



United Cities and Local Governments
Cités et Gouvernements Locaux Unis
Ciudades y Gobiernos Locales Unidos

UCLG COMMITTEES AND WORKING GROUPS

COMMITTEE ON LOCAL FINANCE AND DEVELOPMENT

CALL FOR EXPRESSION OF INTEREST

CIRCULAR 20

Dear Members,

The Committee on Local Finance and Development of UCLG (CLFD) has recently acquired a new Secretariat (see contact below) and wishes to revive its operations.

Please find enclosed a letter from Mr. Fatalah Oualalou, Mayor of Rabat and President of the CLFD, detailing the activities performed during the first months of 2012 and the guidelines proposed for the upcoming months.

We would appreciate that you send us your comments and suggestions and especially your expression of interest to participate to some of the following actions:

1. **Organize regional discussions on the state of decentralization of local finance:** these debates could take place during conventions, assemblies or national and regional conferences of local authorities associations. Based on the findings of the second Global Report on Decentralization (GOLD II), and if required, the CLFD would make an expert available to associations to lead and facilitate these discussions.
2. **Develop indicators on the state of local finances in different countries:** supporting local government associations that wish to strengthen or acquire the capacity to analyze information on the financing of local governments in order to build a constructive dialogue with their national authorities on local financing, and to develop the Global Observatory on local finances.
3. **Disseminate tools for analyzing the Cities' financial performances:** in order to improve the cities' ability to access capital markets, the CLFD identified different methods to assess the financial performance of cities (system of financial and

institutional analysis of local governments – SAFIC -, Public Expenditures and Financial Accountability – PEFA -, and rating systems). The CFLD wishes to accompany the cities that are interested in discussing these methods and thus contribute to the development of capacity building programs. Together, we will seek opportunities for technical support to help the cities implementing these methodologies. The idea of relying on decentralized cooperation to form teams of peers that would use these diagnostic tools and assist their counterparts in a program to strengthen financial management capacity will be detailed shortly.

4. **Other areas of exchange of experience among the city finance officers:** following the seminars organized by the CFLD in 2011, mainly in Africa and Latin America, we have identified two priority themes to promote exchange between experts and managers of local finance: a) Managing the urban land and capturing the land's capital gains to finance urban investments, b) the role of national or regional financial institutions specializing in access to finance for local governments...

It should be remembered that one of the main objectives of the CFLD is to deepen the dialogue with donors and international and regional financial institutions on the access to finance for local governments. This is why the CFLD is strongly committed to the organization of and participation in various international conferences (see attached letter from the President of the Committee). We must work together to make urban financing one of the major issues of the next phase of the resumption of international growth.

As in previous phases, to achieve some of its activities the Committee continues to be supported by Cities Alliance.

The Secretariat of the Committee, provided by Ms. Nathalie LE DENMAT (ledenmatn@gmail.com, tel.: +212 537 260 062/063), is at the disposal of all members to meet, discuss their needs and decide together, over in the coming months, how to transform these objectives into concrete actions. To all the Cities or associations interested, please send us **before July 10th, 2012** your expression of interest by completing and returning to the secretariat the enclosed form.

Thank you in advance for your interest and support,

The UCLG World Secretariat,
on behalf of the Committee on Local Finance and Development

Please click on the links below to access the following documents:

- [Letter from the Mayor of Rabat, Mr. Fatah OUALALOU, Chairman of the Committee on Local Finance and Development](#)
- [Response form and expression of interest on the activities of CLFD](#)