Introduction
Since 2016, the local and regional movement for the localization of the SDGs has been progressively expanding to all parts of the world.
1. Global context

In 2015 and 2016, world leaders came together to set a historic milestone in multilateral cooperation with the adoption of global agreements towards sustainable development. The 2030 Agenda and the 17 Sustainable Development Goals, the New Urban Agenda, the Paris Agreement on climate change, the Sendai Framework on Disaster Risk Reduction and the Addis Ababa Action Agenda on Financing for Development all showcased a global will to respond to today’s global challenges through the adoption of a firm rights-based approach.

Local and regional governments (LRGs) have risen to the scale of the challenge, demonstrating their commitment to the realization of the global agendas by putting in place elaboration, adoption and implementation processes. From their perspective, the global agendas are interlinked and cannot be achieved in isolation: all sustainability actions to address the highly interrelated challenges affecting our territories and cities must be fully integrated and comprehensive. The 2030 Agenda has been widely embraced across territories and represents a significant step forward in terms of ambition, universality and complexity with respect to the Millennium Development Goals (MDGs). The interconnectedness of the Sustainable Development Goals (SDGs) provides, on the one hand, our best shot at tackling the multi-dimensional challenges facing our societies. On the other, it requires a significant step up in policy-making efforts and the adoption of a truly integrated approach that ensures that ‘no one and no place are left behind’ — in other words, the UN ‘whole-of-government’ and ‘whole-of-society’ approach to development (see Box 1), encompassing a truly multilevel and multi-stakeholder governance system that puts people at the centre of development (see Box 2).

We currently stand at the end of the first quadrennial cycle of implementation of the SDGs, which means that the worldwide state of implementation of each SDG has been evaluated at least once. Consequently, the international community is taking this time to take stock of the progress made, the trends that have emerged and the challenges encountered over these past four years, and these will be discussed at the

Box 1

‘Whole-of-government’ and ‘whole-of-society’ approaches

Multilevel and collaborative governance frameworks that emphasize the need to approach policy-making processes in an integrated way, factoring in all government bodies and members of society. Adopting these approaches is critical for advancing sustainable development, since they constitute the basis for policy coherence (see Box 7) by requiring policy-making to happen in an integrated manner beyond institutional siloes, promoting synergies and improving public accountability. Putting governance frameworks in place requires the establishment of adequate coordination and participation mechanisms that ensure that sub-national governments (SNGs) and members of society take part effectively in policy design, implementation and monitoring processes at all levels of government.

Source: UNPAN; GTF; UCLG (2019). ‘Towards the Localization of the SDGs’.
SDG Summit in September 2019. According to the UN’s quadrennial Global Sustainable Report and the UN Secretary-General 2019 Special Report, positive trends have emerged at the aggregate global level, in particular regarding the implementation of SDGs 1, 3, 5, 7, 8, 11 and 14.1 Extreme poverty, child mortality rates and share of the urban population living in slums continue to decrease, while progress has been made with respect to health, certain gender equality targets and access to electricity in poor territories. However, the shift towards a new sustainability paradigm is not taking place at the pace and scale required to trigger the necessary transformation to meet the Goals by 2030. The incidence of hunger has continued to spread in 2019, a trend observed since 2016. Greenhouse gas (GHG) emissions, 70% of which cities are responsible for, also continue to increase, while the loss of biodiversity continues to accelerate dramatically as the intensity of climate change worsens.2 Despite the progress made in poverty reduction, rising inequality continues to fuel the exclusion of discriminated and disadvantaged populations (such as the poor, women, youth, the elderly, people with disabilities, ethnic and sexual minorities, amongst others). Moreover, although the means of implementation are progressing, finance for sustainable development remains an ongoing issue. Institutions often depleted by territorial conflict are not robust enough to respond to the magnitude of the inter-related interrelated challenges they face.

As stressed by the UN Secretary-General (UNSG), the current social, economic and environmental trends that are shaping the world have a major impact on the realization of the SDGs and present a daunting challenge in terms of meeting the Goals in the mandated time. The UNSG identifies five such trends — urbanization, demographic change, climate change, protracted crises and frontier technologies.3 The interactions, synergies and trade-offs between these trends give rise to highly complex and interconnected policy-making environments at local, national and international levels. One of the main objectives of this report has been to examine how LRGs are contributing to the achievement of the global agendas in the face of such trends. These agendas — and the commitment of LRGs to achieving them — are changing our societies and promoting the evolution of good governance and citizen participation in highly diverse contexts all around the world. It is therefore critical to take this time to better understand where LRGs stand with respect to SDG implementation, and to revisit policy-making processes in order to take full advantage of the mutually reinforcing potential of global agendas and local processes as catalysts for change. The aim of this report is to contribute to such an endeavour, looking at how to promote integrated policies and actions that meet today’s challenges from the local and regional perspective.

The report highlights how, as part of their day-to-day responsibilities, LRGs are implementing policies and carrying out actions which although not always officially ‘SDG-labelled’, have a direct impact on populations’ access to infrastructure, services and life opportunities. As acknowledged by the UN General Assembly, the UNSG and the Habitat III consensus, the decarbonization of our economies and ensuring access to energy, water, food, transport and infrastructure will ultimately be achieved through project-level investments that take place mostly at the sub-national level and that are led by LRGs.4 It is thus crucial to build up a critical mass of knowledge about how territories and cities are progressing towards sustainability, what initiatives are being put forward and what obstacles are being encountered if we are to achieve the SDGs and other global agendas.

One of the main transformations humanity is experiencing is the rapid urbanization of society, and in this respect LRGs find themselves increasingly at the centre of many crucial challenges. The percentage of the world’s population living in urban areas is expected to rise from 55% to nearly 70% by 2050 — an effective increase of 2.3 billion urban dwellers likely to be concentrated in low and lower middle-income territories where urbanization is happening at the fastest rate. Changes in population growth, age composition and migration patterns heavily impact urbanization pathways and those of the surrounding territories, cutting across a wide range of SDGs — for example poverty eradication, access to food and water, health, gender equality, economic growth and decent work, the reduction of inequalities and promoting sustainable cities.

Box 2

**Multilevel governance**

A decision-making system based on coordination mechanisms that allow the allocation of competences and responsibilities of government both vertically and horizontally in accordance with the principle of subsidiarity (see Box 6), respecting local autonomy. This system recognizes that there is no optimal level of decentralization (see Box 5) and that implementation and competences are strongly context-specific: complete separation of responsibilities and outcomes in policy-making cannot be achieved and different levels of government are interdependent. Multilevel governance necessitates all levels sharing information and collaborating fully, so that every level can publicly and accountably lead horizontal relations with respective stakeholders to optimize policy outcomes.

that are better articulated with their hinterlands — which significantly influences the prospects of SDG implementation. At the aggregate level, world population growth has slowed compared with ten years ago, and stands at an annual growth rate of 1.1%. However, such figures mask highly heterogeneous demographic patterns between regions and urban and rural territories.

While more than half the growth forecast between 2019 and 2050 (estimated at two billion people) is expected to take place in Africa, Asia is expected to grow by 650 million people, Latin America by 180 million whilst Europe’s population is expected to decrease. Population growth will concentrate in the least economically developed regions, which will make it even harder for those territories and cities to eradicate poverty and hunger and improve the provision of education, health and basic services. Moreover, the number of persons aged over 60 is expected to rise to 1.4 billion by 2030, although the pace at which the population is aging varies greatly between world regions. By 2050, all regions of the world are expected to have more than 25% of their populations aged over 60 — with the exception of Africa, which is expected to concentrate the world’s largest share of population aged between 15 and 19. Aging territories and cities will face increasing fiscal and political pressures to provide the elderly with pensions and social protection. At the same time, it will be critical for territories and cities with swelling youth populations to provide adequate healthcare, education and job opportunities to ensure the implementation of the 2030 Agenda.

Climate and environmental challenges are profoundly reshaping our territories and have a direct impact on cities. According to the Intergovernmental Panel on Climate Change (IPCC) 2018 Special Report, the world has already warmed by 1°C above pre-industrial levels and, at the current rate of warming of 0.2°C per decade, global warming will reach 1.5°C by 2030. This report stresses the pivotal role played by cities in climate change mitigation and in reaching the agreed goal of limiting climate change to 2°C, and if possible 1.5°C. Allowing global warming to reach 2°C will critically endanger natural and human systems and will particularly affect the most vulnerable populations and territories. Since 1990, climate-related extreme disasters have more than doubled. This, together with drastically changing weather conditions, is causing unquantifiable suffering and loss of human life and the destruction of infrastructure, aggravating resource scarcity and forcing the displacement of populations. Existing tensions act as risk multipliers for violence, putting additional pressure on often fragile political systems and resources. Since 2010, state-based and non-state-based conflicts have risen by 60% and 125% respectively, while the number of globally displaced people has doubled over the past 20 years to reach 65 million. The deterioration of global peace constitutes a fundamental threat to the rule of law and good governance and, consequently, to the cornerstones of sustainable development.

In the face of such challenges, it is imperative that we scale up and accelerate action before it is too late. In order to do so, we need to think differently about the strategies of development and adopt an evidence-based approach to sustainable development that reflects the reality of today’s world. Urbanization, the development of frontier technologies and connectivity are some of the defining features of our contemporary societies, and although they pose challenges to governance, they are also the key to achieving the SDGs and preserving life for future generations.
The purpose of the GOLD V Report is to propose how these ambitious Global Goals and objectives can be met through policies, actions and initiatives designed and put in place by the territories and communities that make up cities, towns and regions. The report suggests that this cannot be done unless urban and territorial planning, strategic design, institutional environments and political roadmaps are fully embedded in the territories, i.e. ‘territorialized’, taking full advantage of local potentialities, involving all local stakeholders and building on local needs and demands. In other words, these goals can only be achieved through a fully-fledged, co-owned and accountable process of localization of the global agendas (see Box 3).

Territories and cities can lead transformational processes that promote development models that are both respectful of the environment and put people first. Territorialized development strategies based on integrated planning have the power to transform cities and territories, foster inclusion, reduce resource usage and GHG emissions, and improve rural-urban linkages. When coupled with cutting-edge technologies, the economies of scale facilitated by cities and their ability to attract innovation become major catalysts for the achievement of the SDGs, allowing for the development of alternative patterns of production and consumption, decentralized renewable energy systems, individualized healthcare, natural disaster detection solutions, and stronger bonds between cities, towns and their hinterlands. The possibilities are endless. As shown throughout this report, such localized development strategies, developed from and suited to local realities, also have an impact on the global process of transforming development, which in turn reinforces sustainable local processes. The transformational potential of a territorial approach to local development (TALD) is enormous (see Box 4). Yet, in order to fully unleash it and ensure the implementation of the global development agendas, important challenges must be tackled. Significant efforts have been made since 2015 to implement the 2030 Agenda’s provisions and advance towards the achievement of the Goals. However, given the multi-dimensional challenges our societies are facing, the 2030 Agenda and the SDGs call for a move beyond narrow targeted policy-making towards revisiting governance culture and

2. Why SDG localization? Purposes and goals of the report

The 2030 Agenda emphasizes the need for an inclusive and localized approach to the SDGs. Localization is described as ‘the process of defining, implementing and monitoring strategies at the local level for achieving global, national, and sub-national sustainable development goals and targets.’ More specifically, it takes into account sub-national contexts for the achievement of the 2030 Agenda, from the setting of goals and targets to determining the means of implementation and using indicators to measure and monitor progress.

Box 3

Localization

The 2030 Agenda emphasizes the need for an inclusive and localized approach to the SDGs. Localization is described as ‘the process of defining, implementing and monitoring strategies at the local level for achieving global, national, and sub-national sustainable development goals and targets.’ More specifically, it takes into account sub-national contexts for the achievement of the 2030 Agenda, from the setting of goals and targets to determining the means of implementation and using indicators to measure and monitor progress.

The existence of local authorities, as distinct from the state’s administrative authorities, to whom the legal framework allocates powers, resources and capacities to exercise a degree of self-government in order to meet the allocated responsibilities. Their decision-making legitimacy is underpinned by representative, elected local democratic structures that determine how power is exercised and make local authorities accountable to citizens in their jurisdiction.

The World Observatory on Sub-national Government Finance and Investment proposes the following definition: ‘decentralization consists of the transfer of powers, responsibilities and resources from central government to sub-national governments, defined as separated legal entities elected by universal suffrage and having some degree of autonomy’.


This is important for shedding light on a number of related issues affecting (and changing) development policy globally. As stated previously, this study primarily aims to show the state of progress of SDG achievement in the territories and emphasize its critical importance for the realization of the global agendas. On the one hand, it is widely acknowledged that fulfilment of the 2030 Agenda requires the full engagement and commitment of all levels of governance including LRGs, civil society and local stakeholders such as the private sector, social partners, academia and grassroots organizations. On the other, territories and local communities are where implementation is taking place. The key question addressed by the report is the extent to which towns, cities, provinces and regions have been able — through their actions and initiatives — to become part of the solution to the fundamental and historic challenges they face. Analysing the progress that local governments are making in the implementation of the Goals and their ‘localization’ — bringing them down to the local level, rethinking and re-designing them so that they fit with the characteristics and demands of citizens and territories — is an indication of how well the SDG framework itself is developing, and how much there is still left to do.

The report also aims to provide an updated picture on the current state of decentralization around the world. Achieving the SDGs and the other global agendas at the local level will not be possible unless territories, communities, and local authorities at different sub-national levels are adequately empowered, supported and funded. This implies strengthening and improving decentralization of the political system, promoting the devolution of competences and powers, ensuring respect for the principle of subsidiarity and making local governments responsible and accountable (see Box 6).

The report is structured into different regional chapters. Each chapter includes an analysis of national strategies for the implementation of the 2030 Agenda and how LRGs are being engaged in this process, whether the institutional framework enables LRGs to be proactive in the implementation of these agendas, and the status of decentralization in the region. The report aims to answer questions on decentralization trends and the development of a truly multilevel understanding of policy-making: are LRGs more empowered and active than they used to be?; have the SDGs and the other global agendas driven any change in institutional relationships and vertical/horizontal cooperation?; are national planning and decision-making mechanisms and systems more open, sensitive to and aware of LRGs and their unique potential within territories and communities to effect change?
Looking at decentralization and providing up-to-date mapping of how this trend has evolved are all the more essential in studying territorial and municipal authorities, given that rapid (and often uncontrolled) urbanization has become a worldwide phenomenon and is a fundamental challenge facing local governance. Urbanization has had a crucial impact on several dimensions of local and regional governance: from urban and territorial planning, to the provision of basic public services; from socio-economic equality to marginalization and informality in housing and work; from the inevitable impact of climate change to the creation of new social and cross-cutting alliances to improve democracy, transparency and the quality of life in cities and territories. However, any advances in these fields raises fundamental questions of sustainability and viability. The global agendas were agreed in the expectation that LRGs would act as accelerators and catalysts in the process, but how is this pressure altering the political balance? What room is there for LRGs to see their competences, powers, capacities, financial and human resources grow and improve, making them more aware, responsible and able to play an active role in the global quest for sustainability, prosperity and inclusiveness? What kind of financial autonomy is really granted to local and regional governments? There are plenty of financial and management instruments (climate and green bonds, Public-Private-People Partnerships — PPPPs — and remunicipalizations, amongst many others) that are changing the way actors are empowered — at all levels — to become drivers of change and leaders in policy-making. In what way are these new opportunities accessible to local governments? And how can those that are more visionary and long-sighted fund and sustain their policies and agendas in the long term?

Monitoring systems, indicators and the ability of LRGs to report on their policies and actions is also problematic since it is currently limited by a substantial lack of data, indicators and measurement which historically has not been devolved or disaggregated enough (with the partial exception of larger and wealthier regions and cities), hindering the capacity to grasp the huge potential at the local level for the localization and achievement of the Goals.

Ultimately, the responsibilities that LRGs are assuming in the localization of the SDGs and other agendas are raising fundamental questions of local democracy, accountability and transparency, representation and the place occupied by the local level in the current global system. Can LRGs be catalysts for change in politics and development policy? Do LRGs have the means and capacities to ensure that ‘no person or place is left behind’? Can effective intergovernmental cooperation across all levels of governance improve performance, boost policy coherence (see Box 7) and help make the SDGs and the global agendas a reality, with positive effects on the quality of life of territories, cities, communities and society? Can the SDGs trigger a new model of development — urban, territorial, social, economic and human — which starts at the local level? Each chapter provides inputs, answers and critiques of these points, as well as exploring other relevant issues. The Conclusions and Policy Recommendations provide a common vision and understanding of the way forward for LRGs.

**Box 6**

**Subsidiarity**

The principle according to which public responsibilities should be exercised by those elected authorities closest to citizens. The central authority should have a subsidiary function, performing only those responsibilities or tasks which cannot be performed at a more local level. Subsidiarity requires that local governments have adequate financial, managerial and technical and professional resources to enable them to assume their responsibilities to meet local needs, carrying out a significant share of public expenditure. Local governments should be granted the authority and power to raise local resources in line with the principle that authority be commensurate with responsibility as well as the availability of resources. The principle of subsidiarity constitutes the rationale underlying the process of decentralization.


**Box 7**

**Policy coherence**

An approach to sustainable development that calls for the integration of economic, social, environmental and governance dimensions in the policy-making process, acknowledging the critical interlinkages that exist between the SDGs. It aims to foster synergies, promote partnerships and balance transboundary and intergenerational policy impacts in order to identify and manage the relationships between SDGs in a way that limits and overcomes any potential negative impact resulting from their implementation.

3. Structure and analytical approach of the GOLD V Report

The main body of the GOLD V Report is structured into eight chapters. Seven chapters address localization processes in each of the UCLG regions: Africa, Asia-Pacific, Eurasia, Europe, Latin America, Middle East and West Asia, and North America. An eighth chapter, consistent with the approach traditionally adopted by the GOLD reports, will deal specifically with the metropolitan phenomenon, exploring whether the specific context of metropolises has an impact on the implementation of the SDGs and the global agendas. The metropolitan chapter is coordinated with Metropolis, the global organization representing metropolitan areas, with a membership of 138 cities from all regions of the world.

All chapters follow the same structure in order to make cross-chapter reference easier and the information more comparable across different regions. Each chapter consists of a short introduction in Section 1, followed by Section 2 which provides an overview of national arrangements for SDG implementation: national strategies and plans, their degree of alignment with the 2030 Agenda and other global agendas, and the mechanisms that ensure the coordination and follow-up of the SDGs at national level but that also allow LRGs to be involved in the localization process. Where available, for example in the chapter on Europe, this section considers regional strategies and mechanisms. Section 2 also highlights the enabling environments for sub-national action and initiatives (see Box 8); change and evolution in the institutional framework (e.g. decentralization processes), and a thorough overview of the territorial organization of the countries in each region and the financing available to LRGs. Finally, Section 2 analyses the institutional and governance mechanisms that regulate the relationship between different levels of governance and that either hinder or facilitate cooperation in the implementation of the SDGs. Section 3 explores in more detail the actual contribution of LRGs to the localization

Box 8

Enabling environment

The combination of policies, laws, institutions and systems of governance, fiscal autonomy, and levels of public engagement that hamper or unleash LRGs’ potential to function more efficiently, competitively and flexibly to define a development pathway and carry out actions that contribute to achieving the SDGs. UCLG Africa, UCLG ASPAC and Cities Alliance have assessed the institutional enabling environment for local governments by comparing the ‘constitutional framework, the legislative and regulatory framework, the share of public finances between central government and local government, local governments’ own revenues, local democracy, human resource capacities of local government administrations, local government delivery and management performance, existence of a national and/or local urban policy/strategy, provisions for transparency and accountability mechanisms, provisions for citizen participation and women’s participation.’

and implementation of the SDGs. Specifically, it provides information on awareness-raising and dissemination activities to improve ownership by SNGs; the alignment of local plans and strategies with the SDGs and the impact they have on local engagement and proactiveness; and the initiatives, policy actions and experiences of LRGs in their territories and communities in implementing the Goals from the bottom up, as well as issues of coordination, monitoring and funding.

The chapters have been designed in such a way as to allow the reader to approach the GOLD V Report from different perspectives and with different goals in mind. The report can be read in a linear fashion to provide a broad overview of the role of LRGs in the localization of the Global Goals. Those readers more interested in the concrete actions and initiatives put in place by LRGs and with a bottom-up perspective can refer to Section 3 in the various chapters. Similarly, those interested in the evolution of decentralization and the enabling environments that have made localization possible in the first place can refer to Section 2 and the information it provides on institutional balance and opportunity in different contexts.

The chapters were developed by an international group of renowned experts — 18 authors from 13 different institutions — with backgrounds in urban and territorial planning, local development, economics and financial studies, urbanization and development, and geography. Moreover, the GOLD V Report has relied significantly on first-hand information available within UCLG and its constituency. The report builds on the findings of the three editions of LRGs’ report to the High-Level Political Forum (HLPF), which UCLG has curated with the Global Taskforce of Local and Regional Governments (GTF) since 2017. In turn, much of this information and knowledge was gleaned from international surveys distributed across these networks and which gathered hundreds of replies, promoting direct contact with local administrations, national local government associations (LGAs), academia and civil society.

The chapters have been through a thorough process of political validation with UCLG’s members and networks. The chapters build on information provided directly by cities, regions and associations that are members of UCLG, with content from experts also reviewed by the membership to verify its reliability.

Finally, the conclusions of the GOLD V Report provide an overview of the chapters and a summary of the main findings. More importantly, they provide a platform for debate and conversation on the main trends shaping development and growth across the world: demographic change, decentralization and local democracy, climate change and resilience, rapid urbanization, funding local development and local autonomy, and the creation of the city of the future and the future of cities. These lie at the heart of the recommendations put forward by the GOLD V Report: a set of guidelines and a roadmap to make localization a reality, to fully achieve the SDGs and other global agendas at the local level, and a call for territories and communities to ‘leave no person or place behind’.