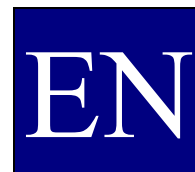




**COUNCIL OF
THE EUROPEAN UNION**



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.

P R E S S

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 Member 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.

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, encompassing 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.

⁴ Doc. 9806/13 (COM(2013) 280 final).

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 mutual 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."
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