UN-Habitat has the specific mandate within the United Nations System to act as A FOCAL POINT FOR LOCAL GOVERNMENTS, including metropolitan, regional, provincial and other territorial governments. Local governments have the proximity, legitimacy and scale, in most countries of the world, of being directly elected by the citizens; becoming the closest sphere of government and the first gate for people’s participation in public affairs.

The Local Government and Decentralization Unit stresses the role of LOCAL GOVERNMENT AS A KEY ACTOR OF DEVELOPMENT, whose relevance has been reinforced by the Rio+20 Declaration “The World we Want”. We have not yet discovered an efficient city without a strong, enabled and capable municipality.

It SUPPORTS LOCAL GOVERNMENTS AND THEIR ASSOCIATIONS, working closely with both central and territorial governments to establish mechanisms of dialogue, to exchange best practices and to support projects for the empowerment of local and regional governments through a fair distribution of responsibilities and resources.

It works closely with local governments in delivering access to water and sanitation, waste management, urban safety, urban planning, public transport, disaster and risk management, land use and promoting inclusive and sustainable local development, including employment opportunities. It also promotes collective action, participation of marginalized groups and representation of women at all levels.

The Unit’s role is to develop normative and operational frameworks, to share experiences and disseminate best practices on local governance, democracy and access to basic services. Focusing on local governments’ needs, the UNIT ADDRESSES LOCAL MANAGEMENT CHALLENGES through the development of tailored tools, instruments and methodologies to reinforce local governments’ capacities. The Unit also promotes city-to-city cooperation and advocates for the essential role of local governments on a global level. It provides support to policy and programme development globally, with a focus on low and middle-income contexts, and specific attention to the needs of local governments in fragile and conflict-affected states.

“We recognize local authorities as our closest partners, and as essential, in the implementation of the Habitat Agenda, we must, within the legal framework of each country, promote decentralization through democratic local authorities and work to strengthen their financial and institutional capacities in accordance with the conditions of countries, while ensuring transparency, accountability and responsiveness to the needs of people, which are key requirements for Government at all levels” - Habitat Agenda, Istanbul, 1996
WHAT WE BELIEVE IN AND WHAT WANT TO ACHIEVE

Local governments are able to govern, dialogue and coordinate institutional and financial sustainability and transparency.

Well governed cities and towns

Urban governance is the software that enables the urban hardware to function. Governance prevents conflict, facilitates stability, helps cities to adapt to future challenges and is critical for their performance in an increasingly competitive world. Governance is the enabling environment that requires adequate legal frameworks, efficient political, managerial and administrative processes, as well as mechanisms, guidelines and tools to enable the local government response to the needs of citizens. Local governments have the proximity to translate the principles of good urban governance to effectively, manage, govern and develop a city and to ensure equitable urban citizenship. In contexts of fragility and conflict, local governments have also the potential to build positive state-society relations and deliver services while national institutions remain weak.

Local governments need to establish the necessary dialogue channels with different networks and local stakeholders. To ensure effective measures and to achieve positive results for the citizens, tax-payers and economic agents, coordinated action is required. Challenges such as urban mobility, employment or environmental sanitation, among others, extend beyond the realm of local governments and cover various legal-administrative divisions in the territory, hence the need for multi-level dialogue, both horizontal and vertical.
INSTITUTIONALLY AND FINANCIALLY SUSTAINABLE LOCAL GOVERNMENTS

Municipal finances are central to local governments, as their strategic management plays a critical role in ensuring long-term sustainability of local services. One key issue is how to expand their resource base beyond central-to-local transfers. The question of informality is to be addressed as both a sustainability and governance issue. Moreover, in fragile and conflict-affected contexts, local governments need support in developing own-source revenue generation and public expenditure management capabilities from scratch. For institutional sustainability, we believe that the local governments need to be endowed with the necessary legal framework to be able to do their job. Additionally, the international role of local governments is increasingly being recognized by the international development agenda.

The use of smart technologies is promoted as a tool to monitor service delivery and to increase accessibility and transparency in the provision of basic urban services and the transformation of informal provision into formal and safer ones. The International Guidelines on Decentralization and Access to basic services for all are a global instrument to guide countries to allow the necessary competencies and fair distribution of resources and responsibilities for the different spheres of government. As the focal point for local government in the UN system, UN-Habitat is supporting the strengthening of the role of the local and regional governments in the post-2015 agenda and towards Habitat III.

TRANSPARENT LOCAL GOVERNMENTS ENABLING CITIZENS VOICE

The new complexities of the cities of today require a constant and fluid dialogue between institutions, on one side, and between people and institutions, on the other. The relations with non-state actors are increasingly important to ensure a real participatory process and stronger inclusion of all in the city decision-making process. The public should be able to hold institutions accountable for the provision of basic services for all. To do this, people need information about decisions taken by local councils and how they spend public money. There is increasing need for accountability and transparency measures, to ensure institutional effectiveness and better service delivery. On the other side, more local governments are engaging in public-private partnerships to provide services. However, some may not have the capacity to properly negotiate PPP arrangements and to follow-up implementation of the agreement. The efficiency of services provided rest on how well the procurement process is conducted, to ensure that the right service provider is awarded a contract that is cost effective.

A common platform to mobilize stakeholders around a local anti-corruption agenda is critical for sharing experiences and knowledge. This platform can act both as a repository for knowledge on transparency and a platform for local government to engage and dialogue on novel ways of tackling corruption. With the pressure of quality service delivery at an affordable rate, engaging in PPPs is likely to becoming an important option for local governments. Pro-poor interventions in PPPs are fundamental for ensuring that the urban poor are not marginalized. Citizen participation in this process is essential to ensure that public demand and needs are met.
HOW DO WE SUPPORT LOCAL GOVERNMENTS

Strong and capable institutions are critical for making the city work. To achieve this vision, the Unit is developing normative frameworks, products and supporting operational activities in the following areas:

### URBAN GOVERNANCE

**Innovative tools for mapping urban governance** - Development of a comprehensive mapping tool based on the day-to-day challenges of city governance and management. This approach will allow for the identification of innovative governance and policy approaches through the collection and analysis of city experiences to identify the critical dimensions of urban governance.

**Metropolitan governance tools – Inter-Municipal Cooperation** – Development of soft and horizontal governance tools allowing a group of neighboring municipalities to perform cost-effective service delivery and improved municipal administration to address territorial management (city-region level, metropolitan level and bridging the urban-rural divide).

**E-Governance and Urban Policy Design in Developing Countries** – Production of research methodologies and studies in full partnership with the FUPOL consortium (Future Policy Modeling). The Unit coordinates this repository of knowledge on e-Governance, by exploring evidences, practical case studies, and displaying lessons learnt, best practices, critical points of view and research analysis.

**Support to local governments in peace-building and state-building** - In conjunction with UN-Habitat’s Risk Reduction and Rehabilitation Branch and Regional Offices, the Unit is developing a suite of policy and programming tools that will empower local governments in fragile and conflict-affected states to prevent violence, reduce urban insecurity, and strengthen the legitimacy and effectiveness of local public institutions.

### FINANCIAL AND INSTITUTIONAL SUSTAINABILITY

**Smart Technologies for Municipal Sustainability for local revenue generation** – Development of pilot applications and exchange of experience in the application of SMART to municipal finance, to increase the local revenue while ensuring new means of public engagement, allowing citizen participation and the strengthening transparency in public management in an increased interconnected world.

**Informality versus Formality in service delivery** – Informality is a multi-dimension reality in developing urban areas. Basic services offered informally are often more expensive than those
offered formally. Municipalities have a role in guarantying the cost of basic services to be affordable, equitable and safe.

**ADAPTATION OF THE INTERNATIONAL GUIDELINES ON DECENTRALIZATION AND ACCESS TO BASIC SERVICES FOR ALL** – Assisting requesting countries in ensuring universal access to basic services through an assessment of their current governance structures and to devise guidelines on how to improve current decentralization efforts. The added value is both the output (national guidelines) and the process in itself, as an opportunity for building common understanding among various stakeholders through institutional dialogue and the exchange of experiences.

**SUPPORT TO CITY-TO-CITY (C2C) COOPERATION**, including platforms for sharing knowledge and resources, developing bilateral and multilateral cooperation initiatives, and jointly advancing policy goals. The Unit is supporting C2C cooperation platforms for local governments seeking to enhance urban safety and overcome violent conflict and division.

**SUPPORT TO LOCAL AND REGIONAL GOVERNMENT VOICE AND ROLE IN THE POST-2015 DEVELOPMENT AGENDA AND TOWARDS HABITAT III** – Aiming to international establishment of local governments as an essential role for the success of sustainable development worldwide as drivers of change. Supporting the full participation of local governments associations in the upcoming decision-making processes of post-2015 and Habitat III through the Global Taskforce of local and regional governments @GTF2016.

**VOICE AND TRANSPARENCY**

**TOOLS FOR ACCOUNTABILITY AND TRANSPARENCY FOR LOCAL GOVERNMENT** - Collaborating with relevant institutions to improve local government accountability and transparency. Development of guidelines, tools and effective mechanisms to track and accountability in local governments will result in the strengthening urban governance systems.

**GUIDELINES ON PPP NEGOTIATIONS- PROCUREMENT** - Local governments require strong capacities to properly negotiate PPP arrangements, particularly during the procurement process. Pro-poor interventions and citizen participation are incorporated as crucial for the success and transparency and effectiveness of services provided by PPP process.

**THE USE OF ICT FOR INCREASING PARTICIPATION OF YOUTH IN URBAN GOVERNANCE** - Youthful citizens, who are a large demographic in most urban centers and frequent users of mobile technologies are governance game changers. Pilot projects will inform how ICTs can be a lever and an opportunity to allow them to promote democratic public choice making.
UN-Habitat is the focal point for local governments within the United Nations System.

We believe that strong, enabled and capable local and regional governments are keys to enhance human and sustainable urban development.

We partner with local and regional governments associations, academia, cities, research institutions and civil society.

We work both at operational and normative levels on urban governance, municipal sustainability and transparency, through research, advocacy, capacity building, tools development and technical assistance. We support local and regional governments in three main areas:

**Innovative tools for mapping urban governance**
- Metropolitan governance tools—Inter-Municipal Cooperation
- E-governance and urban policy design in developing countries
- Safer cities programme

**Smart Technologies for local revenue generation**
- Informality versus Formality in service delivery
- Adaptation of the International Guidelines on Decentralization and Access to basic services for all
- Strengthening role and voice of local governments in the Post 2015 and Habitat III processes

**Tools for accountability and transparency for local government**
- Guidelines on PPP negotiations—procurement
- Use of ICT for youth participation in governance

Contact us: diana.lopez@unhabitat.org
Read more on www.unhabitat.org