCHES

INTERNALLY FINANCED STRATEGIC MEASURE

ADDIS ABEBA URBAN AGE TASK FORCE (ALFRED-HERRHAUSEN-GESELLSCHAFT, LSE CITIES), AFRICAN CENTER FOR CITIES, IBA COUNCIL

AFRICAN AND GERMAN CITY OFFICIALS, IBA COUNCIL OF EXPERTS, IBA AGENCIES, DGNB, BMI AND OTHERS
THE IBA APPROACH

LIMITED TIMESPAN

FOCUSED THEME

PROJECT-BASED

INTERNATIONAL

“NEXT” PRACTICE EXCELLENCY

IBA-AGENCY AS PACESETTER

COMMUNICATION

CELEBRATION

MULTI-STAKEHOLDER
PERSPECTIVES

CAPE TOWN
TWO RIVERS URBAN PARK
SPATIAL TRANSFORMATION
„FROM BORDERS TO BRIDGES“

ADDIS ABEBA
HOUSING AND URBAN INTENSIFICATION
ACCESSIBILITY AND STREETS
GREEN AND BLUE INFRASTRUCTURE
FURTHER INFORMATION

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Addis Abeba
Urban Age Task Force
URBAN AGE
Project Fact Sheet on request

Project Fact Sheet: International Building Exhibition Africa

The challenge and opportunity
Khartoum, as Africa is developing on, beholds an unprecedented speed and scale. By 2050, five cities will reach a population of over 500,000 residents each. Khartoum is predicted to be one of these five cities. The event seeks to identify, analyse, and position the conceptual urban development approach, "IBA," as a Blue Print for other similar urban areas. The exhibition is divided into three sections:
- "Khartoum: One City, One World"
- "Khartoum: Future City"
- "Khartoum: International Building Exhibition (IBA)"

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THANK YOU FOR YOUR ATTENTION!

See you tomorrow for:

Decentralisation and Local Governance in Fragile Contexts