

Special event on “Mobilizing local finance to implement the post-2015 development agenda”

Organized by the Global Task Force of Local and Regional Governments

Time: Friday, 10 April 2015, from 10 a.m. to 1 p.m.

Venue: Conference room 8, United Nations Headquarters, New York

Background

The Addis Ababa Conference on Financing for Development in July should result in the adoption of a holistic and ambitious financing framework to support the implementation of the post-2015 development agenda. On 23 January 2015, the two-co-facilitators of the preparatory process for Addis, the UN Permanent Representatives of Norway and Guyana, published an elements paper for the Conference. The comprehensive paper recognizes that the post-2015 development agenda will be implemented primarily at the national and subnational level. In that context, it highlights the importance of subnational finance. Some concrete policy recommendations are put forward in the annex, such as the need to increase technical assistance and capacity building for subnational entities, including project development, debt management, and sector finance. The importance to ensure appropriate fiscal decentralization and providing suitable regulatory and legal environments at the national level is highlighted as well.

The elements paper was discussed extensively from 27-29 January at UN Headquarters in New York. The outcome of the discussions will feed into a draft outcome document of the co-facilitators to be finalized by 28 February 2015.

The final outcome of the Conference on Financing for Development must lead to concrete policy recommendations that will promote mobilization of funding for sustainable local development, as well as unlock the economic potential of urban areas and territories.

Cities and territories are where people live, where poverty is tackled and where prosperity is generated. They are also where health, education and urban services are provided and where ecosystems are protected. **Massive public and private investments** will be necessary to improve access to basic services in cities and territories, to improve their resilience and to prepare them to host 2.5 billion new urban residents over the next three decades, in particular in developing countries.

Purpose of the side event

The purpose of the side event is to highlight the importance of local development finance within the context of the Financing for Development agenda, as well as to explore concrete policy measures and actions that can help mobilize subnational financing for development in a sustained and sustainable fashion.

Some of the guiding questions include:

- How can local governments mobilize part of the wealth produced within their jurisdiction (domestic resources) to finance and support local development?
- What conditions are necessary to capture public and private resources from national and international levels in order to meet the funding needs for infrastructure and the provision of basic services?
- How can we improve access to long-term investments with concrete instruments dedicated to sub-national institutions, and strengthen their capacities to deliver services and to reinforce their resilience, particularly in poor areas?

With perspectives from local elected officials, experts and development partners, the special event, organized by the “Global Task Force” of Local and Regional Governments on:

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will attempt to answer to these questions. The debates will focus on three main areas¹:

- Strengthening the mobilization of domestic resources;
- Local governments’ access to long-term financing;
- The role of development partners in supporting local authorities

Organization of the special event

Opening of the session:

- Representative of France – tbc
- A representative of UNDESA - tbc
- Co-chairs of the 3rd International Conference of Financing for Development - tbc
- Fathallah Oualalou, Mayor of Rabat-Morocco, on behalf the Global Task Force of Local and Regional Governments

Introduction: The links between national and local levels: why financing for development must address the sub-national level.

Key note TBC

1. The mobilization of domestic resources:

Overview and Moderation:

- Paul Smoke, Professor of Public Finance, New York University, expert on fiscal decentralization: Strengthening and diversifying local taxation

Experiences of local representatives:

¹ For more details on the themes please see the annex

- City of Sao-Paulo – Leonardo Osvaldo Barchini Rosa, Secretary for International and Federative Affairs
- City of Addis Ababa – Abebe Zeluel, Advisor to the City manager and Manager of the land bank and redevelopment office of the City Administration

First Comments:

- Jérémie Daussin-Charpantier, Lead Specialist on Local Finances and Decentralization, AFD: AFD strategy in favor of local governments financing

Open Debate

2. Strengthening long term financing

Overview and Moderation:

- Barbara Samuels, Executive Director, Global Clearinghouse for Development Finance: What are the necessary conditions to attract private investors?

Experiences of local representatives:

- FEC Morocco – M. Allal Sakrouhi, Wali, FEC General Manager: How can access to loans for local governments and service operators be improved?
- City of Dakar - Khady Dia Sarr, Director of the Dakar Municipal Finance Project (DMFP), tbc
- Johannesburg Metropolitan Municipality - Geoffrey Makhubo, Member of the Mayoral Committee for Finance, tbc

First Comments:

- Gulelat Kebede, Head Urban Economy and Finance at UN-Habitat – Opportunities to improve city's creditworthiness through concrete action policies, tbc

Open Debate

Conclusion

- Christèle Alvergne, UNCDF: Investing in local governments and local development
- Cllr Philip McPhee, President of the Caribbean Association of Local Government Authorities, Vice Chair of the Commonwealth Local Government Forum (CLGF), Bahamas: Wrap-up and recommendations