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REPORT

ON "NEW OPPORTUNITIES FOR NATIONAL ASSOCIATIONS OF LOCAL AND REGIONAL AUTHORITIES IN NORTH/SOUTH CO-OPERATION"

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EXPLANATORY MEMORANDUM

1. Introduction

In the past decade, a growing number of North/South twinnings and partnerships has appeared. More and more municipalities and non-governmental organisations in European countries have started official twinnings and bilateral projects within the framework of decentralised co-operation with municipalities in the South. Such partnerships bring the North/South relationship into the consciousness of local communities, generate income for development projects and offer positive opportunities for the transfer of experience and knowhow, especially in the field of local democracy.

Activities of the national associations of local and regional authorities in this field are relatively new. In representing their internationally active members, some national associations have already succeeded in initiating programmes that aim at strengthening local self-government, at developing urban management and encouraging the creation of national associations of local and regional authorities in the South. National governments in some European countries and international donor agencies have recognised the importance of this co-operation and have launched programmes on these issues. Some of them are asking national or international associations of local authorities to implement their own decentralised co-operation programmes.

In 1994, the Bureau of the CLRAE agreed on a proposal of the North/South Working Group to present a report to the second Plenary Session of the Congress in May 1995 on New Opportunities for National Associations of Local Authorities in North/South Co-operation. The report takes into account the results of two major events of the past year, organised in the activity framework of the North/South Working Group of the CLRAE and the North/South Centre of the Council of Europe: firstly, the "Seminar on New Opportunities for National Associations of Local and Regional Authorities in North/South Co-operation", which took place in The Hague on 10 and 11 November 1994 and, secondly, the "International Meeting for Decentralised Co-operation with Africa", which took place in Strasbourg on 21 and 22 November 1994. This report presents examples of activities and programmes of national associations in European countries and reproduces the conclusions and recommendations of the two meetings. It will also serve as a contribution of the CLRAE to the World Congress of the International Union of Local Authorities (IULA) on this theme, which will take place from 3 to 7 September 1995 in The Hague (Netherlands).

2. New opportunities and challenges for national associations

The importance of good governance at a decentralised level is becoming increasingly recognised. The downfall of strongly centralised and unrepresentative forms of government in Central and Eastern Europe, in Central and Southern America and in a number of African and Asian countries has raised awareness that powerful, autonomous and democratic municipalities are an essential prerequisite for developing society. Many countries have moved towards a new development model which has decentralisation as one of its central pillars. Where decentralisation trends proceed, local governments are being charged with expanded responsibilities for infrastructure investments, the management of public services, combatting urban poverty and interim management of productive assets. During this development, the impact of local government on public welfare, the efficiency of cities and of private economy will become increasingly significant. This emerging development

perspective recognises that economic changes must come hand in hand with changes towards social responsibilities and the building-up of a democratically participatory environment, especially incorporating poor groups within society which have been neglected. Through decentralisation and democratisation, municipalities can and should be a fundamental part of this process as promoters of the integral development of their communities. The process of political decentralisation is more widespread and stronger than ever before.

However, the process of strengthening local government is still very fragile. The development of local self-government in many countries, which have just started along the road to a multiform system, is threatened by a lack of resources, lack of know-how and experience and by new centralist tendencies. In many countries, there is a discussion about the necessity of further decentralisation. Even in countries with a long democratic tradition, the discussion on decentralisation of central government tasks often proceeds laboriously and the local government is wrestling with the problem of how to increase participation of citizens. If decentralisation wants to be successful, local government must have the tools and skills to handle it.

It is vitally important to strengthen local government worldwide and it is a challenge for local authorities and associations of local authorities to contribute to this in the form of international co-operation. Newly-elected local government leaders and their officials in young democracies are faced with the necessity of providing their citizens with a new range of services. Accordingly, they need to improve the ways of increasing local revenue through taxation, user charges, voluntary contributions and borrowing. They are therefore asking municipalities in countries with a longer tradition of local government for technical and managerial support in fields such as: management of democratic institutions, central/local relations, housing policy, human development, creation of conditions for local economic development, urban transport, management of land and water, environmental policy, local government finance, local taxation, public/private co-operation, human resources management, etc ... However, this is not and must not a one-way flow, but a process of international cooperation for finding ways of improving municipal services and strengthening local democracy. The experience of decentralised co-operation programmes which have already been carried out indeed shows that municipalities from the "North" also benefit from these programmes. The municipal expert who has been sent out to his partner city in the framework of a training or an advisory mission frequently comes back to his municipality with renewed ideas on the functioning of his own organisation. Local democracy is not completed in the "North". It is an ongoing process which benefits from developments in other parts of the world.

Parallel to the development of municipal international co-operation, we can observe a growing interest of governments and multilateral and bilateral donor agencies for, on the one hand, the crucial role of local government in promoting sustainable development and, on the other hand, for the potentials of decentralised international co-operation. For instance, the LIFE programme of the United Nations (Local Initiative Facility for Urban Environment) argues: "Central governments lack the necessary resources and capacity to effectively respond to the deteriorating urban environment. It is therefore necessary to support local initiatives by municipal governments, non-governmental organisations (NGOs) and community-based organisations". In the recent Human Development Report 1993 of UNDP (United Nations Development Programme) it is stated that locally executed public projects are often more effective and efficient than nationally executed projects. The report says that technical assistance should be used increasingly to invest in local institutions. The report suggests that national governments could delegate the implementation of development aid projects to local governments.

National associations of local and regional authorities can and should play an essential intermediary role in this recognition. They are the natural representatives of local authorities of their countries. Their role - ie to inform, coordinate and represent the interests of their members at other levels - can be entirely applied to the field of international co-operation:

- In their information task, they can public guides, directories, case studies relating to twinning and international co-operation. Their members can learn a lot from the information they gather on the work of local authorities and on ways and methods of organising international co-operation.
- In their coordination task, national associations can function as a clearing house for the requests for twinning/linking partners. They can also avoid duplications in the work of their members. The UK Local Government International Bureau exercises this function also at the higher level: it coordinates the UK local government participation in UN programmes and facilitates the organisation of local government personnel in co-operation programmes - in association with other UK organisations.
- Finally, national associations, in representing the interests of their members, can and should obtain from their national governments the participation of their members in national co-operation programmes. The Association of Netherlands Municipalities (VNG) is, for instance, running the NIDCP programme, funded by the Ministry of Foreign Affairs, aiming at strengthening management capacities of local authorities in developing countries. The French section of the United Towns Organisation (Cités Unies France) works together with the French Ministry for Development Co-operation at programmes with sub-Saharan Africa and participates in national committees on co-operation.

The complementary role of international associations of local and regional authorities should also be mentioned in this respect. They can take up at the higher level the tasks of national associations as described above. They are the logical interlocutors of international organisations and donor agencies, on behalf of the national associations. They can identify and facilitate access to the experience, know-how and technology that is available at the municipal level in the member countries.

Below, examples of activities of national associations in decentralised international cooperation are briefly described. For each country, we have also tried to identify in which framework - legal or not - local and regional authorities are allowed to participate in international co-operation.

3. Activities of national associations

3.1 The United Kingdom - Local Government International Bureau

The Local Government (Overseas Assistance) Act 1993 provides a clear legal framework for participation of United Kingdom local authorities in international co-operation and technical assistance activities, though only a minority of authorities currently make use of these powers.

General situation on twinnings

Around 2,000 UK communities have twinning or friendship links with partner communities overseas. The majority of twinnings are with local communities in Western Europe. However, since 1990 there has been a steady increase in the number of relationships both with Central and Eastern Europe and with the developing countries of the South. In these cases, there is often a focus on practical project activities in the community or on technical co-operation between local authority bodies. The Local Government International Bureau and the United Kingdom local authority Associations are interested in extending their experience of promoting local democracy in Europe to a wider international context.

International activities of LGIB

The Local Government International Bureau functions as the international unit of the various different local authority national Associations in the UK. The Bureau:

- * acts as a clearing house in relation to UK and overseas requests for twinnings/linking partners;
- * publishes directories, case studies, guides and information relating twinning and international co-operation;
- * has a Development Co-operation department which provides advice, support and grants for local authorities wishing to establish links with developing countries;
- promotes partnership programmes involving local authority Associations in Africa (eg Botswana, Ghana, Uganda, Zambia);
- * coordinates UK local government participation in UN programmes and in international efforts to promote action on Local Agenda 21 as a follow-up to the Earth Summit;
- * facilitates the organisation of management development, work experience and training programmes for overseas local government personnel - both in their own country and in the United Kingdom - in association with the UK Local Government Management Board and the Commonwealth Local Government Forum.

In co-operation with the Local Government Management Board and with funding from DG VIII of the European Commission, the Bureau is seeing to clarify the role of the local government sector in "Decentralised Co-operation" and participatory approaches to the planning and implementation of sustainable development in local communities.

3.2 Denmark - National Association of Local Authorities (NALAD)

Denmark has no national law or legal provision on municipal international cooperation. Municipalities are allowed to engage themselves in international co-operation.

General situation on twinnings

It is estimated that there are 763 formalised twinning agreements between municipalities in Denmark and municipalities in foreign countries. In most of these twinnings local authorities are leading.

Information on international activities of NALAD

The National Association of Local Authorities (NALAD) was founded in 1970 and represents all 273 Danish municipalities on a voluntary basis. NALAD has 320 employees and a turnover of approximately 30 million ECU. NALAD is involved in municipal international co-operation since 1989 and has a policy document on this field of co-operation. There is a line item in its yearly budget regarding municipal international co-operation of approximately 0.5 million ECU. Altogether, roughly 15 employees within NALAD are engaged in municipal international co-operation.

NALAD is heavily involved in the democratic reconstruction process in Eastern and Central Europe, where it assists in the creation of a democratically-based local selfgovernment and public sector system. Countries where NALAD organised activities are: Latvia, Poland, Estonia, Bulgaria, the Czech Republic and Slovakia.

In the North/South field, the Danish association is active in Nepal, Namibia and Cambodia.

The Association has been advising and assisting the Nepalese government in the field of planning, preparing and implementing a local government development programme. The project aims at developing a democratic, sustainable local government system and a local government training and education system that can cope with training and education up to 40,000 newly-elected local politicians and staff.

The NALAD also assisted in the UN survey of the first free elections in Namibia in November 1989 and in Cambodia in May 1993 and provided election specialists for the task.

3.3 The Netherlands - Association of Netherlands Municipalities (VNG)

In the Netherlands, there is no national law or legal provision on municipal international co-operation. After discussions in the national parliament in 1972 it is stated that Netherlands municipalities are allowed to engage in international co-operation, as long as activities do not counter-act national foreign policy. Central government realised that, at the local level, groups of citizens were involved in North/South co-operation and that this involvement should be welcomed as part of the public support for the national development assistant programmes. A national programme on stimulating citizens' involvement within municipal international co-operation was set up.

General situation on twinnings

Most of the 633 Netherlands municipalities have international twinnings; either in Western and Eastern Europe or in countries of the South. In VNG conducted research in 1994, 157 twinnings with municipalities and projects in countries of the South were identified. In most municipal international contacts there are integrated activities on development education and awareness-raising on international issues.

International activities of VNG

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All local authorities in the Netherlands are voluntary members of the VNG. The VNG has two units active in municipal international co-operation. One is the policy department (VNG-DS) where members can get advice, information and policy support. The other unit, the International Project Unit (IPU) works on the (international) market. IPU plays an active role in the development and implementation of projects and (co-)funded programmes on international municipal co-operation. About 20 VNG-employees are engaged in municipal international co-operation.

Important international activities of both VNG units are:

coordination and support of the international activities of Netherlands municipalities by:

- publishing directories, guides and newsletters on twinnings and international co-operation;
- . supporting an Information Centre on International Municipal Co-operation, with a complete data bank of all twinnings/linkings in the Netherlands;
- organising seminars and congresses;
- . supporting a Network on Municipal Peace Policy and a Municipal Network for South Africa;
- promoting local government participation in national, EU and UN programmes (such as MATRA, ECOS, Local Agenda 21/Earth Summit).

management of Netherlands Inter-Municipal Development Co-operation Programme (NICDP), funded by the Ministry of Foreign Affairs, and aiming at the transfer of know-how and the exchange of experience between local authorities in the Netherlands and developing countries.

- development and implementation of the VNG Sister Association Programme, funded by the association itself and aiming at strengthening associations of local government in countries in transition throughout the world.
- development and implementation of internationally funded projects, mostly in Central and Eastern Europe. In the North/South field, the International Project Unit has, among others, the following projects:
 - North-South-East-West Projects (NEWS) aiming at supporting multilateral exchanges between Western Europe, Central and Eastern Europe and developing countries;
 - assistance programme on the establishment of an association of Palestinian local authorities (project proposal);
 - municipal initiatives programme. This programme provides funding for infrastructure investments in the framework of durable twinnings.

More details on the NIDCP and the Sister Association Programme are given in the Appendix to this report.

3.4 Cités Unies France (United Towns Organisation)

Thanks to an Act passed on 6 February 1992 (Title V), action by a French town abroad is now officially recognised as "decentralised co-operation:.

The association Cités Unies France, founded in 1975, has, as its main objective, the promotion of exchange of experience and know-how regarding urban and municipal management between French local authorities and local authorities in Asia, Latin America, Africa and Europe. The association has 700 members.

At Cités Unies France, a team of 12 people gives information and advice to towns on setting up projects abroad. As an interface between the French local authorities and sources of government funds, each year it supports town projects in sub-Saharan Africa, co-funded by the Ministry for co-operation, and it works with the European Commission. This year 200 projects totalling FF 5 million have thus been co-financed. In this context the association takes part in national joint commissions, which bring together all the participants in French co-operation, in particular with regard to sub-Saharan Africa.

Cités Unies France organises training programmes for French local authorities, including, in these programmes, awareness-raising and information. The association is registered as a training body of the French Ministry of the Interior and suggests programmes on various themes.

Cités Unies coordinates the activities of its members. Thus, the association has set up country-groups which bring together towns working in the same country, but it has also set up theme-groups. There are at present 12 country groups for sub-Saharan Africa, the Mediterranean rim, Asia and Latin America. Theme groups have been set up to carry out concerted action based on support for decentralisation, the creation of economic activities, immigrant associations, education, etc.

The association endeavours to meet with the requests and expectations of its members. Some members wished, for instance, to contribute to the peace process in the Near East and 25 of them now contribute to a joint fund for decentralised Franco-Palestinian co-operation, managed by Cités Unies France. The fund is to support an overall youth project, which will then be subdivided into "town-to-town" projects.

The association produces an information quarterly document, "Le Journal de Cités Unies France".

3.5 Spain - the Spanish Federation of Municipalities and Provinces (FEMP)

The Spanish Federation of Municipalities and Provinces, formed in 1980, is a nonprofit making national organisation representing the interests of 5023 Spanish municipalities (88.53% of the population) and 46 Spanish provinces (out of 51). 53 persons were employed by it in 1994.

It was in 1986 that for the first time a Spanish municipality decided to devote part of its own economic resources to international co-operation. The FEMP recently produced a publication for its members describing the various administrative procedures by which municipalities could set aside sums for co-operation. Today, following the initiative of the FEMP, the possibility of allocating municipal funds for co-operation is officially recognised by the government. Since 1992, partly through the efforts of FEMP, the number of municipalities and Spanish regions taking part in development co-operation and funds earmarked for this type of project have increased considerably.

The municipalities and regions belonging to this group currently number 50. The total number of Spanish territorial authorities devoting part of their resources to co-operation stood at 254 in 1993. The sums earmarked for co-operation stood at 410 million pesetas in 1989 and in 1993 at 1,740 million, a four-fold increase. The average amount given per head of population is of the order of 72 pesetas a year.

Most countries receiving this aid are located in Latin America (64%) and in Africa (28%).

In 1991, a working group, whose activities focus on international co-operation and solidarity, was formed within the FEMP. This group, composed of elected representatives and experts, has been operating continuously and effectively since 1992. It has set itself a number of objectives:

- 1. To carry out research and study activities on decentralised co-operation.
- 2. To pass on the training and experience acquired by all municipalities by organising courses and seminars and by means of publications.
- 3. To foster the participation of local groups in carrying out co-operation plans and programmes or in awareness-raising and public participation campaigns.

The FEMP has set up an advice service for municipalities. Its role is to inform those at the head of municipalities of the various alternatives for taking part in projects in developing countries.

Opinion surveys have been carried out in certain municipalities to gauge the population's views regarding international co-operation, which is not officially part of the legal powers of municipalities.

The Spanish Federation of Municipalities and Provinces has promoted a training and study campaign in developing countries. This campaign has taken the following shape:

- Since 1990, courses aimed at countries such as Argentina, Chile and Uruguay have been organised in Spain, led by Spanish municipal experts.
- In 1994 the FEMP financed a twelve months municipal training programme in Salvador, for local councillors. This project comprises various courses and seminars.

The association has worked intensively with non-governmental organisations in preparing various projects to understand the reality in the South and to make the most of their experience of co-operation.

3.6 Finland - the Association of Finnish Local Authorities (AFLA)

In Finland, there is no special law or legal provision on municipal international cooperation. Municipalities have their special mandate regulated by other laws and their socalled general mandate. According to the interpretation of the Local Government Act by the Supreme Administrative Court, municipalities are allowed to co-operate on international level within the general mandate. The limitation appears with affairs of foreign policy which is a matter of the state.

General situation on twinnings

Finnish local authorities have approximately 1,060 twin links abroad, mainly with the Nordic countries, Estonia and Russia, but also with countries in Western Europe and Central and Eastern Europe amongst others. There are around 10 twinnings with countries from the South.

International activities of the Association of Finnish Local Authorities

The Association of Finnish Local Authorities, established in 1993 and carrying on the tasks of the former seven associations going back as far as 1912, serves and watches over the interests of the 455 Finnish municipalities, which are all members of the association on a voluntary basis. AFLA has a staff of 330 and a turnover of 13.5 Mecus. Taking into account the staff of the daughter companies, the personnel of the consortium is more than 600. In the association, each of the policy departments is responsible for its international activities as well. There is also an international relations coordinating unit, where both the other units in the association and the members can receive advice and information. Some officers concentrate on European Union affairs.

The association has membership in or is participating in the work of several international organisations, such as the International Union of Local Authorities (IULA) (since 1913), Council of European Municipalities and Regions (CEMR), Council of Europe/CLRAE, the International Council for Local Environmental Initiatives (ICLEI), the Assembly of European Regions, the ILO, the Towns & Development consortium, the International Hospital Federation, the Hospital Committee of the European Community and the International Water Supply Association. AFLA is mostly active in co-operation with municipalities from Central and Eastern Europe. AFLA has very few contacts with municipalities form the South. The association has been, for a few years, active in organising visits for Chinese local authorities, with the aim of raising awareness of local government and business.

In the autumn of 1995, AFLA will organise a seminar for municipalities and NGOs on the theme "Local Government Sustainable Development and International Development Questions", under the umbrella of a national NGO dealing with development co-operation affairs.

3.7 Germany - Deutscher Städtetag

The German Constitution (Article 28, paragraph 2) gives local authorities the right to deal autonomously with all matters relating to the local community.

It is accepted that this right also covers local government activities abroad. However, when it comes to North/South co-operation, a few criteria have to be respected in order to remain within the limits of this right:

any development co-operation activities by local authorities should be carried out within a local context. This means that the partner should also preferably be a local or a related institution, and that the contents of the co-operation should cover areas which in the local authority ambit.

any financial involvement by local authorities is only accepted in the sense that it incites or supports private contributions by citizens or companies. Local authorities should not be the main financier of projects.

General situations on twinnings

North/South co-operation is an area of local government activities which is, for various reasons, not very developed in Germany.

There are roughly 4,000 existing twinning links between German local authorities and local authorities abroad. However, only about 200 exist with local authorities in the South. In most of these links, local authorities are the leading actors. The predominant activity is technical co-operation.

Nonetheless, the interest in the subject is growing. Furthermore, not all local authorities which abstain from concrete twinnings or projects abstain from the topic as such. More and more local authorities support awareness-raising campaigns at home, which could be a first step to further involvement in the process.

International Activities of the German Association of Cities and Towns (Deutscher Städtetag)

There are, in Germany, three associations of local authorities: Deutscher Städtetag, Deutscher Landkreistag and Deutscher Städte- und Gemeindebund. The three associations are involved in North/South co-operation, mainly as a facilitator for their members. They keep their members informed about the latest developments in the area of municipal North/South co-operation. They represent their members in international organisations such as Towns & Development; and on national institutions like the German Quadrilogue within the North/South Centre of the Council of Europe. However, within the German government's system of funding, associations of local government authorities are not eligible for funds in this field. This might change in the future, if the Government follows a call from Parliament to put more emphasis on elements of subsidiarity and local government in North/South cooperation, as a means of securing sustainable development.

In the summer of 1994, the Deutsche Bundestag (the national parliament) adopted two motions on decentralised North/South co-operation, Local Agenda 21 and the implementation of the Berlin Charter (1992). The motions state that the Bundesregierung (central government) has to stimulate and support the development of democracy and self-reliance at a local level in the developing countries of the South. In addition, twinning relations between German municipalities and foreign partners, as well as between NGO groups (churches, political foundations, trade unions) have to be stimulated. The motions also call for joint action with other EU partners for the adoption of a worldwide charter on local selfgovernment. These motions give the German associations new opportunities to get municipal North/South co-operation on their agenda.

3.8 Sweden - the Swedish Association of Local Authorities (SALA)

There is no law or legal provision in Sweden on municipal international co-operation as far as twinning is concerned. With regard to development aid, the Swedish local authority can engage itself, with the permission of the Ministry of Foreign Affairs.

General situation on twinnings

A little more than 1,000 twinnings are known to SALA; 700 of them are taking place within the Nordic countries; about 250 within the region around the Baltic Sea (Poland, Estonia, Latvia, Lithuania and the most Western part of Russia); 50 in Germany and 50 in the rest of the world.

International activities of SALA

All local authorities in Sweden are voluntary members of SALA.

Internationally, SALA is engaged in development projects in Europe (especially Estonia, Latvia, Lithuania, Poland and Russia) and in Africa (Zimbabwe, South Africa, Botswana) amongst other countries.

In these development projects, SALA has been contracted by SIDA (Swedish International Development Agency) or BITS (Swedish Agency for International Technical and Economic Co-operation) to act as a consultant to the respective governments in the development of a local authority system.

The central SALA office consists of 250 experts. SALA is also owner of 11 companies, with more than 3,000 employees specialised in different fields. SALA can - and does - also engage experts in different projects from 23 regional local authority associations or directly from the local authorities.

There are some general objectives characterising projects with SALA involvement:

Local self-government:

The local authority will be made sufficiently large and sufficiently competent to be significant both in respect of shaping and implementing policies.

Local democracy:

The majority of the citizens will be given the opportunity to take part in decisionmaking and to exercise influence.

Efficiency:

The organisation of the local authority administration will be made as inexpensive and as "suitable" as possible for its purpose.

The activities in the different projects can also be characterised in a fairly general way:

- Support to internal expert groups concerning:
 - development of local government legislation;
 - development of budget, accounting and financial systems, other administrative systems and equalisation among local authorities;
 - development of local election systems.
- Support to twinning projects.
- Development programmes for municipal consultancy groups, often in connection with the strengthening of an association of local authorities.
- Training of local authority councillors and staff.

3.9 Belgium - VVSG: Verenigung van Vlaamse Steden en Gemeenten (Association of Flemish Towns and Municipalities)

Legal framework and provisions governing decentralised co-operation

In Belgium, municipalities have authority to commit funds in order to carry out activities abroad, provided such activities comply with the management rules applying to all municipal budget headings (an alderman in charge, a committee and a budget).

Twinnings/partnerships

In the Flemish provinces of Belgium, 180 municipalities have undertaken decentralised co-operation in one way or another and 30 municipalities have official twinning arrangements. Municipalities are mainly active in the fields of food security (production networks/storage of products), education (building schools) and public health (building community health centres, supplying medicines etc).

It is mostly as part of state-initiated activities that municipalities (through their technical and administrative departments and under the auspices of the municipal secretary) take an interest in the issues of municipal management in developing countries.

International activities of the Association of Flemish Towns and Municipalities

The VVSG represents all Flemish municipalities. It was set up in 1993 after the break-up of the Union of Belgian Towns and Municipalities, which was itself a consequence of the federalisation of the Belgian state. The Association seeks, among other objectives, to boost and co-ordinate the activities of municipalities in North-South co-operation. A number of Flemish municipalities have a "third world" heading in their budget and have appointed a "third world" alderman who chairs a consultative committee bringing together clubs, NGOs and local associations.

Since the Association is still very new, it is not yet possible to have an overview of activities in this area. However, an interesting development is the Association's financial co-operation project, intended to encourage the establishment of municipal development banks in developing countries whose subscribed capital would come from local individual contributions, central government and private institutional investors as well as from the municipalities of developed countries through a body set up for this purpose. In this way, a starting capital could be formed relatively cheaply, enabling the bank to grant loans to local SMEs or to acquire an interest in local businesses. A practical and sustainable form of co-operation could thereby be established between municipalities in the North and South.

3.10 Portugal

a. ANMP: National Association of Portuguese Municipalities

Legal framework and provisions governing decentralised co-operation

The Constitution of the Republic of Portugal, by Legislative Decree 100/84 of 29 March 1984, accords municipalities general competence for decentralised co-operation. This allows them to undertake international activities and allocate a budget to them.

Twinnings/partnerships

Besides some 200 twinnings with European municipalities and not counting the municipalities of the Lisbon conurbation, at least 25 Portuguese municipalities have initiated partnerships abroad since the mid-1980s.

A distinctive feature of the international co-operation activities of Portuguese local authorities is the existence of co-operation at the level of an international network of Portuguese-speaking capitals, called UCCLA (Union of Portuguese-Speaking Capital Cities) to which the town of Guimares is also affiliated. Whether co-operation activities are organised by UCCLA and/or by other Portuguese municipalities, the countries concerned are former Portuguese colonies: Angola, Brazil, Cape Verde, Guinea-Bissau, Macau, Mozambique etc.

The fields covered are the management of urban services and health, social and cultural affairs (sending books, setting up libraries). The emphasis is increasingly on efforts to train municipal officials, but all areas of urban management, local development (economic, social and cultural) and urban planning are included.

International activities of the National Association of Portuguese Municipalities (ANMP)

The National Association of Portuguese Municipalities (ANMP) represents Portuguese municipalities (Municipios) and parishes (Freguesias) and was set up in 1984. All the country's political parties and regions are represented in it (305 municipalities and 4,402 parishes of continental Portugal and the autonomous regions of the Azores and Madeira).

Under a co-operation agreement between the Portuguese Ministry of Foreign Affairs and the ANMP, the latter will soon be responsible for co-ordinating co-operation.

b. Union of Portuguese-speaking Capital Cities (UCCLA)

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The Union of Portuguese-speaking Capital Cities was founded in 1985 in Lisbon to bring together Portuguese language municipalities and businesses wishing to share their expertise and know-how concerning co-operation. The other aims of this association are to promote co-operation and understanding between Portuguese language populations, to promote rights of citizenship and subsidiarity in public affairs.

This organisation, with a budget of US\$ 655,000 in 1994, employs 10 to 20 people.

Decentralised co-operation is not recognised as falling within the authority of municipalities by the Portuguese Government.

4. <u>Future role of national associations of local authorities in North/South Co-</u> operation

Several key players are present in the field of decentralised international co-operation: firstly, the territorial authority (municipal, regional authority, district) itself. The number of North/South twinnings and activities on decentralised co-operation grows in the first place by autonomous action of individual local authorities and NGOs. Secondly, more and more national associations of local and regional authorities include municipal international co-operation in their policy. In representing the internationally active local authorities in their respective countries, the national associations have, in some cases, succeeded in initiating programmes that aim at strengthening local self-government, urban management and the development of national associations in countries in the South.

Thirdly, at the national level, some European governments have launched programmes on decentralised co-operation.

And, last but not least, there is growing international acknowledgement by international institutions and donor agencies of the importance of decentralised co-operation as a tool for development.

Lines of action

National associations of local and regional authorities can and should play an important role in the development of decentralised international co-operation. What should be the main lines of action for the associations that want to start activities in this field?

- The national associations should promote and coordinate the North/South activities of their members; they should convince their members that the improvement of local democratic governance worldwide is, at first, a matter for local authorities themselves; they should organise, in the framework of their international associations, the international exchange of information on the North/South activities of local and regional authorities;
- The national associations need to convince their central governments that decentralised international co-operation is a positive and important *instrument in development cooperation*. Municipal international co-operation is no threat to the integrity of the foreign national state. Decentralised co-operation and awareness-raising activities organised in close co-operation between local authorities and non-governmental organisations (NGOs) can be of great importance for *public support on development co-operation in general* and for local development in the South.
 - National associations in the North and in the South should be *recognised as the legitimate channel* to interface, discuss and negotiate with central government. This applies to matters concerning local and regional interest; this also applies to decentralised international co-operation.

- Within the framework of their international associations, national associations in the North and in the South should be recognised by international institutions and donor agencies as the legitimate channel to participate in international co-operation programmes.
 - National associations should negotiate the *right* for local and regional authorities to spend a part of their budget on matters related to decentralised international cooperation. At this moment there are still a number of countries where local authorities have to ask their central government the permission to engage themselves in international activities.
 - For national associations in the South to become representative and efficient, the local authorities should be encouraged, statutorily or otherwise, to support financially their national association. Many national associations in the South are too weak to negotiate effectively or provide services to their members. Therefore, the need for *transfer of funds and experience* should be recognised. Institution building and the broadening of a revenue base should be recognised as a prime concern.
 - Associations from the North should make a good assessment of the assistance that is needed by Southern partners. Activities have to be defined in direct mutual consultation. The notion of adaptation to local circumstances is crucial. There are more ways of thinking and acting on how to plan future action; there is not one solution to one problem. Practical co-operation within the North/South context should focus on: problem orientated programmes; the transfer of know-how and the support of educational programmes; the principle of subsidiarity and the recognition and use of locally-available know-how.

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APPENDIX

Netherlands Inter-Municipal Development Co-operation Programme (NIDCP)

The NIDC-programme aims at North/South co-operation on a local level. The programme is funded by the Ministry of Foreign Affairs and carried out by the VNG. It is meant to strengthen management capacities of local authorities in developing countries by the transfer of know-how and the exchange of experience. The annual budget is about 1.5 million ECU.

The programme consists of three sub-programmes:

- internships: municipalities offer an internship to one or more qualified local civil servants or locally elected representatives from developing countries; internships are tuned to the needs of the municipal department which sends the trainee, not to the educational needs of the trainee him-/herself (in 1994, 92 internships were organised).
- advisory missions: experienced civil servants or elected representatives from Dutch municipalities advise local authorities in the South (in 1994, 34 advisory missions took place);
- funding on investment projects within long-term twinnings (in 1994, 8 investment programmes were granted).

The objective of internships and advisory missions is to contribute to the institutional development of local authorities. This can cover the strengthening of a local authority organisation and its relationship with citizens, as well as improving the quality of municipal tasks (by training, assistance in planning, investing and building). The internship and advisory parts of the NIDC programme are open to all Netherlands municipalities. Funding on investment projects is only available to municipalities with a long-term partnership. The programme stimulates partnership arrangements. It also helps to broaden the basis for partnership, since quite different people get involved. Very often, these people become "ambassadors" of the project.

VNG Sister Association Programme

Powerful, autonomous and democratic local authorities are a prerequisite for the development of a society. Associations of local authorities are vitally important in the process of strengthening local authorities vis-à-vis central government. This applies to the situation in the North and also to developing countries in the South. They also fulfil important information services. In particular, in a situation where the process of strengthening local government is still fragile, a strong association is necessary.

With its Sister Association Programme (1994-1996), VNG supports associations of local government in countries in transition throughout the world. The main objective of the programme is to strengthen and develop associations of local authorities through the transfer of knowledge and experience. In specific cases, financial support for activities can also be discussed.

Target countries are, among others, Nicaragua, Zimbabwe, Estonia, Lithuania, the Czech Republic, Hungary and South Africa. Within the framework of the programme, several activities were undertaken in 1994:

- Delegations of municipalities and their associations from Estonia, CIS, Lithuania and several countries in Latin America and Africa have visited the VNG and Netherlands municipalities for study and discussion.
- Support of a documentation centre for the Nicaraguan Training Centre for Municipalities (INIFOM).
- "Broadening Membership Base IULA-AS": a project aiming at increasing the membership of IULA-AS, with a special emphasis on the number of national associations of local authorities.
- Assistance for the Urban Councils Association of Zimbabwe (UCAZ) for a project on the publication of a newsletter.

- Preparations are under way for a study and discussion programme with representatives of the National Committee of Local Government Associations (NCOLGA) and South African National Civic Organisation (SANCO) in South Africa.