2012 has been a year of financial and economic challenges for many of the members of UCLG. We have also seen conflicts that have marked the international agenda, and under the continuously changing circumstances, important steps are being undertaken to define the future global agenda.

UCLG has tried to bring the interests of local and regional authorities to the heart of the international debate by playing an active role in the Rio+20 process and by advocating for the inclusion of the local and regional authorities’ views in the post-2015 development agenda. Important achievements have been made by ensuring an unprecedented recognition of the roles of local governments in the Rio+20 outcome document. The improvement of our capacity to influence the UN Agenda has long been in our work plan and UCLG’s leadership provided a clear mandate to work towards the achievement of Permanent Observer Status before the UN General Assembly.

Furthermore, the inclusion of UCLG’s President, Dr. Kadir Topbaş, in the High-Level Panel of Eminent persons for 2015, has guaranteed direct access to the discussions that will shape the future of international policy. UCLG has effectively supported decentralisation and local democracy in the developing countries, and has started work to define a city-to-city and learning agenda. Decisive steps have been undertaken to increase the participation of regional authorities in UCLG through a far-reaching partnership with the key representative organization. The World Organization has further reached out to all global stakeholders, from private sector to civil society and Local Governments’ sister organization to call for joint action in preparation for the Habitat III Conference.

THE PRESIDENCY
The annual report presents the activities of the global network from January to December 2012. It further details the activities of the UCLG World Secretariat and our financial data, as well as a summary of the work conducted by the sections, committees and working groups in accordance with the Work Plan defined during the Florence World Council in December 2011.
ABOUT UCLG

UNITED CITIES AND LOCAL GOVERNMENTS is the world organization of local and regional governments and their representative associations. Inheritor of two organizations founded in 1913 and 1957, it was created in 2004 when local and regional authorities the world over decided to come together to create on united voice on the international scene.
United Cities and Local Governments represents and defends the interests of local and regional governments on the world stage.

**MISSION**

The mission of UCLG is to be the united voice and world advocate of democratic local self-government, promoting its values, objectives and interests, through cooperation between local governments, and within the wider international community.

**GOALS**

Reinforcing the role of local and regional authorities in the international decision making process;

Mobilising local action in favour of development;

Promoting strong and effective local and regional authorities and representative national associations;

Promoting innovation for the benefit of local governance.

**TOPICS**

- Decentralization and Local Self-Government
- Local Finance and Development
- Culture
- Development Cooperation and City Diplomacy
- Social Inclusion, Participative Democracy and Human Rights
- Gender Equality
- Urban Health
- The Mediterranean
- Peripheral Cities
- Urban Mobility
- Digital Cities
- Strategic Urban Planning
- Capacity and Institution Building (CIB)
- Migration and Co-development
- Responsible Tourism and Sustainable Development
- Economic Development
- Local Governments and Cooperation in Middle East

**COMMITTEES AND WORKING GROUPS**

Regularly bring together local elected representatives and global experts to share their experiences, debate and seek innovation in the following diverse topics.
Represented through:

7 Regional Sections
1 Metropolitan Section

Present in:

140 of the 192 United Nation member states
representing both towns, cities and local government associations
Over cities and 112 national associations are members of UCLG

THE PRESIDENCY OF UCLG: 2010-2013

PRESIDENT
KADIR TOPBAŞ
Mayor of Istanbul, Turkey

CO-PRESIDENTS AND TREASURER
ANTONIO COSTA
Mayor of Lisbon, Portugal

JOHNNY ARAYA
Mayor of San José, Costa Rica

WAN QINGLIANG
Vice-President of the Association of Chinese Mayors

MUCHADEYI MASUNDA
Mayor of Harare, Zimbabwe

ILSUR METSHIN
Mayor of Kazan, Russia

TED ELLIS
Mayor of Bluffton, United States, is the Treasurer of UCLG

All members of UCLG and our partners meet every three years on the occasion of the UCLG Congress, also the Summit of Local and Regional Leaders. A new Presidency will be elected at the 2013 UCLG Congress in Rabat for a period of three years.

THE UNITED VOICE OF LOCAL AND REGIONAL AUTHORITIES BEFORE THE INTERNATIONAL COMMUNITY

UCLG is active on the international stage on many topics:

Post-2015 Development Agenda

In July 2012, Ban Ki-moon nominated Mr. Kadir Topbaş as member of the High Level Panel on the post-2015 process, a recognition for the role of local and regional authorities in the Millennium Development Goals. In September 2012, during the meetings of the High Level Panel, the President of UCLG called for involvement of local and regional authorities in the Post-2015 process. The HLP conclusions and proposals will be presented in September 2013 during the General Assembly of the United Nations.

UCLG and the United Nations

In May 2011, the President of UCLG, Mr. Kadir Topbaş, personally met the Secretary General of the United Nations and requested a special status for UCLG before the General Assembly of this institution. In April 2012, the Secretary General of the UN, Ban Ki-Moon, welcomed Local and Regional Authorities to the headquarters of the United Nations where they were able to present their key messages with view to the Rio+20 Summit.

Rio+20

During the Earth Summit (Rio+20) in June 2012, the Final Document recognized, for the first time, the key role of local and regional governments in the international development agenda.
A strong leadership with sound intelligence, generated and building on the skills of the network expresses the special vision of local governments before the international community, influencing global governance and cooperating together in the spirit of solidarity.
01 REPRESENTATION
INTELLIGENCE
COOPERATION

02 LEADERSHIP AND
GOVERNANCE

03 ORGANIZATION

REPRESENTATION

To promote local and regional self-government as well as other shared values around the world, and increase their influence on global governance and policymaking at all levels in issues of interest.

INTELLIGENCE

To gather, analyse and share knowhow and information at the service of members and stakeholders.

COOPERATION

To promote decentralized cooperation and international cooperation between local governments and their associations; to promote peer to peer ties as a means for mutual learning, solidarity and friendship between people and help mobilizing resources for cooperation.

(Objectives of the 2010-2016 UCLG Strategic Priorities)
The improvement of our capacity to influence the UN Agenda has long been in our work plan and UCLG’s leadership provided a clear mandate to work towards the achievement of Permanent Observer Status before the UN General Assembly.

In the aftermath of Rio+20, where unprecedented acknowledgement of the role of local and regional governments in sustainability took place, mindful of the many follow up mechanisms being set up and in view of the Third UN Conference on Housing and Sustainable Urban Development (Habitat III), steps were undertaken to formally request this status.

A report of activities was prepared as well as a memorandum and draft resolutions to be put forward to the Legal Committee of the United Nations. Legal and political advice was provided by the Turkish Embassy, which offered to present the request. Members the world over were encouraged to contact their respective governments to request support for the initiative. A consultant was engaged in New York in order to follow the day-to-day work.

President Topbaş met the President of the General Assembly and the Chairman of the Legal Committee in September.

The Turkish mission presented a formal request to the General Committee requesting the initiative to be put on the Agenda. The General Committee has advised to divert the item to next year in order to gain broader support from member states.

On the road towards the Summit on Aid Effectiveness, UCLG and its partners co-organised a session in Barcelona in March, hosted by UNDP to take stock on the aftermath of the summit and to define a joint strategy towards the future Global Partnership resulting from the Busan discussion. Under the political leadership of the Committee on Development Cooperation and its Working Group CIB, UCLG is closely following the post 2015 Development Agenda. UCLG as focal point for Local and Regional Authorities has requested to be included in the Steering Committee of the Global Partnership for Effective Development Cooperation which will support the Ministerial Platform. UCLG has further requested the local dimension to be included in the indicators on aid effectiveness that will be developed in this new phase.

The result of years of active advocacy can be seen in the focus of the UN Development Cooperation Forum in Decentralised Cooperation. For the first time the Annual Meeting of the Forum dedicated two sessions to Decentralised Cooperation and will develop work in this area. The UCLG policy paper developed by the UCLG Committee on this topic served as basis for a global discussion in New York in July.
EARTH SUMMIT: PRESENCE IN RIO+20

UCLG, as co-organising partner, was in charge of coordinating the inputs and participation of local and regional authorities for the Summit that took place on 20-22 June. UCLG intensively contributed to the formal negotiations in consultation with members.

Furthermore, UCLG has been acting as the convener and umbrella organization by organising a **High-Level Session on 23 April in New York**. This session, organised jointly with Habitat, included participation of Dr. Joan Clos, Director of Habitat, and Mr. Ban Ki moon, UN Secretary General. The UCLG Presidency and all Local and Regional Governments networks established a dialogue with key member States gathered in the Group of Friends of Sustainable Cities. At the initiative of UCLG and with the support of ORU-FOGAR and ICLEI, joint messages agreed by all networks were presented, including eight concrete recommendations.

The Urban Summit organised by UCLG and hosted by the City of Rio de Janeiro at Copacabana, gathered around 300 participants and aimed at amalgamating the different representations: cities, local and regional.

Despite the questioned outcomes of Rio+20 in terms of international agreements, the results for local and regional authorities were unprecedented with fully fledged recognition of the role in not only in thematic areas but also in relation to the need to strengthen local governance for sustainability. The Rio+20 process has also resulted in strengthened partnerships of UCLG with international institutions, country forums and other partners, such as the Group of Friends of Sustainable Cities, Ford Foundation, etc.

FORUM OF THE ALLIANCE OF CIVILIZATIONS IN ISTANBUL

A special pledging conference of the Alliance of Civilizations took place in Istanbul at the end of May. This forum was the occasion for UCLG´s President to renew the Organization´s commitment to continue collaborating with the Alliance and to reinvigorate the local dimension of its activities.

UCLG was also represented by its Secretary General at the meeting of the Alliance for the definition of a Work Plan for the Mediterranean. The World Organization will explore ways in which local authorities’ perspectives can be included in this work programme set to cover issues such as: promoting tolerance, combating racism through improving governance.

“The Rio+20 should set the ground for the Habitat III Conference and a clear role should be devoted to local and regional authorities in the Post-2015 development agenda”.
COMMUNICATION OF THE EUROPEAN UNION ON WORK WITH LOCAL AUTHORITIES

A Communication is the main policy instrument of the European Union. For the first time such an instrument will be dedicated to the relations with the Local Authorities for the definition and implementation of EU policy. UCLG as partner of PLATFORMA, the European Consortium articulating the voice of Local and Regional Authorities, has been defining a message and facilitating inputs from its members to the debate.

WORLD WATER FORUM IN MARSEILLE

UCLG co-organized the Local Authorities Day on 14 and 15 March. Over 300 local and regional authorities participated and expressed renewed support for the Istanbul Water Consensus. Co-President Masuda who opened the works and co-chaired the Local and Regional Authorities Assembly represented the UCLG Presidency. Sessions were prepared in partnership with corporate partner SUEZ and ORU-FOGAR.

WORLD URBAN FORUM: LOCAL AUTHORITIES LEADING HABITAT III PREPARATIONS

Over 200 Mayors and local practitioners, brought together at the World Urban Forum, called for the Third Conference of Sustainable Human Settlements (Habitat III) to revise the international governance architecture for urban and development issues. The President of UCLG presented the commitment of the UN Advisory Committee for Local Authorities (UNACLA) to significantly contribute to shaping the new Habitat Agenda. As inheritor of the Habitat II process, which set the basis for the creation of the World Organization of Cities and Local Governments, UCLG called for all local government partners to unite and define the priorities of local and regional authorities internationally.

A session was held by the Committee on Decentralization and Local Self Government, chaired by the Diputación of Barcelona, and the UCLG World Secretariat in order to inform on the findings and recommendations of the II GOLD report with regard to local government Finance.

The UCLG Committee of Urban Strategic planning and Culture gathered city leaders, development partners and networks to debate on management practices and peer learning around different challenges.
BAN KI-MOON NOMINATES KADIR TOPBAŞ AS A MEMBER OF THE POST-MDGs HIGH-LEVEL PANEL

United Nations Secretary-General Ban Ki-moon announced on 31st of July 2012 the members of a High-Level Panel to advise on the global development agenda beyond 2015, the target date for achieving the Millennium Development Goals (MDGs). Among the 27 personalities of this High-Level Panel, the Secretary General requests the presence of Dr. Kadir Topbaş, Mayor of Istanbul and President of UCLG. This nomination is an important step forward in the recognition of the role of our constituency in the achievement of the Millennium Development Goals and in the definition of the future development agenda.

At the first meeting of the Panel on 25 September 2012 in New York, the President of UCLG expressed his commitment to ensuring that the diverse voices of local and regional authorities would reach the Panel. He also offered to facilitate a meeting of the Panel members with local and regional authorities. The Panel focussed on the need to identify catalysts to achieve the 2015 Goals and define the targets beyond the MDGs. The Deputy Secretary General of the UN, Jan Eliasson stressed that, “it is necessary to identify areas that have the greatest multiplier effect, such as access to water and gender equality”.

The UCLG President called for the Post 2015 process to focus on empowering the different stakeholders and in particular local and regional authorities. “Growing inequalities are the Achilles heel of the Millennium Development Goals. Many of these inequalities cannot be addressed without proper service provision for the urban dwellers around the world”.

2ND HIGH-LEVEL PANEL IN LONDON: POVERTY ERADICATION

The second meeting of the Panel took place on 2 November in London and stressed the need to target individual and household level poverty. UCLG’s President highlighted the importance of addressing inequalities at local level, through the provision of basic services, adequate infrastructures and the definition of local development strategies. Dr. Kadir Topbaş declared: “many of the challenges we face require an integrated territorial approach and the improvement of urban planning. He further stressed: “Territorial inequalities should be addressed by the future Post 2015 agenda”.

Following up on the commitment to represent the broad constituency of local and regional authorities and their diverse networks, the UCLG President has invited local government sister organizations to join a Task-force that will prepare inputs for the 2015 process.
PROGRAMME AND RESEARCH PROJECTS

RESEARCH FOR GOLD III

Over 60 participants from all UCLG regions, including researchers, UCLG Committees, partners and representatives of Sections came together to define the research process of GOLD III. This edition of the report will focus on the governance of local basic services and in particular on the role that local governments play in the provision of these services. Special attention will be paid to the links between basic service provision and the development agenda within the framework of the Post 2015 debates.

David Satterthwaite, Senior Fellow of the International, Institute leads the research team for Environment and Development (IIED).

The GOLD Report has been made possible with the financial support of the Diputación of Barcelona, Generalitat of Catalonia, PPIAF, the Interamerican Development Bank, the French Development Agency, Cities Alliance and Cities Development Initiative for Asia (CDIA). The Second Meeting of the Steering Committee is envisaged for 17-18 January 2013.

JOINT WORK PROGRAMME WITH CITIES ALLIANCE

The Secretariats of UCLG, UCLGA, Metropolis and CA met in Rabat during the week of 23 January to develop a joint work programme for promoting and strengthening the role of cities in the activities of the Alliance and to increase the capacity of cities to face the challenges of urbanization.

The secretariats reviewed the implications of the implementation of the new Cities Alliance Charter and business model emphasising that the central role of cities and local authorities in the programme should be maintained and further promoted. The role of Local Government Associations in the design and implementation of the country programmes should be developed.

Key areas of joint work are:

01. Support local authorities and their associations, particularly in SSA/MENA, to put urban development at the forefront of the policy agenda of national, regional and international institutions;

02. Strengthen mayors and city manager capacities to develop and implement sustainable and pro-poor urban policies;

03. Strengthen partnerships between African and Middle East cities and their local government partners of other regions to improve the quality and performance of urban development cooperation;

04. Develop advocacy activities before the international community to bring forward the concerns and commitments of local and regional authorities. Create a structural dialogue with CA members on the topics on the international agenda related to the partnership activities.

UCLG called for Cities Alliance to increase advocacy work related to putting urbanization at the centre of the development agenda. This work will be of particular importance on the way to Habitat III.
The UCLG Project “Support to Decentralization in Developing Countries”, co-funded by the European Commission, advanced the process of dialogue with the regional organizations of integration in each of the projects regions. Reports on the state of decentralization were published in each region, and high-level conferences were held bringing together local governments, ministries and the regional entities. ASEAN is the counterpart in Southeast Asia and the High-Level Conference took place in Phnom Penh, Cambodia, 3-4 May. The East African Community is the counterpart in East Africa and a Conference as organized in Arusha, Tanzania, 24-25 September. Activities in Latin America culminated in the Ibero-American Forum of Local Governments (Madrid, Spain, 18-19 October). All of the above initiatives aim at promoting the creation of a regional space for dialogue. In West Africa the Council of Local Government (CCT) was created within the UEMOA. A first meeting of the Council elected the UVICOCI, in Ivory Coast, as President and adopted the work plan for the 1st year.

Activities under the City-to-City Action Learning Exchange between Brazil and Mozambique started focussing on improving urban management. The project is part of the joint partnership between Frente de Prefeitos (national Brazilian association), the Local Authorities Association of Mozambique (ANAMM), the African Regional Section of UCLG (UCLGA), Architects Without Borders (ASF), the Network on Intermediary Cities (CIMES) and the UCLG World Secretariat in order to build proper support for city-to-city exchanges in 7 Mozambican and 5 Brazilian cities.

Representatives of UCLG sections and local governments associations in each of the four regions mentioned above organized several regional meetings to build a joint agenda with regional institutions and advocate in favour of decentralisation:

- **In Southeast Asia:** eight ASEAN countries came together on the 3rd and 4th of May in Phnom Penh, Cambodia, in the framework of “the Regional conference on Strengthening decentralization and local governance in ASEAN countries through a Multi-Stakeholder Approach”.

- **In West Africa:** On 11 April in Niamey (Nigeria) the Council of Local Governments (CCT) was officially installed, in the framework of the Commission of the West African Economic and Monetary Union (UEMOA) gathering representatives of local governments associations of eight countries of the region.

- **In East Africa:** On 24-25 September the inaugural meeting of the East Africa Local Government Forum (EALGF) took place in Arusha (Tanzania) with more the 80 delegates representing all the Local Governments Association and national governments of the East African Community.

- **In Ibero-America:** more than 150 mayors from all over Latin America, Spain and Portugal met on 18-19 October in Madrid (Spain) in the framework of the 7th Ibero-American Forum of Local Governments to contribute to the Summit of Chief of States and Governments of Ibero-America (see also point 78).
UCLG and Metropolis gathered city leaders, development partners and networks to debate on learning practices and to identify key steps in the definition of City-to-City Learning Agendas building on the existing practices of the UCLG membership. This first joint meeting brought together 60 high-level urban thinkers and experts from around the world.

Partners applauded the initiative and proposed the institutionalization, within UCLG, of a Joint Forum of researchers, practitioners and development partners that will meet regularly to study trends and influence each other’s agenda.

The sessions were directed towards discussing methodologies and receiving inputs on learning initiatives from diverse stakeholders.

Following the proposal by UCLG Co-President, Wan Qingliang, the city of Guangzhou launched the Guangzhou International Award for Urban Innovation jointly with UCLG and Metropolis. The award encourages and recognizes outstanding innovative projects and practices in the public sector, particularly in the areas of Public Services, Management, Smart Cities and Sustainability. 15 cases were short-listed from 255 submissions, among which: Aguascalientes, Chiang Rai, Curitiba, Dakar, Kaohsiung, Kocaeli, Lilongwe, Medellin, Perm, Sakhnin, Salerno, Seoul, Sylhet, Vancouver, and Vienna.

The First Award Ceremony took place in November 2012 at the occasion of the Board of Directors of Metropolis in the city of Guangzhou. The 5 Winners of the Guangzhou Award were:

01 KOCaelI
    Turkey

02 LILONGWE
    Malawi

03 SEOUL
    South Korea

04 VANCOUVER
    Canada

05 VIENNA
    Austria
UCLG together with its members will support the Tunisian Local Governments in the reform process that is taking place in the context of the Arab Spring.

As chair of the Executive Committee of Cities Alliance, UCLG has offered donor governments and agencies that are planning to invest in the Mediterranean and North African region, support in identifying partners and structuring the dialogue between the local authorities and the development stakeholders. A first exploratory mission took place on 5-7 March, integrated by the World Secretariat, Diputacion of Barcelona, and Cités Unies France. The Association of Tunisian Municipalities as well as the City of Tunis were the local counterparts to this activity.

The political conference took place on 28-30 May and was supported by the Diputación of Barcelona, the UCLG Committee for the Mediterranean and the French Ministry of Foreign and European Affairs. This conference has served as a basis for the definition of technical work-plans for development agencies and has greatly contributed to improving the capacity of local authorities in Tunisia in contributing to the Constitutional process in their country.
COMMITTEES AND WORKING GROUPS HIGHLIGHTS

STANDING COMMITTEE ON GENDER EQUALITY

The Executive Director of UN Women, Michelle Bachelet, received the Standing Committee on Gender Equality. The UN Agency agreed to enter into a close partnership with UCLG aiming at strengthening the political participation of women in all levels of government and particularly in local politics. The World Secretariat and the Women’s networks of the UCLG Sections, in particular METROPOLIS, CEMR, UCLGA and REDAMUGOL, are working closely towards the celebration of the First Global Conference in Paris on 1 February 2013.

DECENTRALIZATION AND LOCAL SELF-GOVERNMENT

The Decentralization and Local Self-Government Committee supported the organization of the conference on Decentralization and the Constitutional Reform in Tunis on 28-30th May that had an important impact on the constitutional debate, and continue to support the GOLD Report.

The Committee chaired by the Diputació de Barcelona, and the UCLG World Secretariat held a session in the World Urban Forum in Naples in order to inform on the findings and recommendations of the II GOLD report with regard to local government Finance.

CULTURE

The Committee on Culture organized a half-day seminar in Rio on 19 June in collaboration with the Brazilian Ministry on Culture, dedicated to Culture as Fourth Pillar of Sustainable development. It also held a meeting in Barcelona in September to redefine its Governance structure. The City of Lille is now the Chair of the Committee and three other cities are holding a co-presidency, namely: Mexico City, Buenos Aires and Montreal.

DEVELOPMENT COOPERATION AND CITY DIPLOMACY

The committee participated, on behalf of UCLG, in the Cooperation for Development Forum organized by the United Nations in July 2012 through the participation of the Presidency and Co-Presidency of the Development Cooperation and City Diplomacy Committee.

In the Round Table on Decentralized Development Cooperation, participants highlighted the need to give particular attention to the transfer of resources and technical capacities in the context of South-South decentralized cooperation and underlined the impact of decentralized cooperation in the promotion of more solid and participative national institutions.

The Policy Paper on Development Cooperation and Local Governments, drafted by the Committee, was approved by the UCLG World Council in December 2012 in Dakar.
CAPACITY AND INSTITUTION BUILDING (CIB-ACB PLATFORM)

The CIB Working Group met on 11-12 June in Bergen, Norway, to discuss new developments in the aid architecture and the strengths and weaknesses of decentralized cooperation.

SOCIAL INCLUSION, PARTICIPATORY DEMOCRACY AND HUMAN RIGHTS

The first 2012 meeting of UCLG’s Committee on Social Inclusion, Participatory Democracy and Human Rights was held in Aubagne (France) on March 12, 2012. Some of the key topics tabled for discussion were: the organization of the World Conference of Cities for Human Rights next December in Saint-Denis; the intention to organize a meeting on Inclusive Cities in Barcelona in 2013; the strategic plan of the Committee and Working Group on Local Economic Development; the progress made in the Inclusive Cities Observatory and the contribution to the final declaration of the World Water Forum on the right to water.

The 1st World Summit of Local Governments for the Right to the City on 11 and 12 December 2012 in Saint-Denis. This meeting was a step further in the promotion of the European Charter for the Safeguarding of Human Rights in the City, adopted in 2000 and signed by 350 cities, and in the general movement of the Global Charter-Agenda for Human Rights in the City adopted in December 2012 by the World Council of United Cities and Local Governments (UCLG).

URBAN STRATEGIC PLANNING

The Committee on Urban Strategic Planning has contributed significantly to the UCLG learning agenda. The co-presidency of Durban was instrumental in setting up innovative city-to-city cooperation, in particular between Southern regions developing modalities of peer learning.

URBAN HEALTH AND THE WORKING GROUP ON THE MIDDLE-EAST

The newly established Committee of Urban Health and the Working Group on the Middle-East started their work calling for members to join and share their work plans. Their first official meeting took place on the occasion of a Statutory Meeting in Dakar.
01
Representation, Intelligence, Cooperation

02
Leadership and Governance

03
Organization
LEADERSHIP AND GOVERNANCE

Develop a strong democratic organization to ensure the active participation of political leaders from all spheres of local authorities in all their diverse forms to define the Organization’s agenda and lead its actions towards shared decision-making.

(Objective of the 2010-2016 UCLG Strategic Priorities)
RELATIONS WITH PRESIDENCY AND STATUTORY BODIES

SECRETARIES GENERAL MEETINGS

The World Secretariat hosted a series of meetings for the Secretaries General related to the definition of concrete actions geared towards the implementation of the 2012 work plan, in particular the first meeting of the Resource Mobilization Working Group.

Barcelona, 13-14 February: The Secretaries General further discussed the strategy towards the Earth Summit Rio+20, the format of the UCLG Congress and the procedure for the election of the venues of annual statutory meetings.

New-York, 24 April: A second meeting took place in New York on the occasion of the High Level Event of UCLG at the UN Headquarters. Secretaries General discussed the agenda and challenges of the organization the Rio Executive Bureau and recommended to cancel the event if no better practical conditions were met.

Paris, 8 November: The third meeting of the Secretaries General took place in Paris on November 8 and aimed at addressing the agenda of the Dakar World Council and the calendar of the electoral process to be launched in December 2013 following approval by the Executive Bureau.

PRESIDENT’S MISSION TO LATIN AMERICA

The President opened the 4th Congress of FLACMA held in Santiago, Chile, from 21 to 23, March 2012 which featured over 1500 participants. He invited local and regional authorities to actively participate in UCLG. The discussions focused on the role of local governments in a globalized world, the reduction of disaster risks, decentralization and local autonomy, as well as the challenges of democracy in Latin America.

Dr. Topbaş also visited on this occasion, UCLG Co-President Johnny Araya in San Jose, Costa Rica, and Colombian members during a visit to Bogotá.
Local and regional leaders focused on discussing the impact of local and regional government’s daily work in development and called upon UCLG to work to ensure that this message is convened to the international community in the preparations of the new *Millennium Development Goals* and *Habitat III*. Basic services, equality, local development have been identified as areas where Local and Regional Authorities are key actors if we want to improve the quality of life of communities.

The UCLG membership recalled that the New Urban Agenda should be based on four key pillars: new methods of partnership between central and local governments in order to regulate the urbanization and metropolization processes; supporting innovation and economic development of towns and cities in order to improve the quality of public services; the promotion of strategic urban planning and resilient towns and cities; the engagement of citizens in local decisions. Special emphasis was put in improving the life of women and empowering them as motors of development.

The President of UCLG, Kadir Topbaş, recalled his determination to have the voice of local and regional authorities heard in the international development agenda, and to follow the mandate and aspirations of UCLG to facilitate the diversity of local and regional voices to enrich the international agenda in particular through the High Level Panel of the United Nations. Joan Clos, Under Secretary General of the UN, stressed the need to pay address medium size cities in middle income countries which are rapidly growing and being the target of many of the urban challenges.

The UCLG leadership welcomed the increased participation of Regional Authorities in UCLG through the creation of the Forum of Regions and renewed partnership with ORU-FOGAR aiming at creating a Section of Regions. The World Forum of Regions adopted a Declaration that calls upon all spheres of government to coordinate and contribute to the provision of basic public services. They further stressed the need to unite to work towards food security, and self-sufficiency of territories.

The UCLG Executive Bureau was chaired by Muchadeyi Masunda, Mayor of Harare (Zimbabwe) who stressed the need to bring together all actors and highlighted the role of local authorities as catalyst of alliances and development. Wolfgang Schüster, Mayor of Stuttgart (Germany) praised the work carried out by the organization in 2012 and encouraged members to mobilize and get involved next year by providing inputs for Local and Regional Authorities Post-2015. The Global Taskforce was launched with the announcement that FOGAR, CLGF, AIMF and ATO as well as ICLEI and Nrg4sd have been invited to join in.
For the request of the Executive Bureau to ensure a greater participation and role for regional authorities in UCLG, a Working Group was put together in order to facilitate the organization of the Forum of Regions and to advance the contacts with ORU-FOGAR.

A first meeting took place in Marseille at the offer of the PACA Region and a second meeting in Lyon at the invitation of Rhône-Alps Region.

The group worked at defining the programme and structure of the first UCLG Forum of Regions that will take place on 4 December at the occasion of Africities and the UCLG World Council.

The Vice-President of the Rhône-Alps Region in France, Mr. Bernard Soulage, was identified as the rapporteur of the Group.

A meeting between the President of ORU-FOGAR and the President of UCLG took place in September with view to developing the basis of collaboration between the two World Organizations. Thematic areas were identified, such as: Sustainable Development, Climate Change and Aid Effectiveness.

There is further commitment from ORU-FOGAR to become a full member of the UCLG network in the future. Concrete proposals to this effect were brought to the Governing Bodies of UCLG in Dakar and were already agreed by the General Assembly of ORU-FOGAR in Medellin last October. Transitional arrangements will need to be defined in the coming year, including the move of the Secretariat of ORU-FOGAR to Barcelona.

UCLG has signed a Memorandum of Understanding with the United Nations International Labour Organization (ILO). The agreement was signed by the ILO Secretary General Mr Juan Somavia and by UCLG Secretary General Mr Josep Roig aiming at prioritizing Local Economic and Social Development in the UCLG Agenda.

The first practical cooperation will take place in Mozambique, where ILO and UCLG will support the city of Maputo to identify challenges and opportunities for informal street vendors and markets within the framework of promoting decent jobs for all. Cooperation along the Post2015 MDG agenda is envisaged in addressing the relevance of decent work and employment creation and the role of cities.

“Imagine Society, Build Democracy” will be the overall theme of the IV World Congress. Local and regional leaders as well as their partners organizations will debate and define their agenda on key topics, such as: Governance and Local Democracy, Wellbeing, Diversity, Solidarity among Territories, Post-2015 process and Habitat III.
The group met twice, in February and November, in Barcelona and Paris respectively. It made an assessment of the financial challenges faced by the organization. While the membership fee collection of UCLG has remained stable over the years, it has also remained geographically unbalanced with stable contributions from Europe but also counting on significant increases from UCLG-ASPAC and Metropolis.

Members agreed on the need for a simple and single membership structure, which would benefit all sectors of the network, and the identification of alternative sources of income was highlighted as a priority.

The need to define specific agreements with each of the Sections that will be working under a general framework but that will allow for particular situations to be acknowledged and addressed is one of the key recommendations put forward.

The World Organisation has developed its relations with the private sector by involving private sector actors in the Corporate Partnership Programme: Suez Environment, GDF-Suez, Agbar, Makyol Construction and MNG Holding.

Bilateral initiatives were organised, mainly on joint research (contribution to GOLD III case studies) and joint advocacy at the Rio Urban Summit in June and at the World Water Forum in March 2012.

The Corporate Partnership Programme is designed to generate and enhance a long-term, successful relationship between the World Organization and strategic corporate partners. This partnership should foster joint research and joint advocacy developments by the entrepreneurial world and local leadership.
To reinforce the UCLG organization through the operational role of Committees, Sections and the World Secretariat and in relation to other networks and institutions.

(Objective of the 2010-2016 UCLG Strategic Priorities)
UCLG SECTIONS

AFRICA

UCLG Africa is the co-organiser of the Africities Summit organized every three years alternately in the different regions of Africa. This event is a highlight of the impetus given to the decentralization process in Africa and to the reflection on the role of local governments in the governance and development of African countries. The 6th edition of Africities Summit is took place in the City of Dakar from 4th to 8th December 2012.

EUROPE

The Council of European Municipalities and Regions (CEMR) organised its 25th General Assembly from 26 to 28 September 2012 in Cadiz, Spain. Mayors, leaders, elected members and representatives of European local governments, cities, intermediate authorities and regions, adopted the Cádiz declaration, entitled “Decentralisation, Development, Democracy - Innovating for a Europe in 3D” proposing a new approach to development that relies on European territories ability to create the conditions for new growth – growth that is more sustainable and able to create jobs.

NORTH AMERICA

NLC organized 10 selected Solution Theater workshops at the 2012 Congress of Cities and Exposition in Boston, November 28-December 1 2012. Topics for the sessions ranged from waste reduction solutions to health and wellness to innovative service delivery through public-private collaborations to document management efficiencies for cities.

LATIN AMERICA

The 7th Ibero-American Forum, hosted by the City of Madrid and co-organised by FLACMA, UCLG, UN-Habitat, UCCI and SEGIB supported local economies and job creation, proposed the creation of a Cultural Network of Ibero-American Local Governments, and recalled that in view of the complex junction in which we find ourselves, the role of local and regional authorities are fundamental due to their proximity and knowledge of the reality of local economies.
METROPOLIS

Metropolis’ Board of Directors meeting in Guangzhou focused on Urban Innovation and offered a political discussion on innovating urban development trends. In addition to the Statutory Meetings, the recently launched Metropolis Initiatives hosted a number of activities addressing urban challenges and solutions.

EURASIA

Eurasian cities met in Kazan within the framework of the Eurasian Cities Forum, “Heritage and Innovations”, held on July 5-8, 2012. The following issues were discussed during the forum: Innovations in the sphere of public services; the role of cultural and historical heritage in recognition of cities; rise of international recognition of heritage cities of Eurasia; rise of tourist attractiveness of cities of Eurasia and development of cultural tourism.

MIDDLE EAST AND WESTERN ASIA

UCLG-MEWA Executive Bureau, Council and General Assembly will take place in April 2013 in Baghdad, Iraq. Two workshops will focus on Effect on Desert Storms in MEWA countries and Local governments systems in the MEWA region.

ASIA-PACIFIC

The 4th UCLG ASPAC Congress hosted by the City of Indonesia, Jakarta, took place on 2-5 October 2012 marking the transition between the incoming and the outgoing president. The Congress was opened by former UCLG ASPAC President and Governor of Jakarta, Fauzi Bowo and closed with the election of Jatin V. Modi, President of All India Institute of Local Self Government, who became the new head of the UCLG Section.
COMMUNICATION AND PUBLICATIONS

Communication represents a strategic priority for the United Cities and Local Governments. In 2012, UCLG developed and launched a range of new communication tools which are at the service of local and regional governments.

www.uclg.org

The new UCLG website seeks to respond to the particular needs of each user and provide easier access to information. With a more userfriendly and welcoming layout, the new website is organized into three sections: Organization, Issues and Events.

The new website has been designed to allow instant access from the homepage to the content, such as: Millennium Goals, Access to Basic Services, Development Cooperation, Decentralization, Lobbying before the United Nations, etc.

All UCLG publications will be made available on the website (reports and synthesis, articles, bulletins...) in both printing and digital formats fit for dissemination in social networks.

New specialized pages such as the GOLD portal, the Rio+20 blog and a page dedicated to Gender news are now in place.

Through the UCLG Newsletter, produced on a monthly basis, UCLG ensures that its global network of members and partners are kept up-to-date with the latest initiatives and news. UCLG has also produced a number of publications and booklets to communicate good practice.

UCLG also produced a certain number of publication and brochures to share good practices:

- Cities, local, metropolitan and regional governments on their way to Habitat III
- Strategic Priorities 2010-2016
- Highlights 2012
- Imagine visioning with peers
- Peer learning event in Maputo “Hygiene, Health and Markets”
- Mentoring story: Lilongwe and Johannesburg experience
- Learning Perspectives for Cities: Strategic note for City and Governments Units and Metropolis
# FINANCIAL MANAGEMENT

**World Secretariat Budget:** 2,490,750 €

The UCLG budget is composed mainly of member contributions and incomes for partnership programmes of the international community.

## INCOME

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<tr>
<th>Programmes</th>
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<tbody>
<tr>
<td>Membership Fees</td>
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<tr>
<td>Other incomes</td>
<td>361,366 €</td>
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<td>Congress Organization</td>
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## EXPENSES

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<td>Travel</td>
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<tr>
<td>Fees</td>
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<td>Communication</td>
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## GRANTS AND PROGRAMMES

| European Commission | 813,066 € |
| Cities Alliance | 359,379 € |
| Norwegian Ministry of Foreign Affairs | 261,000 € |
| Region of Catalonia | 128,000 € |
| City of Barcelona | 108,550 € |
| Province of Barcelona | 100,000 € |
| French Ministry of Foreign and European Affairs | 65,000 € |
| UN-HABITAT | 22,620 € |
| Other | 65,000 € |

## OTHER CONTRIBUTIONS THAT ALLOW UCLG TO OPERATE WITH REDUCED COSTS

- The city of Barcelona provides the office of the World Secretariat.
- Organizations and local authorities finance the committees and working groups.
- Host cities assume the cost of statutory meetings, equipment and social events.

**HUMAN RESOURCES IN WORLD SECRETARIAT**

- **27 MEMBERS**
- **13 NATIONALITIES**