

Regions and Development The role of Regions in a new global framework

29th May 2009 – Marseille

REPORT

Opening speech by Mr Vauzelle, M.P., President of the Provence-Alpes-Côte d'Azur Regional Council, and Mr Martini, President of the CPMR, President of Tuscany Regional Council

Mr Vauzelle welcomed delegates to the seminar, the 2nd run by the Platform, and reminded them that the importance of Regions and their contribution to development has only recently been acknowledged, even though they have been proactive for some considerable time. Now, the necessary efforts must be made to strengthen this recognition since it is necessary for the implementation of MDOs¹. He also indicated that, regrettably, the overall volume of PDAs² is lower than private transfers of migrants and direct foreign investments. He insisted on the fact that the involvement of RLAs³, although relatively small in terms of resources, is significant because other development is possible. He added that, of course, RLAs cannot act effectively in the long term if they act singly. We require a new structure for public decision-making, including multi-level cooperation and the creation of new tools to introduce project operationality.

Mr Martini was delighted to see that the meeting was being held in Marseille, within the Mediterranean area which is outstanding as far as cooperation is concerned. He repeated the reasons for the setting up of the Platform at the end of 2008 and reiterated the need for RLAs to discuss and compare their practices. They had to organise themselves cooperatively if they were to have weight on a European and global level. He stated that, over the past twenty years in Europe, partnership has been built up on the basis of regional policy and on the connection between the necessary inter-territorial cohesion and the link with the development and growth of the European Union. "We have advanced from a financial backer/funding receiver relationship to a partnership that is, unfortunately, still not totally equal but which is nevertheless the only way forward. Together, we have to build this same partnership based on development." He took another look at the threats to development at the present time i.e. a decrease in budgets and a lack of efficiency, and he insisted on the role of RLAs in responding to these challenges. Like Mr Vauzelle, he insisted on the need for joint work by all the parties involved if we are to be truly effective. He concluded by thanking all the delegates from Senegal, Morocco and Zimbabwe for joining the Platform for this meeting and stated that, from now on, we had to talk about partnerships for development rather than aid.

¹ MDO: Millennium Development Objectives

² PDA: Public Development Aid

³ RLA: Regional and Local Authorities

Session 1: Discussion of experiences and good practices: A territorial approach

After an introduction by Mr **Jeremy Smith**, Secretary General of the CCRE, who described the first steps taken by the Platform and clarified the objectives of the morning's work, the floor was taken by the first speakers.

Examples of Regions which coordinate and/or facilitate the exchange of information and the actions taken by players in their territories with partners from the South, Mr **Desmond Clifford**, Head of Office in Brussels – Welsh Assembly Government and Mr **Alberto Morillas Fernández**, Coordinador General de Acción Exterior, Junta de Andalucía

Mr Clifford began by emphasising that the British legal system does not allow the Welsh Assembly to take formal action in the field of development. However, there is strong demand on the part of the Welsh people who want Wales to contribute to the implementation of MDOs. The Assembly therefore has to respond, despite a limited budget of approximately 1 million Euros p.a. in this area. The upside of this limited budget is that it forces the Region to be creative. Wales is not formally a donor but it stimulates actions undertaken by its communities by giving them consistency and support through the sending out of volunteers and, also, through the promotion of fair trade within all Welsh public authorities. Mr Clifford then said that the European Union should strengthen the finances granted to RLAs that played an active role in development, introduce a consistent, inclusive political framework and provide a strategic link between development and climate change.

Mr Morillas Fernández described the Andalusian experience, emphasising from the outset that their work had been made easier, compared to Wales, by a national and regional legal framework which permitted and supported the action of regional authorities in favour of development. He stated that the framework was necessary because there was often a lack of efficiency in the provision of aid as a result of a lack of coordination. He listed and detailed the various laws applied to the actions of Regional Authorities in Spain and described the Andalusian plan to support development. He also described a cross-border project being run jointly by the Andalusian government and Morocco. Finally, he said that the Region currently devotes 0.5% of its budget to support for development and that it hoped to increase this to 0.7% shortly. He concluded by indicating that this was a priority for Andalusia. It had been forced to cut some of its spending in these difficult economic times but did not want to reduce its development budget.

Example of a country-based approach: European Regions are working with a country in the South and are trying to get partners together to go there, be more efficient and be more successful in actions within the territory: Mr **Massimo Toschi**, Regional Minister responsible for International Cooperation, Pardon and Reconciliation in the Tuscany Region and Mrs **Patricia Cereiyo**, Regional Councillor responsible for International Cooperation in Pays de la Loire.

Mr Toschi considered that we had to seek a totally new approach. The basic question, he said, was not development but reconciliation. We need international cooperation of a kind that can reconcile differing points of view. This is fundamentally a political issue, rather than an economic matter. The Regions are still too often to be found sitting on the sidelines, as is the case in the Middle East, whereas they should be proactive. He mentioned a second important issue, immigration, a question on which the Regions must work together if their speeches and declarations are not to remain empty rhetoric. Of course, he continued, this is a commitment on the part of all LRAs, towns and regions.

Mrs Cereiyo described the specific case of a French Region, Pays de la Loire, which has established a partnership with a country that is emerging from crisis, Burundi. It is an unusual form of "Region/State" cooperation and the subjects covered are equally unusual. One of the priorities selected was sport, seen as a vector for national reconciliation in a country in which more than 60% of the population is under 18 years of age. The issue is Youth. Mrs Cereiyo insisted on the need for RLAs to take account of the advantages of their own territory if they want to be effective in the actions they take elsewhere. She gave the number of partners involved on a regional level (more than thirty towns) and indicated that the Region had opened an office in Bujumbura. This office facilitates the work and

relationships with the international institutions present in the country. With regard to funding, she quoted a figure of 500,000€ for 2009. She reminded the meeting that each euro contributed by the Regional Council generated 3 euros on the part of the partners. The prospects for the Region are microcredits from the fishing industry and involvement from more local authorities. She concluded by indicating that the Regions should invest in the international context, despite the current crisis.

Continuation of the session: The efficacy of aid

Presentation, by the CPMR's Intermediterranean Commission, of the territorial approach being promoted to improve the efficacy of aid (Paris Declaration in the Mediterranean Area), Mr Jean-Claude Touret, Director, Mediterranean Institute

Mr Touret began by reminding the seminar that globalisation brings with it economic, social and territorial inequalities. It now appears to be necessary to consider territory as a dimension that gives structure to current changes and as a relevant scale on which to put forward solutions that will help to meet the challenges posed by globalisation. He also referred to the renewed importance of endogenous growth, the relationship-based nature of modern economies, the limitations of purely macro-economic and sectoral policies, and the increasingly proactive roles being played by these territories in development policies. He continued by describing the sectoral and territorial challenges within the Mediterranean Basin and the emergence of the Regions as players in regard to these issues. He then presented the various initiatives set up in a consistent manner by the regional authorities and their partners (in particular, research institutes) to take another look at systems of governance as they relate to major Mediterranean issues, including the regional level, and to propose coordinated tools for North/South cooperation.

From innovative regional governance to effective institutional construction: pilot schemes in the Western Balkans, Mr Marco Marinuzzi, Project Manager, Friuli-Venezia-Giulia

Mr Marinuzzi described a decentralised cooperation programme for which 75% of the cost is being covered by the Italian Government and 25% by the Friuli-Venezia-Giulia (FVG) Region. The programme covered two territories in Eastern Slavonia and Croatia and was implemented between 2002 and 2005. For the first time in Italy, the Ministry of Foreign Affairs entrusted its management to a Region. After carrying out a SWOT⁴ analysis, four priorities were established, mainly to strengthen the capacities and promotion of SMEs. The programme also provided an opportunity to strengthen border ties between Croatia and Serbia. The dynamic created by the multisectoral programme led to the continuation and launch of new actions after 2005 with new, mainly European, funding (pre-membership funds, cross-border Interreg programme etc.). Now, the programmes tend to focus more on economic partnerships that benefit the FVG Region as much as the Croatian partners. This is a prime example of how State, local and regional authorities can work together effectively to develop a territory, while involving the economic sector.

Regions and climate change: a move towards North/South territorial partnerships within a multilateral framework, Mr Christian Guyonvarc'h, Vice-President of Brittany Regional Council (F) and Co-President of the Network of Regional Governments for Sustainable Development (nrg4SD)

Mr Guyonvarc'h began by taking another look at various alarming aspects of global warming and the fact that the people least responsible for the situation, i.e. the populations of developing countries, are already the people most seriously affected. Yet this is only the beginning for them. He reminded the meeting that greenhouse gas emissions from industrialised countries are increasing despite the commitments made in Kyoto (+ 11% whereas the commitment scheduled a fall of 5.2%) and that, at the same time, we are now asking developing countries to reduce their emissions by 15 to 30%. He then turned his attention to last December's Copenhagen Conference, seen as a last chance of changing the situation in a positive manner. He described the actions undertaken by nrg4SD to

⁴ SWOT : Strengths - Weaknesses - Opportunities - Threats

introduce the territorial dimension into the discussions at the conference. This seems essential given the fact that 80% of the actions taken to reduce greenhouse gas emissions and almost 100% of the actions taken to adapt to the consequences of climate change are being taken on an infra-State level. Mr Guyonvarc'h went to to discuss the programme launched by the UNDP and UNEP in October 2008. The programme, signed by 8 international regional associations including the CPMR and nrg4SD, is entitled "Towards territories with lower GGEs and greater resistance to climate change". It is intended to help fifty Regions in emerging or developing countries to build an Integrated Territorial Climate Plan based on institutional and technical partnerships with Regions in industrialised countries. Before concluding, he described a number of other initiatives in this field that have been promoted or led jointly with the European Union and Regions.

Involving the regional and local authorities in the process of European cooperation, Mr Denis Pourchet, DG Aidco, European Commission

Mr Pourchet began by looking at the way in which the European Commission involved the LRAs in development policies via the post-2005 EDF⁵, the URB-AL regional aid programme and the NSA-LA⁶ programme. This role was further strengthened by the increase in decentralisations and the strengthening of certain sectors such as territorial development, climate change, sewage etc. LRAs are seen by the EU as essential players in development. In this respect, Mr Pourchet underlined the document published by the European Commission in 2008 on local authorities as players in development. He specified that the Commission now wishes to see LRA-related calls for projects separate from those for Non-State Actors, to take greater account of their specificity. He then described the forthcoming LRA-related activities at European level i.e. the Assises of decentralised cooperation organised by the Committee of the Regions at the beginning of December, which is expected to attract one hundred delegates from the North and fifty participants from the South, the creation of an atlas of decentralised cooperation to provide an overview of the actions undertaken by LRAs, the creation of an electronic project exchange and, finally, the current consideration being given to the creation of a funding pool managed by the European Commission which LRAs could use in order to mount joint operations. In conclusion, he stated that, for the European Commission, LRAs were considered as one of the appropriate levels for decision-taking, especially because of their closeness to citizens.

Discussion: **Mr Rimez** from the Europe-Latin America Observatory for Decentralised Cooperation offered to make available all the information gathered by the observatory over the last five years. This includes a possible example of an atlas and information on the efficacy of aid and a system of exchanges. Mr Pourchet indicated that a call for projects on Objectives 1 and 3 of the NSA-LA programme was due to be published before the summer or in September. Mrs Hadman from the European Interregional Brittany - Pays de la Loire - Poitou-Charente Area wanted more details about the funding pool. Other speakers insisted on the need to know the total financial amounts of aid provided by the LRAs. The representative of CUF⁷ stated that there was a need to widen the involvement of LRAs in cooperative projects outside the EU in general rather than focussing solely on programmes such as NSA-LAs, however useful they might be Mr Pourchet answered that the DG Development and DG Aidco are working together to integrate the LRAs more fully in the EU's foreign policies. He also specified that a final decision had not yet been taken but that the European Commission was considering ways of changing development funding, including the EDF.

Mr Smith indicated that the platform will send its opinion to the European Commission on the proposed instruments and strategies.

⁵ EDF: European Development Fund

⁶ ANE-AL: Non-State Actors - Local Authorities

⁷ CUF: Cités Unies France (United Towns & Cities, France)

Session 2: Methodological needs – Tools to assist in a territorial approach and greater efficacy for aid

Part 1: The inclusion of the Regions and Cities in new aid mechanisms

Mr Gizard presented the schedule for the afternoon and highlighted the objective of the round table i.e. to propose practices, tools and methodologies to promote effective, cooperative “territorial” action for Regions and Cities, an action that integrates into multilateral mechanisms. He emphasised that, to achieve this, there had to be better understanding of LRA involvement (amounts, distribution, geography, subject areas) and that the integration of such actions has to be understood and improved at local level (with other territorial authorities) as well as nationally, at European level and globally. This was the framework within which the various speakers had been asked to present papers, to take account of LRAs, the national, European and global levels and certain financial backers.

Mr Gizard began by handing over to three representatives from Cities and Regions who described their views on the subject. Mrs **Cauchy** described the Lower Normandy Region (Basse Normandie, France) which had immediately implemented a territorial approach to its development actions. Networking, partnerships and discussion are essential steps towards effective actions for a “small” Region that could not carry enough weight on its own in this respect. Mr **Cortadelles** from the *Generalitat de Catalunya* (Spain) described his Region and insisted on the need to implement multilateral cooperative development strategies that recognised the infra-State level rather than just the national dimension. He reminded the meeting that LRAs should not be seen solely as sources of funding but should also be included in the decision-taking processes. Mr **Welles** from the *Local Governments Association* (GB) said that British LRAs have been proactive in the area of development for a very long time, especially with Commonwealth countries, despite the very significant centralisation of this sector in Great Britain. He described a project led by a British city with an urban partner in South Africa and the effect of the project nationally, with the South African Ministry of Labour taking it as a basis for a national reform.

From these examples, Mr Gizard retained, as the most salient point, the fact that legal room for manoeuvre varied greatly as regards LRA actions for development but was never a total barrier to action. He asked the representative of the French Ministry of Foreign Affairs, Mr **Joly**, and Mr **Chedanne** from AFD⁸, to respond to these speakers by describing their actions at the present time and their proposals for better integration of LRAs in multilateral approaches to development projects.

Mr Chedanne began by presenting the AFD, one of the few bilateral development banks in existence today. Its business ranges from grants to loans which may or may not be subject to specific conditions. It works mainly in Africa, Latin America and Asia but also holds a mandate for French overseas territories. It already works with LRAs, mainly in the area of decentralisation. It is very active in local and urban sectors and has strong potential as a driving force for change. The AFD now believes that it should anchor its actions more strongly in territories and find relays there. It wishes to mobilise local players and organise strategic discussions with LRAs, which it sees as partners rather than just as potential financial backers. It is also beginning to establish contacts with its European colleagues in this respect.

Mr Joly indicated that the first tool required when considering working with others is the legal framework. It is important to establish a structure for dialogue between States and LRAs on the subject of development. He added that there is room for everybody in the necessary forthcoming discussions, especially the Committee of the Regions and associations of national and European authorities. However, he believes that the European Commission “still has some way to go to really get to grips with the role of LRAs”. He then took another look at the links in France between national authorities and the LRAs through the delegation of external action within territorial authorities. He said that, in order to improve the situation, this State/Authority dialogue should be integrated into

⁸ AFD: *Agence Française de Développement* (French Development Agency)

sectoral domains, on a practical level. He continued by indicating that the Ministry awards grants within the framework of calls for projects focussing on LRA specificities. He said that a region is a relevant entity on which to build shared cooperation strategies and that LRAs must publicise what they are doing if they want to maximise their joint actions. He concluded by specifying that development will occur in territories and that the relevant partnerships should be set up because the sector-based approach has its limits. He added that, of course, demands from Southern States should always be borne in mind and taken into account as priorities

Mr Gizard then called on the representatives of the European Commission's Directorate General – Development, **Mrs Villemagne-Cros**, and **Mrs Molinier** from the United Nations Development Programme (UNDP). What are their positions given the increased power of LRAs in development? How are these European and global agencies integrating these new factors?

Mrs Villemagne-Cros described the various tools being prepared within the European Commission with a view to improving understanding of LRA actions in favour of development i.e. an atlas of decentralised cooperation to provide a clearer overview of current cooperative projects, the organisation of discussions on decentralised cooperation to strengthen dialogue between European institutions and LRAs in North and South and a system of exchanges to cross-check supply and demand in the field of cooperation. The European Commission is aware of the difficulties and limitations of such a tool (discussions) but it should also provide a means of strengthening North/North/South cooperation.

Mrs Molinier began by returning to the UNDP's mandate with the United Nations, reminding delegates of the difficulties inherent to the setting up of DMOs. To date, most of the progress has been made in emerging countries such as China and India. This situation caused the UN system to modify its governance and complement partnerships with sovereign States through partnerships and dialogue with LRAs, civil society and businesses. There is a need for a new form of multilateralism, based on multi-players. This observation raises a number of issues of concern, strengthened as it is by the current crisis in areas such as climate, food and energy supply. Today, if a States requests it, the UNDP can suggest a framework that enables all the players in the development sector to work together in the same territory. The organisation promotes a territorial approach to development. **Mrs Molinier** then described a number of initiatives of this sort implemented with regard to new technologies and climate change (an initiative presented by **Mr Guyonvarc'h** in the morning session). She emphasised the need to take account of LRAs in the Copenhagen discussions on the post-Kyoto period and reminded delegates that the UNDP was involved in this. She concluded by repeating the need to strengthen abilities within developing countries. This should enable players on site in the territories to establish their own diagnosis of requirements and the tools to meet them. Partners in the North, including LRAs, must listen and understand these needs and respond to them to avoid dispersion and the risk of a lack of efficacy.

Discussion: The European Commission was asked about the dates (deemed too close to each other) of the Development Days in Stockholm (22-24 October) and the Cooperation Meeting (early December), underlining the difficulty of mobilising partners from Southern countries in such conditions. **Anne Hermier** recalled the need to decentralise some of the budgetary aid to more accurately meet the needs of populations.

Part 2: Cooperative organisation of regional/local authorities working together: common actions for greater impact

Mr Gizard then introduced the second part of the session, focussing on actions taken by networks of towns and Regions in North and South, actions designed to increase awareness of LRAs and integrate them into the decision-making processes for development policies.

The first speaker, **Mr Coumba Ndoffène Bouna Diouf**, President of the Fatick Region (Senegal), wanted to see consideration of forms of worthwhile cooperation that would give local, especially

Regional, authorities a stronger voice at a national, sub-regional and global level. He began by describing decentralisation in Senegal, with its advances and its limitations. He also described the setting up of an association of Presidents of Regions in 1997 (which has since become the Association of Regions of Senegal) to increase their visibility and their role at national level. The association is now working with the Association of French Regions. He then described the initiative launched by African Regions within WAEMU⁹ to create a Platform of the Regions in the WAEMU area to give them a stronger voice and a position on the international stage as essential players in the construction of territories. Mr Diouf also mentioned, with actual examples, the exchanges set up by the Fatick Region with regional partners from other continents such as the Poitou-Charentes Region. Finally, he presented a number of points that are significant if we are to increase the contribution of territories to their own development e.g. decentralisation, intercommunality, technical capacities within Regions, decentralised cooperation and a new plea in favour of Southern Regions.

Mr Noisser, Deputy Head of Section at the Ministry of the Economy in the State of Hessen (Germany) and member of the Association of Regions of Europe (ARE), repeated the importance of joint efforts on the part of associations of regions in increasing the efficacy of the international agenda on development. He mentioned the importance of strengthening capacities and briefly described the work carried out by ARE in this respect. Its work is based on an assessment of peer exchanges of experiences. He then described a number of scientific and technological partnerships linked to economic development and trade and undertaken by the Region of Hessen in China and Vietnam. He regretted that these topics were seldom discussed within the framework of development policies. He also noted that, to date, Hessen has been unable to establish joint partnerships with other European regions for cooperative development projects and he hoped that the Platform would make it possible to mount this type of operation in the future. He concluded by again emphasising the huge significance of the platform.

Mr Katiza, President of the Platform of Local Authorities in Africa, the Caribbean and Pacific countries (ACPLGP), described the network set up in 2001. It now has a membership of 79 national associations and ACP local authorities, 6 regional associations and continental/international associations of local authorities. The objectives set for the Platform are as follows: increase the capacity for dialogue between ACP local authorities, create, improve and strengthen the conditions for real dialogue between the Platform and the European Union, promote new mechanisms for dialogue and the transmission of information, promote political recognition of local authorities as distinct players in ACP-EU cooperation, draft a political framework for cooperation between ACP-EU institutions and local authorities from ACPs on a national, regional and international level and, finally, promote the acceptance and introduction of political frameworks. Mr Katiza then referred to the Platform's resources and presented concrete examples of actions undertaken by it. He concluded his paper by indicating that the ACPLGP Platform is completely available to work with the European Platform to give voice to local and regional authorities for development. He hoped that the European Commission would take account of this offer and make the technical and financial resources available to allow it to expand at the service of all.

Mr Martini, President of FOGAR (Forum of Global Associations of Regions), stated that territorial authorities had been federated for a long time now, especially at European level but firstly at national level. By joining together at a European level, they were able to act jointly and have a louder voice in discussions, decision-making and joint involvement in the field. He reminded his audience that similar movements have arisen over the past decade on other continents i.e. Asia, Africa and America. Today, faced with the new world order, the Regions (the first level of infra-national government) have decided to also come together at global level and impact jointly on policies being implemented. They could also take decisions on issues of particular concern to them, especially the central theme of development. It was in Marseille, at the "1st International Convention for a Territorial Approach to Development", organised by the CMPR, UNDP and the PACA Region that FOGAR came into being. The networks of Regions present set up the network to give the Regions a greater voice in globalisation, organise the new rules of strategic governance including infra-State levels and promote

⁹ WAEMU: West African Economic and Monetary Union

work between member Regions. The work and considerations undertaken within FOGAR are designed, firstly, to enable Regions, through their networks, to compare their practices, places and roles in national systems, to have discussions with each other and learn from each other. In this way, it will help to strengthen regional aspects at global level, giving Regions a greater voice and an opportunity to integrate into national and international mechanisms of governance. The members of FOGAR are also asking that Regions be properly taken into account when introducing a form of global governance on a step-by-step basis. They are aware that this approach has to be global and include all players, from international institutions to local authorities and representatives of civil society. This is why, in particular, FOGAR cooperates with the United Cities and Local Governments Organisation, to put forward the opinions etc. of local and regional governments.

Closing session: Presentation of the Final Draft for Member States and European and international institutions

The final point on the agenda is agreement on an address summarising the day's discussions. It will be sent by the members of the European Platform of Regional/Local Authorities for Development to European States and institutions as well as to the United Nations. Mr Martini reminded the meeting of the various main points and indicated that the purpose of the address was to remind our European and international partners of the role of LRAs in assisting with development. It also indicated a determination to continue with this work, strengthening the role of LRAs and including their practices and actions in the mechanisms that help to make aid more cooperative and more effective by ensuring that it is provided jointly by all the financial backers present in a given territory.

The Address was approved by the participants.

After again thanking the speakers, the secretariats from the Platform and the CPMR, and the PACA Region for its hospitality, Mr Martini closed the seminar.