Council conclusions on local authorities in development

FOREIGN AFFAIRS Council meeting
Brussels, 22 July 2013

The Council adopted the following conclusions:

1. "Decentralisation processes and effective local governance contribute significantly to deepening democracy and citizen’s empowerment. Local authorities and their associations are important actors for change in reducing poverty and in promoting human rights and democracy, good governance and sustainable development at local levels in partner countries. Alongside central governments and in partnership with civil society organisations, local authorities at different levels play an important role in the provision of basic services, supporting inclusive growth, and increased social cohesion.

2. Working through local authorities and supporting decentralisation processes of power, decision making and resources improves opportunities to increase participation of citizens in decision making, strengthens democratic ownership, drives domestic reforms and helps bring about sustainable development and pro-poor results. Local authorities are key to the enhancement of public sector accountability to citizens, as well as promoting justice and core principles of equality including the rights of women and girls, ensuring transparency, and broad-based participation in the public sphere, building resilience and reaching out to all citizens, including vulnerable groups.
3. The Council recalls that, in line with the fundamental principle of subsidiarity, the EU has in its
development policy \(^1\) recognised the crucial role of local authorities \(^2\) and associations of local
authorities. \(^3\) It also recalls the importance of commitments to improving development
effectiveness and of the Busan Declaration to broaden development partnerships. It also notes
that the EU and its Members States together have considerable experience of working with
local authorities in many countries.

4. In this context, the Council welcomes the Commission's Communication on “Empowering
local authorities in partner countries for enhanced governance and more effective development
outcomes,” \(^4\) which proposes a more strategic engagement with accountable, representative
local authorities and associations of local authorities in partner countries and is based on the
results of the Structured Dialogue on the involvement of Civil Society Organisations and Local
Authorities in EU development cooperation and the work of the Policy Forum on
Development.

5. The Council also welcomes the proposed work at sub-national, national, regional and
international level with associations of local authorities which can act as important channels for
the views and opinions of their members on local and national political and socio-economic
issues.

6. The Council supports the proposals for a stronger engagement with partner governments and
local authorities to create a more conducive legal and policy environment in support of
decentralisation processes, in order to further EU development priorities. Where there is a
political will to initiate decentralisation, the EU should work to promote enhanced political,
administrative and fiscal decentralisation and ensure that its current support takes into account
decentralisation processes and contexts.

7. The Council emphasises that the EU, based on thorough context analyses, should in particular
invest in capacity-reinforcement activities to ensure that local authorities and their associations
can implement their institutional and operational responsibilities with a special focus on
building transparency and accountability at the local level. This is key to addressing potential
political and institutional risks, in order to support local leadership in tackling corruption,
strengthening institutions, and guarding against financial mismanagement.

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\(^1\) Doc. 14015/08 and doc.15293/08: Commission Communication (and annexed European
Charter on development cooperation in support of Local Governance) and Council Conclusions
on Local Authorities: Actors of Development; The European Consensus on Development (OJ 2006/C 46/01); doc. 15560/11 and doc. 9369/12: Commission Communication and Council
Conclusions on Increasing the Impact of the Development Policy: an Agenda for Change.

\(^2\) The EU considers local authorities as public institutions with legal personality, component of
the State structure, below the level of central government and accountable to citizens,
ensuring different tiers of government, e.g. villages, municipalities, districts, countries,
provinces, regions, etc. Local authorities are usually composed of a deliberative or policy-
making body (council or assembly) and an executive body (the Mayor or other executive
officer), directly or indirectly elected or selected at local level.

\(^3\) The term "associations of local authorities" is to be understood as umbrella organisations based
on membership and representativeness at sub-national, national, sub-continental, continental
and international level.

8. The Council recognises the added value of local authorities in the territorial approach to
development, which can reinforce local political processes and coherent local development
planning and enhance democratic ownership of development at local level including through
local elections, through the definition of multi-sector policies, the establishment of strategic
multi-actor partnerships, the use and management of local natural resources and the
mobilisation of other local private and community based assets.

9. In the context of growing urbanisation, the EU supports the role local authorities can play in
addressing challenges related to rural-urban population movements, the need for basic services
and facilities for citizens living in informal settlements, improved land management, risk
assessment and mitigation and in ensuring coherence between urban and rural development
policies.

10. The Council recognises that support for decentralised and cross-border cooperation between
European local authorities and their counterparts in partner countries adds value through peer-
to-peer knowledge sharing, by the development of coherent national policy on issues of
mutually concern such as migration and enhancing local actors’ participation in political and
developmental processes. Local Authorities and their associations can also be relevant actors in
promoting Development Education and Awareness Raising (DEAR) among European citizens.
This support needs to be based on a clear and sound partnership and have at its core the key
commitments of aid effectiveness that underpin good development programmes including on
avoiding fragmentation.

11. The Council encourages the Commission to explore new and innovative funding modalities in
support of local authorities and their associations that are in line with internationally agreed
development effectiveness principles and commitments.

12. The Council also encourages the Commission to monitor and ensure coherence with the
implementation of its existing modalities such as budget support and sector budget support and
that funds are properly transferred through government treasuries to local authorities, for their
specific competences and service provision, in order to drive the local political process and
deliver results that better target citizens' needs.

13. In fragile, conflict, and crisis-prone situations, EU dialogue with and support to local
authorities is particularly important as part of wider public sector reforms and state-building
processes, including to safeguard the needs of vulnerable communities, and to guide the
transition from emergency response to sustainable development. The Council recognises that in
situations where national funding mechanisms are not feasible or desirable, support to and
partnerships with actors such as local authorities may present opportunities to continue service
delivery, while at the same time maintaining consistency with official EU policy positions.

14. In view of this, the Council, calls on the EU and its Member States, as appropriate in
cooperation with the Committee of Regions, in their work in partner countries to take into
account the voice and experience of local authorities and – in line with national constitutional
arrangements - to support their representation in policy discussions at national and international
level, including in the development of the post-2015 agenda and in the preparation of
HABITAT III.5

5 The Third United Nations Conference on Housing and Sustainable Urban Development
(Habitat III) in 2016.
15. In addition, the Council encourages the Commission to develop an action plan around these key areas and to draw upon the wide experience of EU Member States in working with local authorities including in the context of programming. EU delegations, in close cooperation with Member States, should engage on the ground with local authorities in structured and regular dialogue.

16. The Council invites the Commission to provide, in cooperation with the EEAS, regular updates and to report back to the Council on progress made, including on the development of an action plan."