What are our highest aspirations for small municipalities in the next 15-20 years?

Infrastructure development

Sustainability

Des villes batties sur des modèles de développement durables

Green municipality

Eavre-équilibrage

Reequilibrage

Politics, a democracy enabling for rural dept

Strong economy

Social economic development

Local economy - local governance

Autonomy par a tombo de decision

Vivre=egalite

Rade de proximate

Need of a framework for small cities

Bottom-up action

R Сергей loos resources with the world rural
More confidence in ourselves as small cities

CREER EN NOSOTROS

and convince (consumers) of the
importance of production

and convince (consumers) of the
importance of production

Long term
a broad
planning
to maintain
the efforts for
time

LONG TERM PLANNING

Regions and rural areas
Small municipalities

Maxima Calidad de vida
Minimo Impacto Ambiental
Maxima Autosuficiencia
Territorial

High level
of ambition
for small
cities

se producir
así que +
"mas autarkía"

mas autarkía

Prosperity

- food/price
- money for education

Integration
Social and Cultural

more support or
financiamiento para
proveer mejores
servicios a la ciudadanía

Integration
Social et Culturelle

more support or
financiamiento para
proveer mejores
servicios a la ciudadanía

more support or
financiamiento para
proveer mejores
servicios a la ciudadanía

The Consultation
A) Aim
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C) Day One
Regions and rural areas
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UCLG is a network of networks that advocates for local and regional governments on the world stage. This involves responding to a tightly packed international agenda, including the SDGs, Habitat III, Financing for Development and Climate Change processes and facilitating the Global Taskforce of local and Regional Governments for Post 2015 and Towards Habitat III.

AMBITION

It is our ambition to voice the perspective of our constituency in all of these negotiations, providing feedback on documents discussed by national governments. However, we also know that we cannot just be a reactive force, responding to the priorities and calendar of the international community. Our members have mandated UCLG to develop a global agenda by and for local governments, including all territorial authorities, large and small, urban and rural.

That’s why we’re working on a Global Agenda of Local and Regional Governments for the 21st Century. In order to do this, we are developing new, more inclusive, forms of dialogue and consultation.

Develop a global agenda by and for local governments, including all territorial authorities, large and small, urban and rural.
EXPLORING THE AGENDA

Over the course of our work following international debates and actively participating in alliances with the international community, civil society and national governments, we have come to realise that one of the most important outcomes of the Post 2015 and the Habitat III agendas will be the roles that are set out for different actors.

It is in this context that we are exploring the agenda from the perspective of different parts of our constituency: intermediary cities, peripheral cities, metropolitan cities, regions, rural areas and small municipalities.

We have opened up our deliberations beyond our network of members, because we know that it will be vital to identify shared priorities and messages and build strategic alliances with other stakeholders, particularly civil society, in order to maximize the impact of the Agenda.

Furthermore, we are documenting these consultations in order to provide ideas to partners that might be going through similar processes.

STRATEGIC TOOLKIT

Building on the results of a brainstorming session with representatives of the UCLG Sections, Committees and academics in April of 2014, we developed a Strategic Toolkit to guide us through the essential ‘ingredients’ of our Global Agenda. As the Toolkit lays out, our agenda must have a strong, compelling narrative made up of:

- Principles, ambitions and dreams
- Policy recommendations to make these dreams a reality
- Examples of how these policies could be implemented on the ground

It will be vital to identify shared priorities and messages and build strategic alliances.
The objective of the dialogue organized on 29-30 June was to bring together representatives of regions, intermediate governments (provinces, federal states, departments) and small towns and municipalities representing rural areas, with the aim of promoting a “territorial approach” to the development agenda, in order to provide an alternative view of urban-rural linkages.

Since the creation of UCLG and as per its Constitution, our agenda has always aimed to include all sub-national governments and representatives of local governments from all over the world: from regions and intermediate governments, to metropolises and cities, to small municipalities, serving both rural and urban communities.

The agenda of regional authorities is unique and is receiving special and increased attention and visibility through a dedicated UCLG Section – the Forum of Regions.

UCLG created the Forum of Regions in its congress in Rabat (2013). It is through collaboration with its Sections and members that UCLG prepares inputs for the international agenda, particularly in the preparation for Habitat III and the future Sustainable Development Goals.

Although UCLG encompasses the majority of local governments associations across the world, whose membership includes small towns and municipalities with strong rural anchorage, we considered that the voices of this large group of our constituency needed to be better identified and collected. Small towns and municipalities have a specific vision on the development of their territories and a unique view of the relationship between rural and urban areas that should be included in a broader vision of development.

Bringing these two very heterogeneous constituencies to contribute to the global development agenda – and to Habitat III – was one of the main and most exciting challenges of this dialogue.
Regional governments are gradually emerging as intermediate levels of territorial governance in many countries of the world. However, the regional dimension covers a wide range of institutional features depending on the political tradition of each country. Regional governments can refer to states (in federal countries), quasi federal entities (e.g. autonomous communities in Spain), decentralized regions, provinces, departments and many other political and administrative bodies. There is a big gap between federal and centralized countries. The degree of regional autonomy, the framework of responsibilities attributed to regions and the structure of their share of public expenditure and revenues also differ from one country to another.

For the purpose of this dialogue on a “territorial approach to development”, we have mobilized small towns and cities with less than 10,000 inhabitants. However, this threshold should be considered with caution, since the definition of rural/urban areas varies widely between countries. In general, this definition is related to land use, density and economic activities of the majority of the population.

European countries define urbanized areas on the basis of urban-type land use, typically not allowing gaps of more than 200 m between blocks, and use satellite imagery instead of census blocks to determine the boundaries of the urban area. In less developed countries, in addition to land use and density requirements, a requirement that a large majority of the population, typically 75%, is not engaged in agriculture and/or fishing activities is sometimes used. In India, for example, according to the Planning Commission, a town with a maximum population of 15,000 is considered rural in nature. In these areas the panchayat takes all the decisions. In the USA, an urbanized area consists of central surrounding areas whose population (“urban nucleus”) is greater than 50,000. They must have a core with a population density generally exceeding 1,000 people per square mile; and may contain adjoining territories with at least 500 people per square mile (other towns outside of an urbanized area whose population exceeds 2,500). Thus, rural areas comprise open country and settlements with fewer than 2,500 residents; and areas designated as rural can have population densities as high as 999 per square mile or as low as 1 person per square mile.
AIM

This consultation of territories had a dual aim:

To explore the concerns and priorities of this constituency in order to contribute to UCLG’s Global Agenda

To build our network of regions, rural areas, small municipalities and their allies and partners with a view to long-term collaboration, particularly in the communication and advocacy of the agenda.

PARTICIPANTS

Invitees were selected based on their knowledge of territories and their ability to contribute to a dynamic and open debate. UCLG sought to ensure a gender and regional balance in the group. Some invitees were long-term partners of UCLG, while others were contacts selected after a call for recommendations within the network. The final group was made up of over 30 participants, including elected local officials, practitioners, academics, and civil society representatives.
DAY ONE

During day one, regions and small municipalities worked separately. The day was composed of three stages. First, participants worked to identify and prioritize **principles, ambitions and dreams** for their territories. Then, they suggested **policies** that could help make these dreams a reality. Finally, they gave **examples** of how these policies have been implemented on the ground in territories around the world. At the end of day one, in a plenary session, both groups explained the results of their debates.

Discussions on the aspirations of regions fell into four main blocks:

- **Integrated and inclusive territories**
- **Equitable and inclusive economic growth**
- **Promoting an empowered citizenry**
- **Networks of self-sufficient regional governments within a framework of multi-level governance**

Issues related to **agriculture and food production** were a transversal thread that ran across all of the debates.
Regarding the role of regional authorities, Camila Epalza Azqueta insisted that, in order to define policies and planning, it is important to refer to the regional level and promote territorial cohesion, and that the European Union is crucial as it provides an extensive experience in the context of regional policy and cohesion. In this regard, Camilla Epalza stressed: "the role of regional development policies of the European Union, its territorial dimension and its close link with cohesion and cooperation”. “The experience and expertise of the European Union can serve as a reference for defining indicators and developing coherent international policies. As part of the CPMR (Conference of Peripheral Maritime Regions of Europe (CPMR), which brings together more than 180 regions, and in particular the Working Group on External Cooperation, which is led by the Basque Country, we’re working to make further progress in more innovative decentralized cooperation processes.”

Similarly, Barbara Cannon called for the “rural-proofing” of spatial planning. She emphasized that rural areas often need other ways of doing things.

Letticia Naid also called for economic and social inequalities to be tackled together by focusing on people, territories and institutions. If people are not at the centre of policy development it will not be sustainable. She stressed that regions are made up of towns, and that an integrated approach requires investment in towns, including in "isolated" or "neglected" ones, which can be included in development corridors. Many post-industrial areas that depended on mining, steel and ship-building now need a shared vision to propose new types of development, in line with today and tomorrow’s economy. However, a strategy for that is needed; otherwise we end up with poverty, skill-deficit, and depopulation.
A key plank of the ambition to create integrated territories is to **challenge the rural-urban dichotomy**. This was an element that recurred throughout the debate. Callum Wilkie questioned the negative framing of ‘preventing an exodus’ from rural areas in the short term. He advocated for a focus on positive goals, which can produce embedded long-term change that will prevent exodus as a by-product.

Carles Llorens challenged the idea that urbanization is an inevitable phenomenon:

> “A world of just cities would be unliveable, and only the rich would be able to live in the countryside. We need a balance between the urban and the rural. It’s common sense.”

There was an acknowledgement of the tension between ensuring access to services in sparsely populated areas and the risk of ‘wasting’ money with disproportionate investments. As María Julia Reyna said,

> “Of course everyone wants services in their street; the question is which mechanisms we use to decide how to distribute investment and resources.”

In this regard, Xavier Boneta suggested adopting a concept of right to access that is not based on distance: e.g. “the right to healthcare within one hours’ travel”.

It was suggested that agriculture and food provide a route to understanding urban-rural interdependence in a transversal way, since the food production and consumption cycle affects land use, economy, transport, health and social inclusion, among other areas. The same is true for the provision of renewable energy and bio-sourced materials that are necessary to build a “de-carbonated” society.
Participants

MARIA JULIA REYNA
Currently holds the position of Secretary of International Relations and Integration of the Ministry of Government and State Reform of the Province of Santa Fe (Argentina).

BASHIR KANOUTE
Is Urban Planner and Executive Coordinator of the civil society organization Enda ECOPOP (www.endaecopop.org). This organization is a member of the Enda Third World Network and specializes in supporting decentralization, governance, local development and capacity building of civil society in Africa and the Caribbean.

EQUITABLE AND INCLUSIVE ECONOMIC GROWTH

Participants agreed that one of the major challenges and ambitions for regions is to generate equitable and inclusive economic growth that does not favour some areas or sectors while leaving others behind. Certain regions that are distant from large urban decision-making centres face more challenges in terms of social and economic development. Efforts need to be made to ensure a more equitable repartition of the benefits of growth between territories and people, regardless of age, gender and economic status.

“"All regional governments across the world want integrated territorial development (economic and social), whatever our competences are.””

MARÍA JULIA REYNA

Callum Wilkie pointed to policies such as support for SMEs and entrepreneurs in the form of tax breaks or credits, as well as mechanisms to give them a voice in regional policymaking. On the supply side, he flagged up the importance of education so that regions have human capital with the skills to contribute to development, as well as the importance of removing the institutional and cultural barriers to the employment of excluded groups.

AN EMPOWERED CITIZENRY

Soumana Hassane highlighted the problems that occur when development partners and donors try to impose solutions from elsewhere without listening to local people:
“You can’t work in a territory without consulting the people who live there.”

However there were also calls for bottom-up governance led by citizens, beyond traditional conceptions of consultation or participation.

“Local governments must go beyond institutions and listen, support and facilitate citizen movements and initiatives. We need to promote co-responsibility between governments and citizens,”

MICHÈLE PASTEUR

Camila de Epalza Azqueta emphasized the importance of transparency, accountability and a gender-sensitivity. Camilla Epalza Azqueta, insisted on “the need to promote concrete initiatives under a pilot initiative with all regions and partners to define and implement the work with indicators while respecting co-responsibility”. Maria Julia Reyna added that “we need new ways of doing things. We need to always look for dialogue and citizen participation.” A particular emphasis was put on empowering women and young people throughout the debate.

Related to this ambition, there were numerous calls to boost social capital as a way of facilitating bottom-up innovation and development. Local governments should foster social capital and then support self-managed economic and social projects based on local resources and communities. The regional, political and economic agenda should be led by communities, not only experts.

MICHÈLE PASTEUR
Is Secretary General of a French association for local development and interacts with the Assembly of French Departments to support the strategies and methodologies of the departments’ international cooperation policies.

EDUARDO FONSECA
Is currently a consultant-expert on public finances for the CNM as well as for various Brazilian municipalities and organizations.
**Participants**

SOUMANA HASSANE
Is Standing Secretary of Niger’s Association of Regions (ARENI). This association was created in 2012 and is made of all Regional Councils which advocate effective decentralization with the State and its partners.

ADAMA DIALLO
Is the President of Gossas’ Regional Council and Secretary General of Senegal’s Association of Regions. He has been trained in civil administration and is also Thies’ regional finances inspector.

**Networks of Self-Sufficient Regional Governments within a Framework of Multi-Level Governance**

There was consensus on the need to deepen decentralization and increase autonomy worldwide.

“Regional governments know our own needs. Better coordination is needed, as well as transfer of competencies and citizen engagement.”

SOUMANA HASSANE

Adama Diallo gave the example of Senegal, where territorial plans have to be defined within the boundaries of national plans, which restrict them. He argued that ...

“It should have been the other way around: national policies should be defined from the bottom up, based on territorial development plans.”

ADAMA DIALLO
Michèle Pasteur stressed the need for national policies to deepen decentralization and increase regional autonomy. A number of participants pointed out that decentralization processes are not linear nor inevitable. Xavier Boneta gave the example of the recentralization trend in recent years in Spain.

Viviana Barberena argued that old state governance models inherited from Europe must be reviewed:

“The role and influence of intermediary levels must be reviewed and clarified.”

VIVIANA BARBERENA

There were also numerous calls for national policies to be tailored and designed according to the needs of different regional governments, and to enable their specialization. Xavier Boneta argued that “intermediary levels of government like the Province of Barcelona are in a perfect position to work as laboratories for new ideas and innovation by testing out pilot schemes.” Unlike local governments, regional governments do not always work in direct response and proximity to the citizen. They therefore have more room for manoeuvre at their disposal in terms of time and means of engineering to experiment. They should thus take on this role.

A clear ambition was to ensure that institutions are capable of sustaining development. There was consensus on the need to close the capacity gap between cities and towns and to foster collaboration between them. However, the emphasis was on tailored capacity-development that allows regional governments to harness their local resources, rather than any generic model.

“What works in one place may not work in another. We need to find tailored patterns of sustainable development and fight inequality and poverty.”

XAVIER BONETA
FLORIAN KEPPELER
Works for German local governments (Landkreis Lindau, Bodensee). Additionally, he does research on public servants and public service motivation at the Zeppelin University in Friedrichshafen. He also deals with the question of how local governments could be better involved in policy making processes.

JOAN VALLVÉ RIBERA
Is a Doctor in industrial engineering who also holds a Master in Business Administration. He is a former member of the European Parliament (1994-2004) and former President of the Association of European Border Regions (1996-2004).

Participants

NETWORKS OF SELF-SUFFICIENT REGIONAL GOVERNMENTS WITHIN A FRAMEWORK OF MULTI-LEVEL GOVERNANCE

The idea that regions exist within mutually dependent networks was highlighted by many participants. Cities need peripheral areas to satisfy their vital needs, particularly for food, and ecosystems are important to boost the local economy and maintain biodiversity.

“We shouldn’t make a distinction between cities and regions. We won’t achieve anything if we don’t think of territories as systems of interconnected actors. If there is a system there is a connection and each actor will bring something the others need.”

MICHÈLE PASTEUR

Policies proposed in this regard included land use regulations to preserve urban and peripheral agriculture; empowering local governments to make decisions on territorial policies related to mining, agriculture, green energy etc.; decentralizing energy production in favour of green and alternative resources, and investment in rural digital connectivity.

There was a call for ‘self-sufficient’ regional governments that are integrated into broader networks, and to think of territories as systems within multilevel governance.
“Regional governments need to strive to develop productive relationships with other levels of government. Trust is needed as well as a financial commitment from other levels.”

CALLUM WILKIE

Other ambitions raised by numerous participants included:

**PEACE AND SECURITY**

“Peace is one of the main dreams for Colombia. I thought it was too specific an issue to mention, but my colleagues have pointed out peace hasn’t been achieved across much of the world.” Viviana Barberena.

**CROSS-BORDER COLLABORATION**

Joan Vallvé called for both state treaties for cross-border cooperation and agreements between local and regional governments across national borders, particularly to allow shared services across borders. Soumana Hassane gave the example of Niger’s participation in a territorial council of 8 countries for dialogue between countries on political vision. This has an impact on decisions regarding decentralization. Hassane also pointed out the role of cross-border collaboration in peace and security.

**GREEN ECONOMY AND ENVIRONMENTAL SUSTAINABILITY**

Promote 0km local food, shorten production and consumption chains.

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**CALLUM WILKIE**

Is a researcher at the London School of Economics. His areas of research and expertise include regional growth and development; equitable and inclusive economic growth; regional innovation and innovation policy; and territorial development policies and strategies.

**RODGEERS MOZHENTIY**

'STREAMS' FROM THE DEBATES

**Ambitions**

**SPATIAL INTEGRATION AND INCLUSIVE TERRITORIES**

**PROMOTE AN EMPOWERED CITIZENRY**

**NETWORKS OF SELF-SUFFICIENT REGIONAL GOVERNMENTS WITHIN A FRAMEWORK OF MULTI-LEVEL GOVERNANCE**

**Policies**

Tailored regional social and economic inclusion plans

Increase transparency and accountability

Multi-level governance dialogue and coordination mechanisms

**Practices**

Training furniture makers in a timber-producing region in South Africa

Codes of ethics to ensure accountability in Spain

Technical committee on competences and financing in multilevel governance, discussing with all levels in Niger to ensure competences are always accompanied by financing
Discussions on the principles, challenges and needs of small municipalities covered a large range of issues, falling into six main blocks. The first focused on redistribution, equalization and subsidiarity and an enabling framework of decentralization, the second on balanced and integrated development with long term planning, and a third dealt with basic services, infrastructure and smart municipalities in connected territories. The fourth block focused on sustainable development, space regeneration, rural-urban linkages and climate change, a fifth on governance, democracy, human scale, participation and co-responsibility, and the final block on self-confidence, capacity, expertise and identity. Issues related to gender, economic development, ethical investments and financing, as well as fiscal decentralization were transversal threads that ran across all of the debates.
CÉDRIC SZABO
Is Director of the Association of French rural Mayors since 2011. Trained as a demographer, he worked within France's three levels of local authorities (Municipality, Department, Region) and led the cabinet of one department president.

REDISTRIBUTION, EQUALIZATION AND SUBSIDIARITY: ENABLING FRAMEWORK OF DECENTRALIZATION

In the discussions on this topic, Eduardo Stranz insisted on the importance of a greater autonomy and self-government. Rodgers Mozentiy stressed the need for socio-economic development and the devolution of powers to the local level, and called for real decentralization for towns and rural areas. Ana Tapia argued for the need to provide more funding to municipalities, since in most cases they do not have sufficient resources to provide quality services to citizens. To make this possible, there should be a real fiscal decentralization (which is rare in many regions of the world). Cédric Szabo strongly insisted on the urgent need for real decentralization and devolution of power, real fiscal decentralization and local capacity building; otherwise decentralization is only partial:

“Important challenges are the fight for the legal status of locally elected officers, capacities, resources and expertise. These are key elements to counter the hierarchical effects between territories, which are sometimes not legal or institutional, but real (i.e. concrete tutorship).”

CÉDRIC SZABO

Guy Clua claimed that it is vital to avoid a concentration of power in big cities and big provinces, and Georgette Djenontin reminded that effective, concrete and efficient decentralization is needed, since local governments cannot depend on the will of central governments: it is necessary to ensure a transfer of human and financial resources.
BALANCED AND INTEGRATED DEVELOPMENT WITH LONG TERM PLANNING

“It is urgent to stop considering development only between urban and rural, since rural territories can be poles of development.”

CÉDRIC SZABO

“The complementarity between rural and urban is inescapable, but the rural also has its own identity, force and potential for development.”

GUY CLUA

Participants argued that the rural area is the lung of the urban area – both metaphorically and concretely. According to Ferdinand Abesamis, the main problem linked to development is the urban centre growing, causing urban spread and the absence of coordination with surrounding territories. In this context, planning, coordination and anticipation are vital. Hence high growth and high investment not linked to rural areas are some of the main challenges for small municipalities. How to link high national growth with rural areas and good governance should therefore be key elements in responding to these challenges.

For Georgette Djenontin, it is important to finance development through the local economy, and that local economies can grow by themselves and reduce the migration of people from rural areas to cities: local economies can create wealth, jobs and business activities. Cities attract people for these reasons, so it is important to foster local jobs and rural activities to keep people in rural areas.
According to Jordi Cuyàs, often, we almost need to build a “sanitary cordon” between us [small municipalities] and metropolises; proclaiming “metropolises suck our blood”. He expressed the need to build more self-sufficient development based on our own resources and territories.

In the opinion of Rodgers Mozenthiy, it is vital to know how to address diverse issues such as infrastructure and development at local level, rural to urban migration, and the impacts of these on small towns; for example, how to prepare to receive people migrating from rural to urban areas.

For Guy Clua, equality between territories is very important. Complementarity between territories is a key factor of good development and balanced opportunities for all territories. It is essential to avoid a concentration of powers. Quality of life, in all territories, also depends on agriculture and good food, hence particularly on organic agriculture. This follows the view that “ma commune est utile” [my commune is useful], both in terms of production and creating links between territories.

According to Cecilia Tacoli, demographic issues as well as the size of small towns are also a concern. She expressed the view that territories should be demographically balanced and sustainable, and the ability of local governments to respond to these changes will be vital. Ana Tàpia also reminded that one of the main challenges related to this topic was how to integrate rural municipalities in the urban agenda.

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**BASIC SERVICES, INFRASTRUCTURE AND SMART MUNICIPALITIES IN CONNECTED TERRITORIES**

According to Cédric Szabo, a priority is to ensure a good repartition and coverage of infrastructure and facilities in all territories, including broadband access and means to connect towns and territories: good basic amenities are a key condition for sustainable development, reducing gaps in local capacities and the spatial inequalities of development between territories. Florian Keppeler insisted that “we want Municipality 4.0, which ensures attractiveness for companies and citizens, as well as good basic services”, and Jordi Cuyas claimed: “For quality of life and development, we need smart cities and good management of agricultural resources. The municipality needs technological development and good services”.

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**BADA GEORGETTE DJENONTIN**

Is in charge of local economic development at the National Association of Municipalities of Benin (ANCB) and rapporteur to ANCB’s Economy and Local Finances commission.
Guy Clua concluded by saying that the scale and proximity issue is important in small towns and rural areas, but the proximity of services is a key issue for all territories.

**SUSTAINABLE DEVELOPMENT, TERRITORIAL REGENERATION, RURAL-URBAN LINKAGES AND CLIMATE CHANGE**

According to P Idn Hugua, local, regional and national governments should understand the key points of environmental issues and poverty urgency, since it is not easy to correctly approach all the key elements. For Bachir Kanouté: “We should build cities and municipalities based on sustainable development models, and include quality sustainable infrastructure and facilities.” Florian Keppeler added that a greener approach and sustainability are needed, and Cecilia Tacoli claimed that: “Local economic diversified development should be built with more attention to natural resources”.

**GOVERNANCE, DEMOCRACY, THE HUMAN SCALE, PARTICIPATION AND CO RESPONSIBILITY**

According to P Idn Hugua, participatory processes and multi-actor governance for planning and implementation (with all stakeholders: the private/business sector, civil society/NGOs/citizens, mayors, etc.) are very important tools for good local governance. Cecilia Tacoli added that

“Accountability, transparency and citizen participation are necessary in all territories.”

**CECILIA TACOLI**
Bachir Kanouté reminded that the notions of citizenship and the education of citizens suppose that people who live in territories have rights and responsibilities. According to all participants, democracy should be the framework of all our ambitions.

**SELF-CONFIDENCE, CAPACITIES, EXPERTISE AND IDENTITY**

“We represent people and we have the right to move with them.”

**MUSTAFA TUNÇ SOYER**

This implies a need to strengthen local production to create rural self-sustainability, to protect the farmers, make their work viable and empower them. For Mr. Soyer, the world is changing and production decides, causing the rural areas to lose power psychologically, and this must change: consumers should understand they live upon this production; hence we need to convince consumers to empower rural areas.

“There is an inferiority complex between small towns and big cities; it is important to trust our forces, potential and projects.”

**JORDI CUYAS**
He gave the examples of energy (local production of energy) and the possibility of joining the forces of small municipalities to become stronger. He also talked about agriculture, which can be the basis for development in agricultural areas with a strong identity and potential for development (e.g. wine production). It is necessary for all territories to have access to technical tools, and very important to reinforce the production of knowledge. We need stronger and territorially-based capacities.

Finally, summing up the discussion, Mr. Abesamis said: “the results of this consultation should be adopted by the UN!”

Other ambitions raised by a number of participants included: need for territorial and local data and knowledge

Participants also insisted on the lack of local knowledge. Cecilia Tacoli, raised the need for better data to develop policies, and for Mr. Soyer, a lack of data is not only a lack of scientific knowledge, it is also a lack of experience; and local problems need local solutions. Mr. Mazibuko claimed that the issue of data in small towns is not only about agriculture, but also other activities. Finally, Mr Szabo added that

“Municipalities should use knowledge and intelligence: not only produce it, but also exploit it. Universities are often urban, and the logic is often urban centred, but we need the movement to be from both sides, in both directions.”

CÉDRIC SZABO
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<th>Ambitions</th>
<th>Policies</th>
<th>Practices</th>
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<td><strong>SUSTAINABLE, BALANCED AND DYNAMIC TERRITORIES (CREATING ADDED VALUE AND BUILDING ON THE DIVERSITY OF THE TERRITORIES AND THEIR COMPLEMENTARITY)</strong></td>
<td>Equalization (fiscal and technical) and redistribution, capacity building, green policies, basic services, comprehensive planning and land management, local taxation, policies that build on diversity and the complementarity of territories, policies that support agricultural development</td>
<td>Be part of a network of cities to exchange knowledge, peer-to-peer learning, ensure broadband access, local production of energy, approach of integrated development by clusters, development plan with axes of development in territories, intercommunal exchanges with the private sector and platforms for the promotion of local products, eco-tourism and cultural projects, diversity in farming</td>
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<td><strong>REGAINING TERRITORIAL EQUILIBRIUM</strong></td>
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<td><strong>DEMOGRAPHICALLY BALANCED TERRITORIES</strong></td>
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<td><strong>QUALITY OF LIFE, PARTICIPATION AND INCLUSION/INTEGRATION (SOCIAL, CULTURAL, ETC.)</strong></td>
<td>Participative processes with shared responsibility, rights of citizens, multi-actor partnerships, policies to promote land tenure/land property security</td>
<td>Integrated development plans with public participation, bottom-up budgeting, participative planning and budgeting</td>
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<td><strong>PROXIMITY/HUMAN SCALE</strong></td>
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<tr>
<td><strong>AUTONOMY, COOPERATION AND AN ENABLING ENVIRONMENT</strong></td>
<td>Self-government, multi-level governance, devolution (fiscal and decision making), subsidiarity, cooperation and coordination mechanisms (inter-municipal cooperation included)</td>
<td>Pooling and cooperation between municipalities, multiannual planning, inter-local tools for ethical finances</td>
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On day two, representatives from regions and small municipalities worked together to build a narrative for inclusive territories. The day began with a plenary session reviewing the results of the parallel debates from the previous day and a brief discussion of ‘missing’ issues (insisting on gender issues, ethical financing, environment, social policies, access to cultural infrastructure and the need for institutionalized equalization of development between territories), also analysing the similarities and differences between the agendas of the two groups. Then, they identified the main narratives and possible counter narratives for territories.

The consultation ended with a session on conclusions and next steps, looking at what needed to be done to take the territorial agenda and its advocacy forward over the coming months.

The minutes of the main topics of the 30 June debates are summarized below.

**SYSTEMS OF TERRITORIES AND INTERCONNECTIONS BETWEEN ACTORS**

Michèle Pasteur claimed that “we should think about territories as systems of interconnected actors. This aspiration is important as we shouldn’t differentiate between cities and regions. Territories are systems that include everything. […] We won’t achieve anything if we don’t think of territories as systems. If there is a system, there is a connection, and each actor will bring something the others need. For example, cities need rural areas for food.”

For Maria Julia Reyna, we should think of territories as systems with multilevel integrated governance, and for Soumana Hassane, “Inter-actor dialogue is essential. We should create consultation mechanisms around regions, in an institutional framework, in order to facilitate dialogue between territories and local authorities.”

**SOUMANA HASSANE**
However, Viviana Barberena said that “on the ground, it is not easy to organize multi-level cooperation and territorial integration. There is large scale diversity in decentralization processes...”

“... A region can implement planning and suddenly a national law comes against the work that has been done.” She further questioned: “What is the limit of our autonomy? What is true autonomy?”

VIVIANA BARBERENA

PARTICIPATION AND TRUST

Florian Keppeler asked: “Where is the trust that citizens have in governments?” He went on to observe that

“Citizen trust in the local level much more than in national governments or multilateral institutions.

There is a start: local democracy, which is the foundation of decentralization. We can combine two narratives: trust and fighting inefficiency.”

FLORIAN KEPELNER

INTEGRATED TERRITORIAL DEVELOPMENT AND RURAL-URBAN LINKAGES

Maria Julia Reyna asserted: “We want integrated territorial development (economic and social) with the growth of both cities and regions under conditions of solidarity and equity”.

According to Cédric Szabo, it is necessary to rethink the relationship between urban and rural, reconstruct the balance of power and develop a narrative on territorial management and organization. In fact, if there is only a narrative on urbanization, this will not fully cover the debates and issues: we must take into account sustainable development and...
Edgardo Bilsky put forward the view that “rural/urban is not a dichotomy but a potential for territorial organization and complementarity”. In the same vein, Guy Clua noted that “in France, 91% of rural space contributes to economic development. [Therefore] the management and organization of space, lands, and territories are key”.

Cédric Szabo also argued that planning and land use planning, space management and organization are key issues, and that ‘rural planning agencies’ should be a starting point for thinking, since urban development agencies do not cover the whole territory. He insisted that the complementarity of the territories must be equal (in terms of engineering and resources) and commented that rural-urban opposition is a tangible reality.

According to Mr. Soyer: “the power of the rural is production, the power of the urban is consumption;” and Ms Pasteur added that “we should consider the territorial system: rural areas produce, urban areas consume, both of them are necessary for the country to work: there is not a territory that predominates over the other”.

“ We need to focus more on endogenous development and use our own resources, harnessing the best out of each territory. ”

XAVIER BONETA
ETHICAL FINANCING AND THE SOCIAL AND SOLIDARITY-BASED ECONOMY

Jordi Cuyàs, Xavier Boneta and Camila de Epalza Azqueta insisted on the need for good and ethical governance, and participants claimed that ethical financial institutions and tools are a new way of finding solutions for trust, local development and ethics; arguing that ethical mechanisms for financing and investments are needed in order to develop territories.

“We need to debate more on financing: social economy, new forms of financing, civil society initiatives and investments in the ‘solidarity based economy’ are vital at local level.”

BASHIR KANOUTE

Ms. Pasteur argued that “there are not only PPP, there are also PPPP (Public Private Partnership Populations) and social economy is primordial. Local authorities should have a real capacity (maîtrise d’ouvrage) to manage service delivery and investments, ensure public interest and should build alliances with the private sector to allow for the efficient provision and implementation of these services and investments”. Xavier Boneta noted: “We all agree that private capital is needed, but we have to be aware of the logic of private capital and the risk of losing the public purpose of investments. Often, private investments don’t work in the public interest.”

DEMOCRACY

P Idn Hugua claimed that political leadership and democracy are central concepts to the narrative. Adding, “What I do in my home country is political. The reality on the ground is defined by politicians, democracy and leadership.” And asked what was specific about this workshop that makes it different from others? The need to become more specific and concrete in order to be useful to mayors was raised.

Michèlle Pasteur explained that democracy is a reality that we live and
work at the territorial level: “In each nation, there is a need for dialogue and co construction between central government, local authorities and local and territorial actors for the decision-making and implementation of territorial policies.

CAPACITY BUILDING

Participants not only discussed mainstream capacity building, but also innovative responses to mitigate capacity gaps, e.g. a shared service model.

Mr. Soyer claimed that urban actors have a view of the rural, but not fully knowing the situation, they cannot speak on behalf of rural actors. He stressed that we have to take advantage of being together to think rural municipalities.

Ms. Reyna stressed that it is of vital importance to improve our own local management, its effectiveness, saying there is a need for leadership to build new partnerships, and promote and strengthen social capital.

CLIMATE CHANGE AND THE ENVIRONMENT

Mr. Soyer, along with other participants, claimed that the fight against climate change should involve territories, municipalities and people, otherwise the processes will not succeed. The importance of the local, small municipalities and rural areas should be emphasized in this context. Barbara Cannon supported this, saying that the role of local government has a concrete impact on climate change, giving the example of flooding. Without resilience planning for communities, natural disasters like this can be a huge problem.
OPPORTUNITIES, CHALLENGES AND CHOICES: MAIN NARRATIVES PROPOSED BY THE GROUPS

FROM ABSTRACT TO CONCRETE

• Local government is the cornerstone of democracy. Decentralization, subsidiarity, local autonomy and self-government all enhance trust in government. Citizens see concrete results at the local level and feel they have an influence. There are obstacles, for example, lack of responsibilities and capacities to deal with problems, and inadequate financing. The task and challenge for the future is to strengthen this potential and address these obstacles.

• Inter-local or inter-municipal collaboration and multi-level networking can be a solution. We have a shared desire with national governments and other levels: we all want a better life for our people. It is important to collaborate inter-locally to overcome a lack of capacity, skills and financing in small municipalities. Yet there are obstacles: situations can be very diverse – different problems in Asia and Europe, for instance. But if we strengthen our platforms, networks and solidarity, then we can deal with the problems and challenges we face.

• The mastering of local implementation is key to develop good local policies and make them work. Our capacity to implement directly and with proximity is our key asset. This is our biggest strength in comparison to national governments. Local governments know the needs of the people. Implementation only works if local identity, culture and context are being taken into account. There are a lot of examples of failures in this regard. Difficulties encountered are often due to – technical and financial – capacity deficits and the need to better take local diversity into account. But it is our democratic task to promote progress.
THREE MAIN MESSAGES

• Stop the concentration of power and resources, stop desertification, promote dialogue, co-construction and cooperation (inter-municipal cooperation, multi-level coordination and multi-actor partnerships – including with the private sector and civil society).

• Strengthen territories and the reciprocal economic and productive relationships between urban and rural areas: strengthen local leadership and develop territories’ potential to deal with social, environmental, economic and financial crises.

• Urban democracy: strengthen local democracy and social accountability for more efficiency; improve transparency, citizen participation and the co-responsibility between local actors to build trust and strengthen their capacity for collective action.

FOCUS ON THE POTENTIAL OF LOCAL GOVERNMENTS

• Territories as spaces of innovation, solutions, creativity and transformation to improve quality of life and promote new economic models. The role of territories in identifying problems and solutions is vital.

• Broaden competences and resources and promote multi-level governance respecting all spheres of government. This relationship shouldn’t be instrumental, it must be democratic and add up to more than the sum of its parts. This has the potential to break the dichotomy between urban and rural.

• How can we construct integrated territories? Democratic leadership through dialogue with transparent participatory mechanisms with citizen accountability and follow-up. Great responsibility of local government to create spaces for dialogue and set and synchronize the political agenda. There is a crisis of legitimacy and trust - this is why bottom-up regeneration and renewal are vital.

The session closed with a presentation of the next steps:

How regions, small towns and municipalities’ own agendas can contribute to the global agenda of local and regional governments for Habitat III?

The participants were asked to use their knowledge and experiences to contribute to this process during the coming months.
REGIONS, TOWNS AND SMALL MUNICIPALITIES
"A TERRITORIAL APPROACH TO DEVELOPMENT"