

# 04



# Europe

## Regional chapter



Brussels, Belgium (photo: William Murphy, t.ly/0X6jX)

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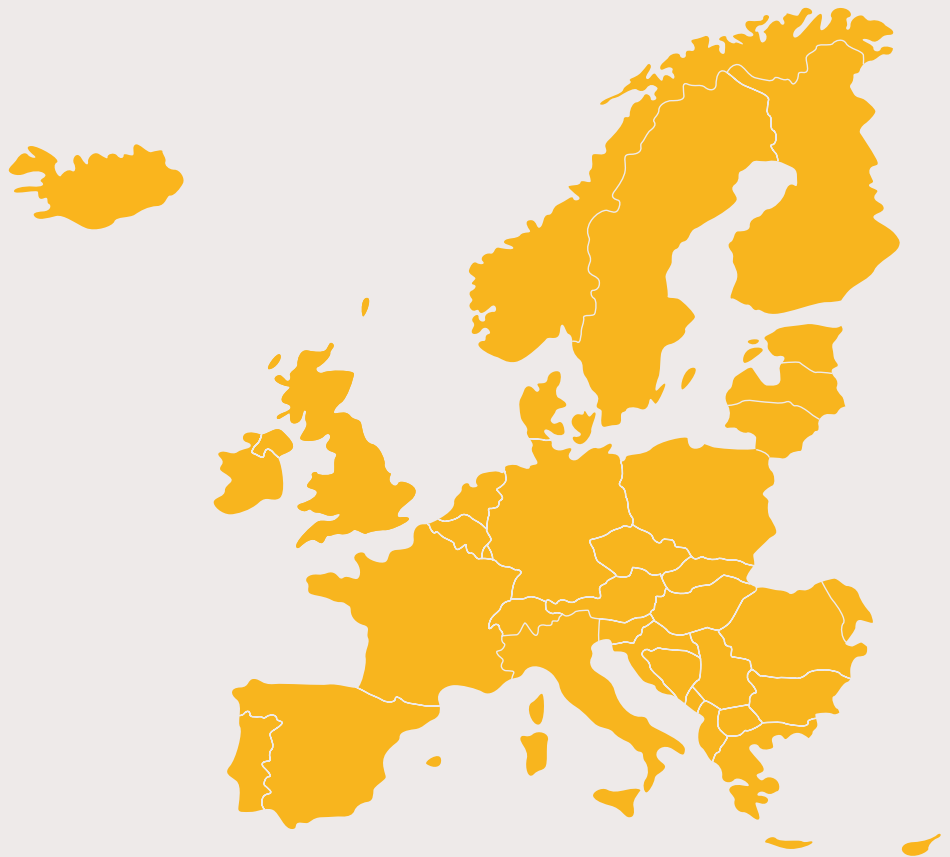
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### Europe

Albania	Liechtenstein
Andorra	Lithuania
Austria	Luxembourg
Belgium	Malta
Bosnia and Herzegovina	Moldova
Bulgaria	Monaco
Croatia	Montenegro
Cyprus	Netherlands
Czech Republic	Northern Macedonia
Denmark	Norway
Estonia	Poland
Finland	Portugal
France	Romania
Germany	San Marino
Greece	Serbia
Hungary	Slovakia
Iceland	Slovenia
Ireland	Spain
Italy	Sweden
Latvia	Switzerland
	United Kingdom

# 1. Introduction

The current situation in Europe is affected by the core strategies and policies adopted over the past few years by nearly all the countries in the region, as well as by the European Union (EU). Despite the economic recovery that has been taking place following the 2008-2009 global crisis, some territories in Europe are still struggling to catch up. Territorial and socio-economic inequalities in the region are growing, fuelling social unrest and political developments that have led to institutional changes within the countries in Europe and have compromised the influence of many EU institutions. The result of the British referendum that initiated the 'Brexit' process is one of these critical manifestations of unrest. Migratory policies are creating huge controversy among European countries, while the social mobilization of the 'yellow vests' in France was perceived as the protest of people living in peripheries who feel they 'have been left behind'. At the same time, to fulfil its commitments on climate change and biodiversity, Europe needs to accelerate implementation. Moreover, at the sub-national level, local and regional governments (LRGs) are still finding it difficult to recover the level of investment they had before the crisis, which is hindering their capacity to respond to new challenges. These new challenges include mitigation of climate change, impacts of new technologies, increasing social demands — such as the housing crisis and increasing precariousness — or adaptation to aging population in most countries.

Europe, and particularly Western Europe, is the third most urbanized region of the world after North America and Latin America.<sup>1</sup> Detailed information of urbanization trends in the 28 EU Member States provided by Eurostat highlights that in 2016, cities made up 59% of EU total population, accounting for 68% of EU gross national product (GDP) and providing 62% of EU employment.<sup>2</sup> It also means that 41% are non-urban inhabitants and that specific policies are needed in order to address territorial imbalance.<sup>3</sup>

This chapter looks at the situation of LRGs in Europe with particular reference to the extent to which they are actively engaged in the implementation of sustainable policies and especially in the localization of the SDGs of the 2030 Agenda for Sustainable Development, as well as other key global targets, for example on climate change.

The chapter analyses both the national enabling environments for SDG implementation, decentralization trends and the current situation of LRGs in Europe, drawing on a range of statistical data from the last ten years. It also explores the emergence of what are termed 'cooperative multilevel partnerships' at both national and EU levels. It then reviews detailed LRG contributions to SDG localization, citing examples at local, regional, national and EU level. Finally, some broad conclusions and lessons are drawn and some recommendations proposed to boost SDG implementation and localization in Europe. ☉

Londonderry, Northern Ireland, United Kingdom (photo: PLACE Built Environment Centre, t.ly/800DP).



## **2. National and local institutional frameworks for the implementation of the SDGs**

## 2.1 National institutional frameworks

**European countries have committed to implement the 2030 Agenda, and other key global pacts agreed since 2015-2016 (notably the Paris Agreement on climate change, the Sendai Framework for Disaster Risk Reduction, Addis Ababa Action Agenda for Financing for Development, and the New Urban Agenda). The 2030 Agenda and its 17 SDGs are therefore a potential 'game changer' for achieving policy coherence across governments by establishing national SDG implementation frameworks through SDG localization by LRGs.**

Thirty-seven European countries submitted Voluntary National Reviews (VNRs) to the UN High-Level Political Forum (HLPF) between 2016 and 2019, and they have expressed their political commitments to implement the 2030 Agenda. Many are in the process of aligning national strategic frameworks to the SDGs (see Table 1 and related endnote for the full list of countries that reported to the HLPF).<sup>4</sup>

### **Institutional mechanisms for SDG implementation**

National SDG coordinating mechanisms have been established or designated in European countries. These can either be new mechanisms created for SDG monitoring, or existing bodies or ministries, such as Commissions on Sustainable Development. Many countries place the coordination mechanism at the centre of government, at the Head of State or Prime Minister's Office, for example. Most coordinating mechanisms are inter-ministerial, to encourage policy coherence across governments, given that the SDGs affect most governmental ministries' policies. They also sometimes entail multi-stakeholder engagement, including LRGs and their representative associations (see Table 1).

Finland has one of the most developed institutional structures for SDG implementation, involving a National Commission on Sustainable Development, with LRG representation, chaired by the Prime Ministers' Office, an Inter-ministerial Coordination Secretariat, a Development Policy Committee in Parliament, and an Interdisciplinary Sustainable Development Expert Panel. In

France, there is a High-Level Commissioner for Sustainable Development under the authority of the Prime Minister, located within the Ministry of Environment, in coordination with the Ministry of Foreign Affairs. Since April 2018, a High-Level Steering Committee for the SDGs is in charge of developing a roadmap for the implementation of the SDGs. This committee includes representatives of LRG organizations.

In Germany, there is a State Secretaries' Committee for Sustainable Development, a Parliamentary Advisory Council and a German Council for Sustainable Development (dating back to 2001). Switzerland has an Inter-Departmental Sustainable Development Committee and National 2030 Agenda Working Group. Similar coordinating mechanisms exist in most other European countries, as shown in Table 1. In a number of instances, such as in the Nordic countries and the Netherlands, well-established procedures for consultation ensure effective dialogue and involvement. Research undertaken by UCLG however indicates that LRGs are only formally represented in (or consulted by) national SDG mechanisms in 20 countries to date (over 37 countries that reported to the HLPF between 2016 and 2019), and in many of these only on multi-stakeholder advisory committees, and not the main policy commissions or intergovernmental structures.<sup>5</sup> In Spain, for example, in February 2019, the national government created a National Commission for the 2030 Agenda as a specific mechanism to ensure cooperation with LRGs (see also Section 3.1).<sup>6</sup> 

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**In a number of instances, such as in the Nordic countries and the Netherlands, well-established procedures for consultation ensure effective dialogue and involvement of LRG representatives and local stakeholders.**

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**Table 1 National strategies for integrating SDGs, coordination mechanisms and LRG participation**

### Albania

Inter-ministerial Committee on SDGs chaired by Deputy Prime Minister (multi-stakeholder); inter-institutional technical working groups support the implementation (liaise with local governments). National Strategy for Development and Integration 2015-2020 (NSDI II) closely aligned with SDGs.

### Andorra

Council of Ministers oversees the implementation. Coordination: Ministry of Foreign Affairs. The 2030 Agenda integrated in Andorra's policies and plans.

### Austria (Federal)

The liaison office of the *Länder* is involved with the Ministry of Europe, Integration and Foreign Affairs in developing a Three-Year Programme 2019-21 that incorporates the SDGs. It will report in 2020.

### Belgium (Federal)

Inter-ministerial Conference for Sustainable Development led by Ministry of Sustainable Development; Inter-departmental Commission for Sustainable Development (coordination between federal administration) and Federal Council for Sustainable Development (regions represented). In Wallonia an independent SD advisory unit was set up in 2013 within the Walloon administration. In Flanders a specific working group on sustainable development is guiding the translation of the SDGs into goals relevant for Flemish policy and to further their implementation. The local government association, VVSG, is represented in the Flemish Council for Sustainable Development as well as involved on an ad hoc basis. In the Brussels-Capital Region, new legislation concerning development aid was adopted in the summer of 2017. The Long-Term Vision Statement for the Belgian 2030 outlook as well as the three regional strategies (Flanders, Wallonia, Brussels-Capital) and German community) are aligned with the SDG.

### Bosnia and Herzegovina (Federal)

Intergovernmental SDGs Rollout Working Group. SDG Rollout Roadmap (document) developed. A consultation process during 2018 – 'Imagine 2030' – will be finalized in 2019.

### Bulgaria

Council for Development, chaired by the Prime Minister; Coordinating Committee for the National Programme for Development (not specifically for SDGs). SDGs aligned with National Programme for Development: Bulgaria 2020. It will report in 2020.

### Croatia

National Council for Sustainable Development chaired by the Prime Minister, includes local government organizations (LGAs). The 2030 National Development Strategy will be adopted in 2020.

### Cyprus

Ministry of Foreign Affairs and inter-ministerial contact group. SDGs incorporated in the Action Plan for Growth and the National Reform Programme.

### Czech Republic

Government Council on Sustainable Development chaired by the Prime Minister (advisory). Coordination: Office of the Government and the Ministry of Environment. LRGs represented in the Council. SDGs integrated in the Czech Republic 2030 Strategic Framework.

### Denmark

Inter-ministerial group led by the Ministry of Finance and the Ministry of Foreign Affairs; formal agreement with municipalities/region to implement SDGs including with Local Government Denmark (LGDK) and Danish regions. In 2017, the government launched a National Action Plan containing 37 national targets on SDG implementation as well as a new strategy for international development cooperation and humanitarian action titled "The World 2030".

### Estonia

Inter-ministerial working group on sustainable development led by Government Office Strategy Unit and Sustainable Development Commission (includes association of cities/municipalities). 'Sustainable Estonia 21' close to the SDGs.

### Finland

Two representatives each from the regions, cities and municipal administrations sit on the National Commission on Sustainable Development chaired by the Prime Minister. SDG alignment at national and local level. SDG implementation strategy includes 'The Finland we want by 2050 – Society's commitment to sustainable development'

### France

Office of Commissioner-General for Sustainable Development (within the Ministry of Environment) and the High-Level Steering Committee for Sustainable Development (CPHN, multi-stakeholder). The National Strategy for Ecological Transition towards Sustainable Development 2015-2020 (SNTEDD). In April 2018, a High-Level Steering Committee for the SDGs was created to develop a roadmap for the implementation of the SDGs.

### Germany (Federal)

State Secretaries Committee for Sustainable Development led by Federal Chancellery; Council for Sustainable Development; extensive engagement with states and local government on preparation of its renewed Sustainable Development Strategy; LRGs participate in Inter-Ministerial Working Group on Sustainable Urban Development. SDG alignment under NSDS 2017.

### Greece

General Secretariat of the Government, in particular its Office of Coordination, Institutional, International and European Affairs (OCIIEA); inter-ministerial coordination network; Economic and Social Committee (with LRG participation). National Growth Strategy and National Priorities for SDGs (2018). National Implementation Plan will follow in 2019.

### Hungary

National Council for Sustainable Development, chaired by the Speaker of the Parliament (multi-stakeholder), supported by a Secretariat and four working committees; Inter-ministerial Coordinative Committee for International Development Cooperation. SDGs aligned within the National Framework Strategy on Sustainable Development (NFSSD) 2012-2024 (adopted in 2013).

### Iceland

Inter-ministerial working group involving all ministries, including the Association of Local Authorities and Statistics Iceland. The representative of the Prime Minister's Office is chairman of the group and the Foreign Ministry's representative vice-chairman. SDGs linked to the government's five-year fiscal strategy.

### Ireland

Minister of Communications, Climate Action and Environment and Senior Official Group chaired by the Prime Minister; National Sustainable Development Unit and SDG Inter-departmental Working Group; National SDG Stakeholders Forum including local government. SDG National Implementation Plan 2018-2020 and Project Ireland 2040 composed two documents: National Planning Framework to 2040 and National Development Plan 2018-2027.

### Italy

Prime Minister coordinates, supported by the Ministry of Environment, Land and Sea; the Ministry of Foreign Affairs, and the Ministry of Finance. National Forum for Sustainable Development (multi-stakeholder). Regional government involved. SDGs aligned with NSDS 2017-2030.

### Latvia

Cross-Sectoral Coordinating Centre (CSCC) led by the Prime Minister (LRGs consulted), and National Development Council. In preparation for the 2018 VNR, the CSCC had a working group in which the national LGA was represented. SDGs aligned with the Sustainable Development Strategy of Latvia until 2030 (Latvia 2030) and the National Development Plan 2020 (NDP2020).

### Liechtenstein

Interdisciplinary working group led by the Ministry for Foreign Affairs, Justice and Culture. SDGs integrated in the 2017–2021 Government Programme.

### Lithuania

National Commission for Sustainable Development chaired by the Prime Minister (advisory, multi-stakeholder). Coordination is overseen by the Ministry of Environment and inter-institutional working group on sustainable development. SDGs aligned with National Strategy for Sustainable Development (2003-2020, revised), in Lithuania's Progress Strategy 'Lithuania 2030', and the government's four-year action programme.

### Luxembourg

Inter-departmental Commission for Sustainable Development. Coordination: Minister of Environment; High-Level Council. SDGs aligned to National Sustainable Development Plan that was revised in 2018.

### Malta

Ministry for the Environment, Sustainable Development and Climate Change and Foreign Office and Trade Promotion act as focal point network. SDGs integrated in the NSDS 2050.

### Moldova

Council for Sustainable Development. Coordination: State Chancellery, with the support of National Bureau of Statistics. SDGs partially aligned with the National Development Strategy Moldova 2020 (2012). A National Development Strategy Moldova 2030 is in preparation. The country will present its first VNR in 2020.

### Monaco

Coordination: inter-ministerial working group chaired by the Minister of State, managed by the Department of External Relations and Cooperation. The government prioritized the SDG related to environmental protection. No local governments.

### Montenegro

National Council for Sustainable Development and Climate Change (2013, multi-stakeholder), Sustainable Development Office in the Office of the Prime Minister (oversight). Coordination: Ministry of Finance. SDGs aligned with the NSDS until 2030.

### Netherlands

Ministry of Foreign Trade and Development Cooperation; national coordinator; inter-ministerial focal group with focal points in ministries and the Association of Netherlands Municipalities (VNG) (LGA); regular dialogue with LRGs. SDGs mainstreamed in the Netherlands Action Plan on Inclusive Development. Aruba, Curaçao, St Maarten integrate the SDGs in their National Development Plan or in the Roadmap of the SDGs (Aruba).

### Norway

Ministry of Finance (budget alignment); Ministry of Foreign Affairs and the Ministry of Climate and Environment coordinate external and internal actions. Regular dialogue with LRGs. SDG follow-up linked to the budget process.

### Poland

Ministry of Entrepreneurship and Technology and Strategy for Responsible Development (SRD) Coherence Task Force within the Coordination Committee for Development Policy (LRG representation). Political guidance by the Council of Ministers. SDGs integrated in the SRD.

### Portugal

Ministry of Foreign Affairs and Ministry of Planning and Infrastructures lead inter-ministerial commissions (domestic and overseas SDG implementation). SDGs integrated in the National Reform Programme.

### Romania

Department for Sustainable Development under the Office of the Prime Minister, Inter-ministerial Committee for the Coordination of the Integration of Environmental Protection headed by the Ministry of Environment. Revision of NSDS of Romania Horizon 2013-2020-2030.

### Serbia

Inter-Ministerial Working Group for Implementation of the United Nations 2030 Sustainable Development Agenda (IMWG) chaired and coordinated by the Minister without Portfolio responsible for demography and population policy. LGA participates in the Joint National Steering Committee co-chaired by the UN Resident Coordinator. SDGs aligned with National Plan for Adoption of the EU Acquis from 2018 to 2021 (NPAA) and with the Development Partnership Framework (DPF) for the period 2016 – 2020.

### Slovakia

Multi-stakeholder Government Council for the 2030 Agenda led by Deputy Prime Minister; Working Group for the 2030 Agenda. Including the Association of Towns and Municipalities of Slovakia (ZMOS). Strategy: National Priorities of the Implementation of the 2030 Agenda.



**Table 1 National strategies for integrating SDGs, coordination mechanisms and LRG participation**

### Slovenia

Government Office for Development and European Cohesion Policy, in close cooperation with the Minister of Foreign Affairs; Permanent Inter-Ministerial Working Group on Development Policies. The 2030 Agenda is aligned with the Vision of Slovenia, released in 2017. In December 2017, Slovenia's Government adopted also the National Development Strategy 2030.

### Spain

High-Level Commission (inter-ministerial) with LRG observers; Office of the High Commissioner for the 2030 Agenda, under the Office of the President of Government. Action plan in process of elaboration.

### Sweden

Minister of Public Administration and the Minister for International Development Cooperation and Climate; inter-ministerial working group; thematic commissions; regular dialogue with LRGs. Adopted an Action Plan for the Implementation of the 2030 Agenda.

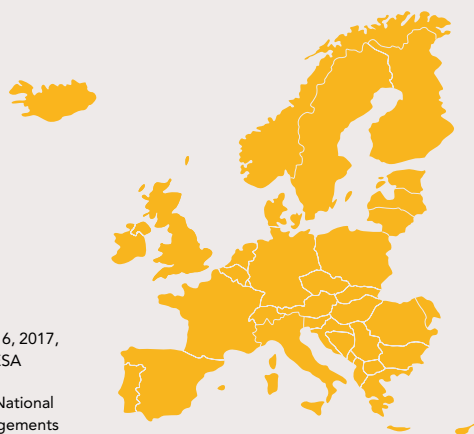
### Switzerland (Federal)

Oversight: Federal Council of Switzerland. Coordination: inter-departmental National 2030 Agenda Working Group, co-led by the Federal Office for Spatial Development and the Swiss Agency for Development and Cooperation (SDC); strong engagement of cantons and communes. SDGs aligned to NSDS 2016-2019 (revised every four years).

### United Kingdom

Cabinet Office and Department for International Development. Strategies: UK Government's Programme of Work; Welsh Government SDG alignment through 2015 Wellbeing of Future Generations Act; Scotland's National Performance Framework.

### Europe



Sources: VNRs 2016, 2017, 2018, 2019. UNDESA (2017 and 2018). 'Compendium of National Institutional Arrangements for Implementing the 2030 Agenda for Sustainable Development'.

### SDG alignment to national policies and local and regional government involvement

The majority of European countries have national strategies for sustainable development, supported by national commissions/committees, which pre-date the 2030 Agenda. These are still in force and in most countries are being mapped against the SDGs to align them with SDG targets; examples include Belgium, France, Germany, Hungary, Italy, Luxembourg, Romania and Switzerland. In other countries, national development policies (NDPs) (Albania, Bulgaria, Czech Republic, Ireland, Latvia, Lithuania), or government work plans (Croatia, Iceland, Portugal) are being aligned with the SDGs.

According to an EU statement in 2019, 'about half of the Member States are about to take measures to operationalize their strategies or to link them to the budget: Croatia, Estonia, France, Greece, Iceland, Ireland, Italy, Latvia, Lithuania, Malta, Slovakia, Spain and Sweden'.<sup>7</sup> A few countries have not yet defined a specific national framework or cross-sectoral strategy (Austria, Iceland, Moldova, the Netherlands, Norway, Portugal, and UK). Bosnia and Herzegovina and Spain are currently doing so.<sup>8</sup>

By way of example, Estonia undertook a 'gap analysis' of its policies and the SDGs and identified a range of differentials which need to be addressed. The Swiss Sustainable Development Strategy 2016-19 is linked to SDG implementation; Switzerland also submitted separate VNRs in 2016 and 2018. Finland's strategy for sustainable development likewise references the SDGs, following its updating in 2017. Moreover, Denmark has formulated an action plan for the achievement of the SDGs nationally.<sup>9</sup>

At regional level, the European institutions have reaffirmed their commitment to the implementation of the 2030 Agenda worldwide.<sup>10</sup> However, the EU does not yet have sustainable development strategy. The Council of the European Union asked the European Commission (EC) to develop a comprehensive implementation strategy during 2019.<sup>11</sup>

Most national frameworks for the implementation of the SDGs adopted by European countries reference the need to support LRGs, and LGAs in 13 countries have been involved in the design of the national strategies.<sup>12</sup>

LRGs and their national LGAs were consulted by national government and involved in SDG implementation in a number of European countries. For example, in Switzerland the federal level felt it critical to integrate sustainable development principles into all levels of government, including the cantons and communes, to create and increase ownership: many communes have in fact defined their own strategies for sustainable development. In such

cases, there is clear recognition that the process of SDG alignment should extend equally to the plans and policies of LRGs as to national government. However, a considerable number of countries show no reported evidence of LRGs being directly engaged in national SDG mapping or alignment processes.

The GTF's 2017,<sup>13</sup> 2018<sup>14</sup> and 2019<sup>15</sup> reports to the High-Level Political Forum on Sustainable Development (HLPF), 'Towards the Localization of the SDGs' examine the extent to which local governments have been consulted in the preparation of VNRs and how far their work is reflected in final submissions. They identify key policy issues, drawing on a wide range of country and city-specific examples. According to the 2019 report, 23 countries in Europe (63% of 37 European countries that reported) involved prior consultation with local governments for the drafting of the VNR (compared with 44% at the global level) (see Section 3.1).

A similar analysis by CEMR (the Council of European Municipalities and Regions) and Platforma (European Platform of Local and Regional Authorities for Development)<sup>16</sup> shows that LGAs' participation in the drafting of the European VNRs is increasing (from 50% in the 2016–2018 period to 60% in 2019), mostly through various forms of multi-stakeholder consultations. However, LGAs are still found to be 'generally passive' and contribute only indirectly to the VNR content.<sup>17</sup> This is also the case with LGAs' participation in the national coordination mechanisms mentioned above (in 20 out of 39 countries).

The degree to which local governments are consulted and involved in a country's SDG system and implementation is partly a function of their political relationship with central government and the extent of decentralization. However, it is also driven often by how much a LGA is proactive in its engagement in the VNR process and the extent to which local political leadership is committed to SDG implementation.

In the case of Spain, the partnership with LRGs is underlined in its 2018 VNR, with a section detailing the localization of SDGs in each region and at local government level, with particular focus on the role of the Federation of Municipalities and Provinces (FEMP). The Latvian Association of Local and Regional Governments (LALRG) was proactively engaged in the preparation of the country's 2018 VNR. LALRG was represented (its Secretary-General) on a working group of the national SDG Cross-Sectoral Coordinating Centre (CSCC). This meant it was able to submit draft sections of the report with reference to the role of local government. Latvia's VNR has a separate section on local government, which notes that all local governments have sustainable development strategies and which

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## According to the GTF's 2019 report, 23 countries in Europe (63% of 37 European countries that reported) involved prior consultation with local governments for the drafting of the VNR.

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acknowledges the work of LALRG.<sup>18</sup> Likewise, the 2017 VNR of the Netherlands documents the work of the Association of Netherlands Municipalities (VNG) in SDG localization.<sup>19</sup> Serbia's 2019 VNR emphasizes the role of the country's LGA – the Standing Conference of Towns and Municipalities (SCTM) in the creation of the local community-led hub. The 2019 VNR of Iceland cites SDG implementation as 'a joint project of the state and municipalities, as they have an important role for successful implementation of the SDGs.' Both Iceland's and Serbia's VNRs dedicate specific sections or spaces to explaining the role of LRGs, likewise the United Kingdom and Bosnia and Herzegovina VNRs give particular emphasis to the localization process.<sup>20</sup> Other VNRs that make explicit reference to LRGs are the Czech Republic, Denmark, France, Germany, Greece, Italy, Lithuania, Norway, Poland, Sweden and Switzerland.

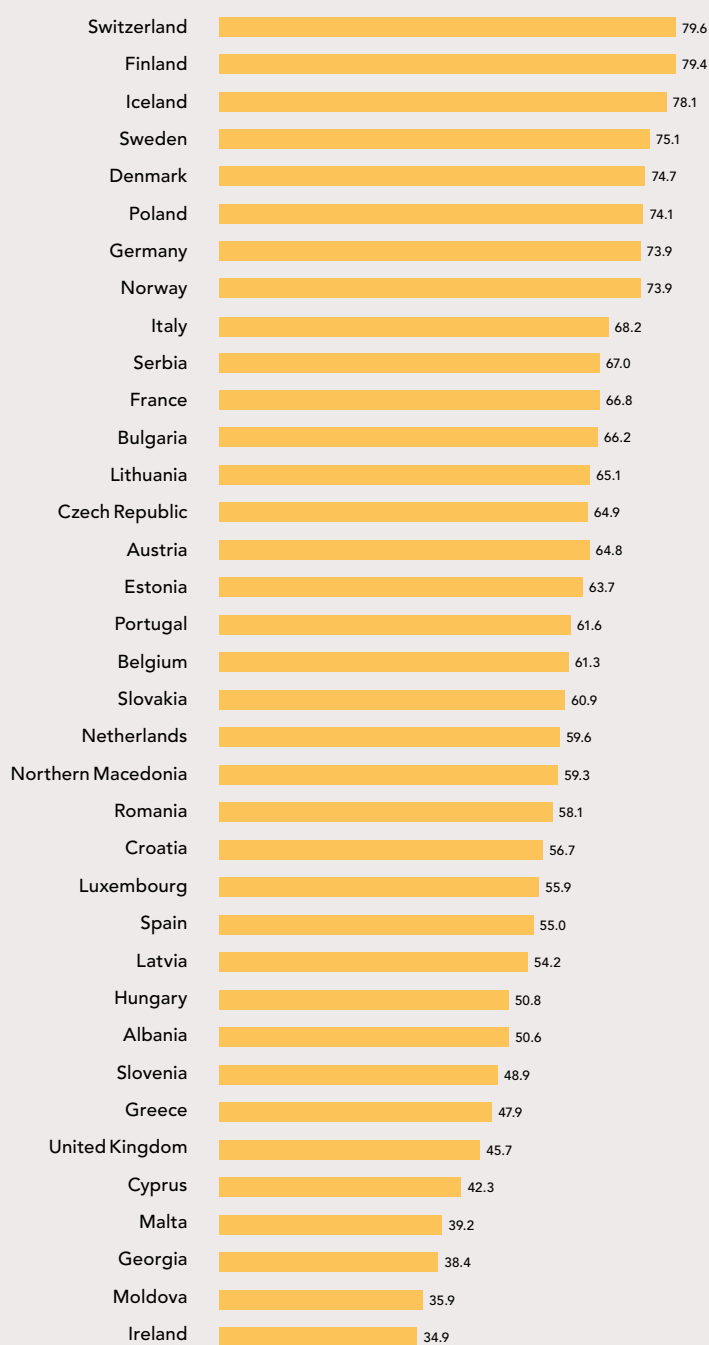
While in some countries, LRGs and their LGAs are taking the lead to support the implementation of the SDGs at sub-national level, in others, they lack the financial resources and support to ensure effective localization. This is exacerbated by the reforms and cuts in local budgets since the 2008–2009 global crisis that affected many LRGs (see Sections 2.2 and 3.1).

Thus, the importance of building local government capacity is highlighted in various VNR reports. For example, Montenegro has underlined that public sector capacities, especially of local governments, needs to be significantly increased. Moreover, Serbia has in its 2019 VNR highlighted the need for international financing support. Greater support and joint efforts between national and sub-national governments (SNGs) to undertake SDG-related work, such as SDG awareness-raising among members or promotion of SDG alignment, are urgently required.<sup>21</sup> ◉

## 2.2 Current situation of local and regional governments in Europe

Figure 1

### Local Autonomy Index (LAI) 2014 country rankings



Sources: Extracted from OECD (2019), 'Making Decentralisation Work: A Handbook for Policy-Makers', OECD Multi-level Governance Studies, OECD Publishing, Paris, <https://doi.org/10.1787/g2g9faa7-en>.

### Decentralization trends: policies and reforms

In the past decade, LRGs in several countries in Europe have increasingly put pressure on national government to make important changes in local governance. The reforms, decentralization trends and associated policies that have followed have been analysed in a number of academic studies, as well as by international organizations such as the EU and the Organisation for Economic Cooperation and Development (OECD).<sup>22</sup>

In federal or quasi-federal European states (Austria, Belgium, Germany, Spain, Switzerland), reforms have mainly aimed to improve distribution of responsibilities between different levels of government, improve intergovernmental fiscal relations, and strengthen internal stability pacts, altering equalization mechanisms and enhancing policy coordination. In unitary states, public sector reforms have sought to strengthen decentralization and improve multilevel governance systems (the Netherlands, Sweden, Finland, Denmark, Norway, France, United Kingdom), improve economies of scale and efficiency (France), and improve public management (Ireland). Furthermore, after the global crisis, many reforms were linked to austerity measures, spending control and rationalization.<sup>23</sup>

In general, in federal and quasi-federal countries (Spain), LRGs enjoy wider functions and responsibilities, particularly at regional or state levels, and have higher levels of sub-national expenditures and revenues as a percentage of gross national product (GDP) than unitary countries, but wide variations exist throughout Europe, according to the extent of decentralization.

In federal countries, LRG expenditures account for 21.5% of total public spending compared with 9.7% in unitary countries. However, in some unitary countries such as Denmark, Finland and Sweden, LRGs represent a larger part of public spending (27.4%) (see Figure 3).<sup>24</sup>

The Local Autonomy Index (LAI) for Europe, is a measurement developed by academia to try to analyse the extent of sub-national functions and responsibilities. The LAI combines measures on (1) legal autonomy, (2) policy scope (range of functions/tasks in service delivery), (3) political discretion (decision-making power in fulfilling tasks), (4) financial autonomy, (5) organizational/administrative autonomy, (6) non-interference (related to vertical relations with higher levels of government), and (7) access to influencing higher-level decisions (see Figure 1).<sup>25</sup>

The Regional Authority Index (RAI) is another measure designed to track the evolution of administrative regions and intermediary governments in more than 81 countries, including 38 European countries.<sup>26</sup> According to the OECD, 'the Regional Authority Index and the Local Autonomy Index also show an increase in the degree of authority of municipalities and regions over the past decades', although trends in recent years have been more varied.<sup>27</sup>

The different measures and studies show four Nordic countries — Denmark, Finland, Norway and Sweden — as being in the top ten countries in Europe, along with Switzerland, Poland and Germany, and followed by Italy, France, Norway and Austria; the LAI adds Serbia to this list.<sup>28</sup> According to the LAI, as summarized by the OECD,<sup>29</sup> in France there is high local autonomy with the exception of features of the local political system and administrative organization. In Switzerland, municipalities are autonomous in their financial and organizational affairs and enjoy legal protection, but they are to a lesser extent able to decide on their own policies, due to their smaller size and the more discretionary powers of cantons. The much larger German municipalities — despite Germany's federalist structure — are more autonomous with respect to policy scope and political discretion. In Spain, decentralization is advanced at the regional level, but more restricted at municipal level. In the United Kingdom, financial autonomy is limited while organizational autonomy is not. Ireland, finally, shows very low levels of autonomy in virtually all dimensions.

Apart from Poland, which has made progress towards decentralization, most EU Member States in Central and Eastern Europe are still in a process of further decentralization. Countries tend to have high legal and to some extent organizational/administrative autonomy, but less autonomy in other areas (e.g. Bulgaria, Romania, Estonia, Czech Republic, Slovenia).<sup>30</sup> Hungary is the one major exception with recentralization of powers back to central government, and with the share of sub-national expenditure decreasing by 5% in the past 20 years. In Hungary, education, healthcare and some social services have also been recentralized, especially after 2012 (and the institution of Cardinal Law). Transfers are now mostly earmarked, having changed from an income-based system to a task-based system.<sup>31</sup>

Although local self-government is enshrined in most of their constitutions, decentralization is in its very early stages in non-EU Member States in the Balkans (Albania, Bosnia and Herzegovina, Kosovo, Moldova, Montenegro, North Macedonia, Serbia), with the exception of Croatia, where resources are more decentralized (particularly at county level). In some countries such as Moldova and Serbia, reform processes have recently stalled and in others, such as Bosnia-Herzegovina and

Montenegro, there are serious ongoing problems because of political and ethnic divisions.<sup>32</sup>

The reforms implemented during the past decade have had an impact on the responsibilities and capacities of LRGs, albeit to different degrees, in the whole region, but most pronounced in the countries of the South of Europe — most affected by the global 2008-2009 crisis. Because of budgetary restrictions in Greece and Portugal, the oversight of local government finances was reinforced, salaries and staff recruitment frozen, and the sub-national territorial organization revised. In Greece the 2010 Kallikratis Reform created 13 fully self-governing regions with new responsibilities in the area of regional planning and development, including structural funds (transferred from the prefectures) and merged municipalities. In Spain, several laws have increased the control on budgets and limited the indebtedness of local governments, reducing their competences (particularly for the smaller municipalities) and restricting remunerations of all civil servants including at sub-national level. In Italy, the measures adopted in 2012 and 2013 imposed budgetary and spending restrictions as well as territorial reorganization, impacting local autonomy.

Laerdal, Norway  
(photo: © Andrea Ciambra).



As well as the South of Europe, France's multifaceted local government reform in 2010 included several measures, such as the reform of the local taxation system (reduction of local taxing power) and equalization mechanisms; a streamlining of inter-municipal cooperation; and the creation of a new status of metropole. Important parts of the 2010 legislation were later revoked and the 2013-2015 Act III of Decentralization resulted in new territorial and decentralization reforms, including the law on metropolises (2014), regional mergers (2014) and the NOTRe law (2015). The latter modifies the allocation of responsibilities across different SNG levels, strengthening the responsibilities of regions (on economic development, territorial planning, environment protection, vocational training).

In Germany, meanwhile, the number of municipalities decreased and financial controls were put in place in several Länder, but responsibilities increased, inter-municipal cooperation (*Gemeindeverband* and *Zweckverbände*) was facilitated, and privatization and externalization of public services were developed to reduce expenditures. Today however, municipalities are trying to regain control of public services (re-municipalization of water and other basic services). The Netherlands moreover imposed some budget and transfers restrictions on the sub-national level, with new devolution of responsibilities (e.g. youth health, long-term care, etc.) accompanied by a historical merger process, and compelled local governments to rationalize and develop new modalities for services delivery (e.g. implementation of Service Charters).

In Finland, the regionalization process launched in 2013 was interrupted in 2019. National governments also set minimum standards for the provision of local services. In Norway, this was done under the KOSTRA performance measurement system.

Reference should also be made to the Congress of Local and Regional Authorities of the Council of Europe,<sup>33</sup> which is responsible for monitoring the application of the European Charter of Local Self-Government<sup>34</sup> adopted in 1985 and ratified by all 47 Member States of the Council. The Charter has at its core the principle of subsidiarity and its five-yearly monitoring reports provide a useful insight into decentralization throughout

Europe. The reforms experienced during the last reporting period have had a varied impact on local autonomy: 'In a majority of countries, the perception of some loss of autonomy was due more to the reduction of resources than to institutional restrictions.' However, this is not a small issue (see Financing local development, below).<sup>35</sup>

### National territorial organization: structure of sub-national governments

As already mentioned, the reforms also had an impact on the territorial organization in Europe. In the early 1990s, the 28 EU Member States alone had approximately 97,500 municipalities, which fell to around 87,182 in 2017-2018. A huge variation in average population per municipality remains however, ranging from 168,000 in the United Kingdom and 151,000 in Ireland (since the 2014 local government reform) to only 1,700 in the Czech Republic, 1,850 in the Slovak Republic and 1,890 in France in 2017-2018.<sup>36</sup> There are another 5,056 municipalities in non-EU Member States, thus the total number of local governments across the continent is still close to 100,000.<sup>37</sup> In addition, there are intermediate level local governments (e.g. departments in France, provinces in Belgium and Spain), metropolitan bodies areas and regions, which add significantly to the total numbers of LRGs in Europe.

Recent territorial reforms have resulted in amalgamations of both municipalities and regions and in some cases their outright abolition. Ireland saw particularly dramatic changes in 2014, resulting in 114 councils being reorganized into 31 local governments and the abolition of the previous eight regional authorities. In Estonia in 2017, the number of municipalities was reduced from 213 to 79 (14 urban and 65 rural). However, in most instances, changes have been more gradual, including in many of the non-EU Balkan States. For example, Moldova (population 3.46 million) still has 1,679 local authorities (villages, communes, cities and municipalities) and 35 regions (districts). Overall, there has been relatively little change in the distinction between federal, unitary and quasi-federal states in Europe in the past ten years (see Table 2).

The complexity of structures has increased in the past ten years, with sometimes overlapping functions between the different levels of government, driven by ambitious reform programmes. Such territorial organization reforms are often triggered by political, demographic and socio-economic changes. These include growth in services, transport or new ICT requirements, considerations around the need for local management, and financial considerations around sharing services to effect economies of scale due to shrinking revenues.

**Recent territorial reforms have resulted in amalgamations of both municipalities and regions and in some cases their outright abolition.**

**Table 2 Types and numbers of sub-national government (2017-2018)**

Federal or quasi-federal States	Municipal	Intermediate	Regional/state	Total
Austria	2,098		9	2,107
Belgium	589	10	6	605
Bosnia and Herzegovina	145		10	155
Germany	11,054	401	16	11,471
Spain	8,124	50	17	8,191
Switzerland	2,222		26	2,248
<b>Unitary states</b>				
Albania	61		12	73
Bulgaria	264			264
Croatia	555		21	576
Cyprus	380			380
Czech Rep.	6,258		14	6,272
Denmark	98		5	103
Estonia	79			79
Finland	311		1	312
France	35,357	101	18	35,476
Greece	325		13	338
Hungary	3,178		19	3,197
Iceland	74			74
Ireland	31			31
Italy	7,960		20	7,980
Latvia	119			119
Lithuania	60			60
Luxembourg	102			102
Malta	68			68
Moldova	1,697		35	1,732
Montenegro	68			68
Netherlands	390		12	392
N. Macedonia	23			23
Norway	422		18	422
Poland	2,478	380	16	2,874
Portugal	308		2	310
Romania	3,181		41	3,222
Serbia	174		2	176
Slovakia	2,930		8	2,938
Slovenia	212			212
Sweden	290		21	311
United Kingdom	391	27	3	421

Sources: OECD, 'Making Decentralisation Work'. Annex B, p.161; CCRE, CEMR, 'About Members'; OECD-UCLG, SNG-WOFI.

### Functions and responsibilities: core competences as defined by law

The impact of territorial reforms can be complex, involving changes of powers at different sub-national levels, as has been seen in the regions, e.g. in Norway. In many cases, reforms are directly linked to significant decentralization, intended to be politically attractive and to result in stronger, more empowered local government. In Iceland in 2011, municipalities gained new responsibilities for service provision and support for disabled people; in Ireland in 2014, local authorities were given an expanded role in economic development (but water was recentralized), and in the Netherlands, reforms that took effect in 2015 involved new municipal responsibilities for social care. Under the 2014-17 reforms in Norway, additional competences in secondary education and transport were transferred to municipalities from the counties and central government.<sup>38</sup> In Belgium, the 6th State Reform (2014) transferred additional responsibilities to regions (labour market policies, mobility and justice), and municipalities (family allowance, long-term care, health). In Italy, reforms introduced in 2014 resulted in ten metropolitan cities taking over competences of the former provinces with additional powers for local police, roads, transport, and spatial and

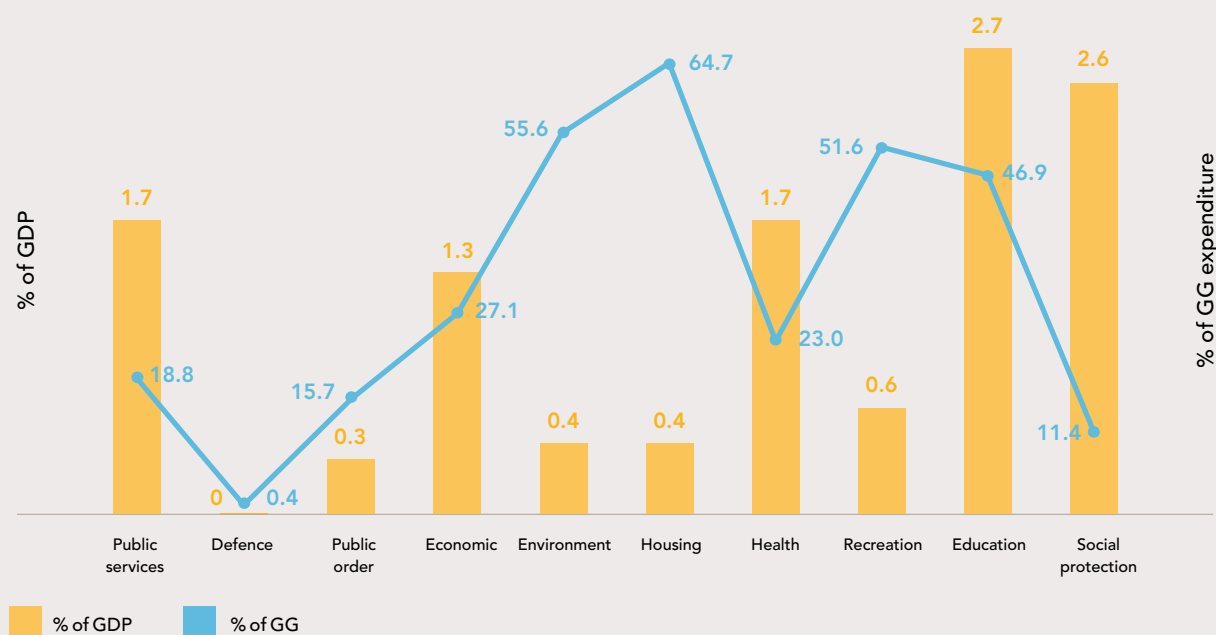
urban planning, and the metropolitan city mayor directly elected. In Czech Republic, in 2015, some municipal responsibilities were reallocated from small municipalities to larger municipalities (to overcome municipal fragmentation), and to the central government in the social reform framework.

Statistics regarding sub-national expenditure by sector or function are compiled by the Classification of the Functions of Government (COFOG), which has ten main categories.<sup>39</sup> These give some indication of core roles and responsibilities of European LRGs in relation to central government. They relate to education, economic affairs and transport; social protection; health; housing and community amenities; recreation, culture and religion; general public services; security and public order; defence and environmental protection. Each category also has sub-functions. Figure 2 gives a breakdown of the different areas as a percentage of GDP and of total general government expenditure (GG).

As shown in Figure 2, SNG spending responsibilities (as a percentage of GDP) are more significant in education, social protection, health, general public services and economic affairs (including transport). However, LRGs represent a substantial part of GG expenditures in housing and

Figure 2

### Sub-national government expenditures of European countries (34) by sector/function as % of GDP and of general government expenditure (GG) (COFOG, 2016)



Source: Authors' calculation based on unweighted averages in 34 countries. OECD/UCLG (2019), World Observatory on Subnational Government Finance and Investments, <http://www.sng-wofi.org/data/>.

amenities, environmental protection, recreation, culture and religion, and education. The spending contributions to GG of the state/regional level are often greatest in areas such as housing, education, recreation/culture, environment, public order, economic development and health while local governments' contribution is higher for housing, environment, recreation/culture and education. There is significant variation by country: in countries where the extent of decentralization is low, local government functions tend to be more restricted to sectors such as general public services, recreation and culture, and, to a lesser extent, economic affairs, transport and housing, and community amenities.

In recent years, municipalities in Denmark have received new competences over social welfare and education while the regions have obtained more responsibilities for healthcare, regional development and environment. However, since 1 January 2019, the regions have seen their role reduced in the implementation of structural funds programmes (the European Regional Development Fund – ERDF and the European Social Fund – ESF) and in business development. In the United Kingdom (and England in particular), the 2011 Localism Act, City Deals and the 2016 Devolution Deals gave powers to combined authorities on housing, transport, planning and policing, and allowed for the introduction of directly elected mayors. At the same time, the Scottish and Welsh Parliaments received enhanced powers, including new fiscal powers in the case of the former. In France, reforms since 2010 have been gradual, addressing metropolitan governance, reform of regional boundaries, sub-national responsibilities and inter-municipal cooperation; greater powers are also envisaged for the French regions.

Much decentralization is of an 'asymmetric' nature where the same SNGs have different political, administrative or fiscal powers. Among federal states, Spain and Belgium are highly asymmetric, whereas Austria, Germany and Switzerland show more symmetry. Among unitary states, Italy and the United Kingdom are notable in their asymmetry.<sup>40</sup> Likewise, most non-EU Member States in the Balkans display asymmetrical functions and responsibilities.<sup>41</sup>

Metropolitan and urban governments in general have responsibilities on economic policy, including 'industrial promotion, environmental planning, refuse collection, public transport, regional spatial planning, regional economic development, recreation, regional parks, tourist promotion, traffic planning and regulation, and water supply.'<sup>42</sup>

Finally, LRGs have taken on an increasingly significant role in international development cooperation, notably through 'decentralized cooperation'. There has been growing legal

and other formal recognition of this at both the national and the EU level. Belgium, France, Hungary, Italy, Latvia, Portugal, Poland, Romania, Spain and Sweden all have legal provision to allow decentralized cooperation activities; meanwhile several other countries such as Austria, Germany, Finland, the Netherlands, the United Kingdom and many Central and Eastern European countries also facilitate such activities in less formal ways.<sup>43</sup>

### Financing local development: fiscal decentralization

The impact of the 2008-2009 global economic crisis and its aftermath, with the imposition of fiscal austerity measures in many countries, led to a reduction in the overall percentage of LRGs' share of GDP and of total public expenditure. EU data shows an overall decline in Member States' local government expenditure relative to GDP (down from approximately 13.94% in 2009 to approximately 10.8% in 2016), and relative to GG (down from approximately 27.3% in 2009 to approximately 23.3% in 2016). Needless to say, these indicators also relate to the extent of fiscal decentralization.<sup>44</sup>

Over a longer period, 1995-2016, the sub-national share of public expenditure increased in Spain, Sweden, Belgium, Denmark, Germany, Poland and Finland (over 5%); there were also smaller increases in Italy, Slovenia, Latvia, Slovak Republic, Austria, France, Czech Republic, Switzerland, Portugal and Greece. Conversely, there were decreases in Lithuania, Iceland, Estonia, Norway, the Netherlands and particularly in Hungary and Ireland. It is reasonable to assume that the long-term trend towards greater fiscal autonomy is likely to continue in Europe, assuming there are no further major global economic shocks, especially since fiscal decentralization is still at an early stage, notably in the Balkan countries and elsewhere.<sup>45</sup>

The decrease in financial resources has had consequences for staff expenditures (and a reduction thereof) in three out of four European countries. As already mentioned, trends are accompanied by major service reorganization, notably in Spain, the Czech Republic, the United Kingdom, Portugal, Bulgaria and Greece. The rules of budgetary discipline can also affect local elected officials, as was the case, for example, in Spain, where remuneration of elected representatives has been limited. In the Netherlands and Ireland, reforms have reduced the number of elected officials in order to save money.

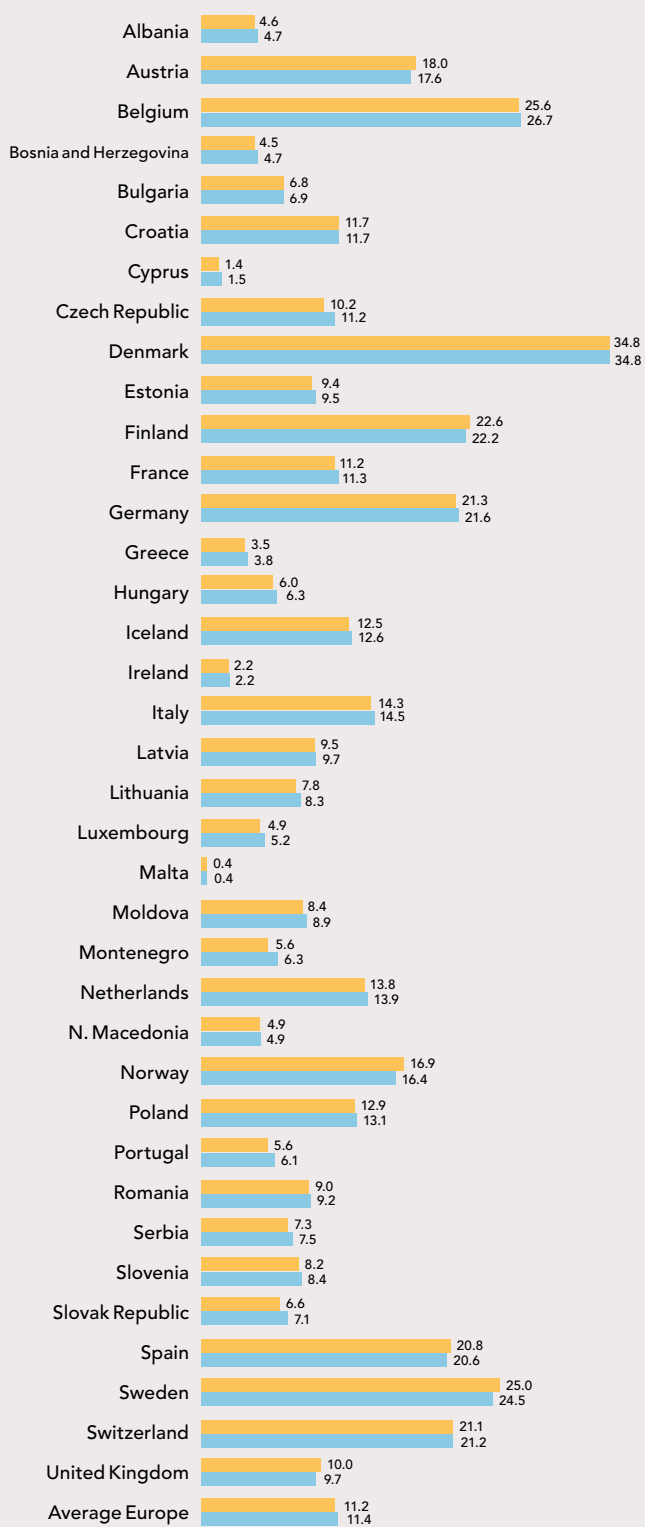
Another fiscal indicator that is often used relates to the SNG percentage of general government revenue (see Figure 3). In general, the ratios for revenues are very close to those of expenditures. In the majority of countries, taxes (both shared and own-source taxes) are the prime source of revenue,



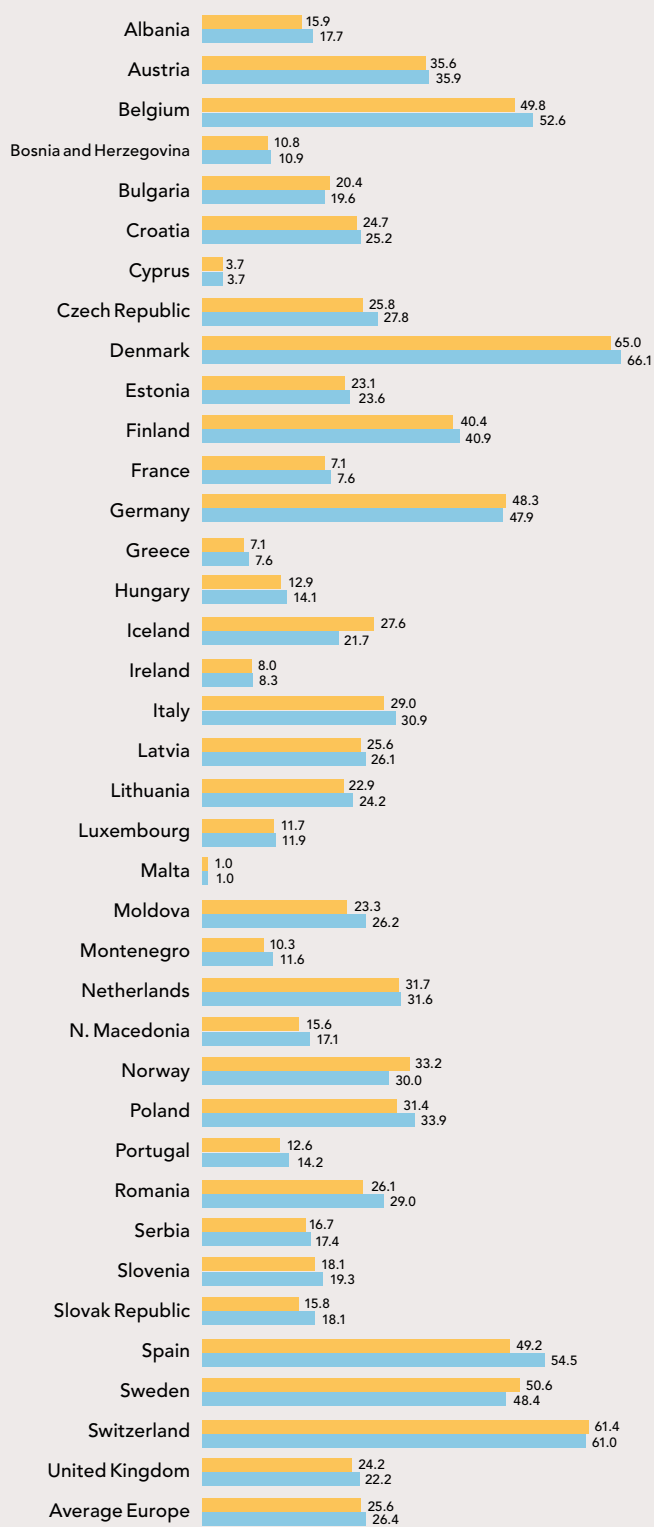
Figure 3

## SNG expenditures and revenues on GDP and on GG by country

### SNG expenditures and revenues on GDP



### SNG expenditures and revenues on GG



■ SNG expenditure % of GDP   
 ■ SNG revenues % of GDP   
 ■ SNG expenditure % of GG   
 ■ SNG revenues % of GG

Source: OECD/UCLG (2019), World Observatory on Subnational Government Finance and Investment (data 2016): <http://www.sng-wofi.org/data/>.

followed by grants and subsidies and local public service charges. Nevertheless, the share of own revenue sources in sub-national revenue varies considerably and is close to 70% (or more) in Iceland, Bosnia, Montenegro, Switzerland, Germany, Latvia, Finland, France, Sweden and Portugal. In Norway, Italy, Croatia, Ireland, Spain and Hungary, own sources represent around 50% of sub-national budgets, but this falls below 30% in Moldova, Bulgaria, the Netherlands, Austria, Slovak Republic, Kosovo, Albania, Romania, Estonia and Lithuania. Meanwhile Belgium, Poland, Denmark, Greece and United Kingdom are between 30% and 40%. This means the last groups of countries rely principally on transfers, grants and subventions from central governments due to important vertical imbalances in local budgets.<sup>46</sup>

Share of tax revenues however does not provide a truly accurate picture of local fiscal autonomy, since this depends on many other factors such as the right to set or abolish taxes or define the tax base. All the more, because tax revenues encompass shared taxes and own-source taxes.<sup>47</sup> A more accurate picture of fiscal decentralization is given by the OECD's tax autonomy indicators, which show that tax autonomy increased in Finland, Portugal and Italy in 1995-2011, and meanwhile decreased in Denmark and France. Examples of important reforms include the Belgian fiscal reforms which reinforced regional tax autonomy allowing regions to raise additional income tax and gain other tax powers ('regionalization' of the PIT). Likewise, in Spain after 2011, the financial autonomy of the regions was enhanced and their part in shared taxes increased from 33% to 50%.

Aggregate national data can moreover hide important variations. In some cases, there were countervailing trends and complex fiscal arrangements, which often distort the actual extent of fiscal decentralization. The United Kingdom (England) significantly reduced central-local government fiscal transfers because of austerity measures since the 2008-2009 global crisis which mean many local governments — and especially larger cities — have seen dramatic decreases in their local revenues. This in turn has impacted on their ability to deliver essential services effectively, an issue picked up in a 2014 Council of Europe monitoring report.<sup>48</sup>

Furthermore, the sub-national level is an important investor, underlining the role of LRGs in finding the necessary funding for the SDGs. Table 3 shows the role played by local and state government as public investors, with the highest percentages achieved in federal states such as Belgium, Switzerland, Spain and Germany, as well as in some unitary states such as France, Finland, Italy, Portugal and Sweden (over 50% of total public investment). If we only look at local

government, Belgium, France, Finland, Italy and Sweden achieved 50% of total investment.

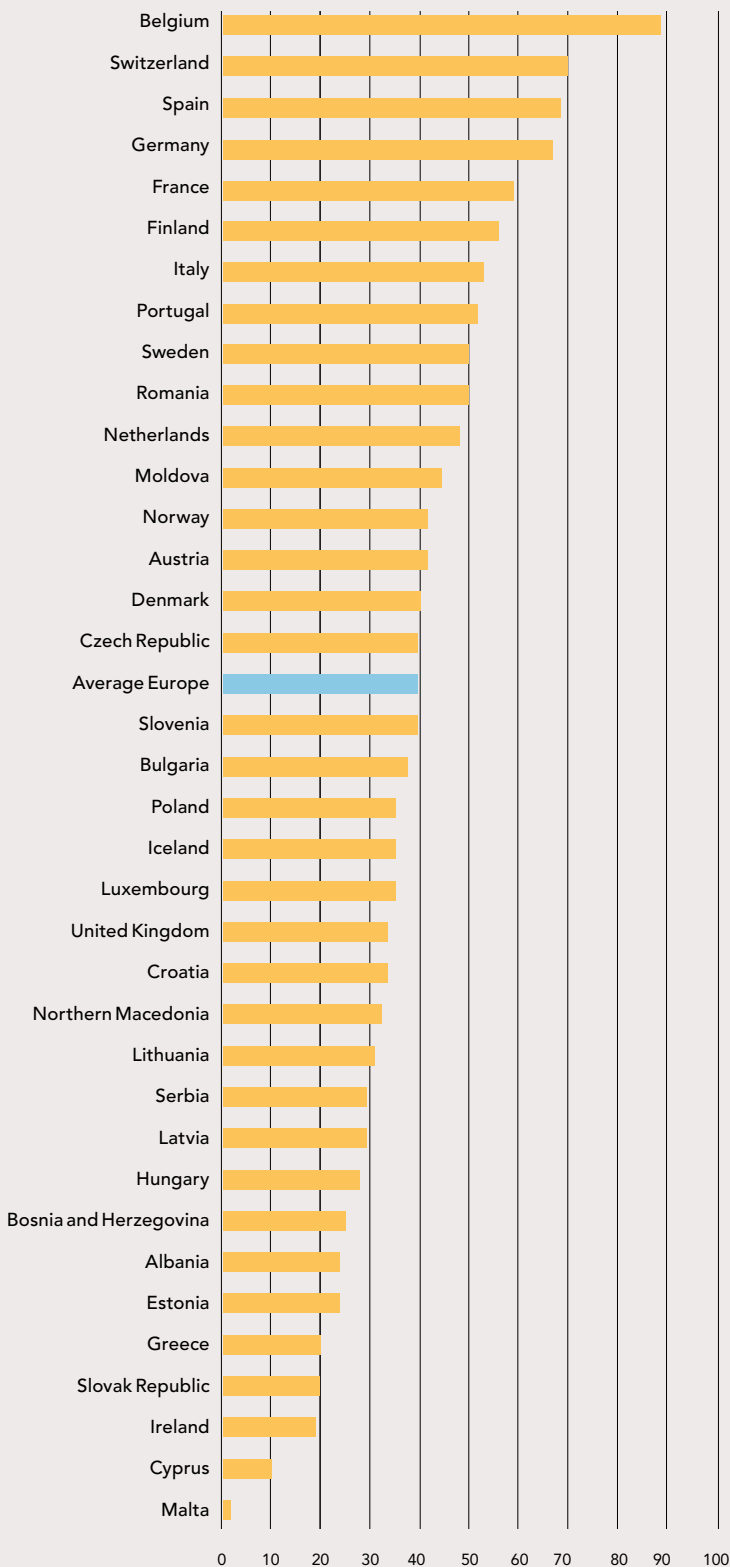
As highlighted in the Addis Ababa Action Agenda, it is desirable for local governments to be able to access external financing through borrowing, including credit and access to the financial markets (bonds). Legislative provision for this varies in different countries. Sub-national consolidated financial debt as a percentage of total public debt provides a useful indicator for the relative significance of the sub-national sector and therefore potentially for fiscal decentralization (according to the 2016 OECD data, the average sub-national government debt as a percentage of national debt in the EU is 14.4%, but ranges from 42.4% in Norway to 0.6% in Greece). Local governments in some countries have been able to improve access to external funding on financial markets and share common mechanisms; this has often been because of the initiative of national LGAs. This has happened in France and the UK, for instance, based on the successful municipal agencies model prevailing in the Nordic countries. In France, the *Agence France Locale* was created in 2013 and is wholly owned by French local authorities. Its mandate is to raise cost-efficient resources by pooling the funding needs of all local authority members and to provide alternative funding with a target of achieving 25% of market share.<sup>49</sup>

Ribbon-cutting ceremony at a new school in Jacou, Languedoc-Roussillon, France (photo: Isabelle Blanchemain, bit.ly/2OxxUNv).



Figure 4

## SNG direct investment as % of total public investment



Source: OECD/UCLG (2019), World Observatory on Subnational Government Finance and Investment (data 2016): <http://www.sng-wofi.org/data/>.

From the data available, it appears that the 2008-2009 global economic crisis and the ensuing Eurozone crisis, accompanied by austerity policies in many countries, have halted or even reversed current and planned reforms in some instances. In others in contrast, according to the OECD, the crisis actually served as an impetus to accelerate fiscal reforms (e.g. Czech Republic, Estonia), and to seek optimization of revenues from property taxes, through new local taxes or revaluation of existing taxes (e.g. in Ireland, the Netherlands, Spain, Portugal, France). In general, the 2008-2009 crisis led to a general tightening of fiscal rules at all levels of government relating to budget balances, spending and borrowing constraints. In the Netherlands, local governments have since 2013 had to transfer excess liquidity to the central government Treasury. Denmark in 2012 legally introduced a multi-annual expenditure ceiling at all levels of government. Similar legal fiscal restrictions have been enacted in Estonia, Czech Republic, Hungary, Italy, France, Finland and elsewhere.<sup>50</sup>

Since the crisis, particular efforts have been made to reinforce intergovernmental fiscal coordination in macro-economic management through cooperation agreements, internal stability pacts and 'fiscal councils' with the aim of promoting sustainable public finances and fiscal discipline (in Austria, Belgium, Germany, Italy, Portugal, Spain).<sup>51</sup>

As already indicated, municipal mergers have been seen as a way to effect cost savings, and financial and other incentives to encourage mergers are frequently offered by central government, e.g. merger grants in the Netherlands, Estonia, Italy and Finland. Other non-fiscal incentives include giving special status to larger cities or permitting former administrative structures to be kept at the sub-municipal level (e.g. in UK, Greece, France).

Overall, European states and sub-national and local authorities are therefore facing significant budget restrictions, which may affect the implementation of the SDGs. As a result, most LRGs are under significant financial pressure. They must develop and implement new policies related to climate change, migration or social change while facing a decline in own tax revenues, reductions in financial transfers from central government and fluctuating borrowing conditions. They are also impacted by the new financial rules of the EU, introduced to deal with the financial crisis. This is the case with the 'economic governance' package, the budget surveillance package and the Treaty on Stability, Coordination and Governance, which all limit opportunities for LRGs to make the necessary investments to build infrastructure and prepare for a sustainable future. ☉

## 2.3 Cooperative multilevel governance partnerships

### Partnerships at EU level

A cooperative multilevel governance partnership approach involves active collaboration between central, local and state/regional government. Multilevel governance in the EU was first presented in the White Paper of the European Commission in 2001,<sup>52</sup> and further discussed at the European level. In 2009, the European Committee of the Regions (CoR)<sup>53</sup> adopted its own White Paper on Multilevel Governance as: ‘coordinated institutional action by the European Union, the Member States and local and regional authorities, based on partnership and aimed at drawing up and implementing EU policies.’ Underlying this concept is the principle of subsidiarity, which places decisions at the most effective level and as close as possible to the citizens, and is enshrined by EU law under the Lisbon Treaty.<sup>54</sup>

In 2011, the Presidents of CEMR, the Assembly of European Regions (AER), the Conference of Peripheral and Maritime Regions (CPMR) and Eurocities<sup>55</sup> — the relevant European organizations representing regions, cities and municipalities in Europe — adopted a declaration, ‘Governing in Partnership — United to Build a Stronger Europe’. This was in light of the negotiations of the future of the cohesion policy at that time for the period 2014 – 2020. Its objective was to promote an approach that involves all relevant actors in cohesion policy via vertical and horizontal cooperation.<sup>56</sup>

Reports and studies, including those carried out by CEMR’s own member associations, have shown that municipal statutory functions in the Member States of the EU are affected by EU legislation by as much as 75%. LRGs have been represented in Brussels since 1970 via the Council of Municipalities and Regions and, since 1994, via the aforementioned CoR, which was established with the Treaty of Maastricht as a formal consultative body to the European Parliament, the Council or the Commission.<sup>57</sup> Following the treaties and institutional practices, several formal procedures give recognition

to multilevel governance in EU policy and practices, particularly under the EU’s Cohesion Policy, established in 2006, since when the EU has engaged closely with the sub-national government level and provided significant financial and other support including to the new Member States of Central and Eastern Europe. Provisions for partnership with LRGs through EU structural and investment funds — the Partnership Principle<sup>58</sup> — were strengthened in 2013, obliging Member States to organize a partnership at all stages of programming and at all levels, the importance of which was highlighted in the 2014 Van den Brande Report.<sup>59</sup>

In 2014, the CoR adopted a Charter for Multilevel Governance in Europe. This committed to the principles of transparent, open and inclusive policy-making, participation and partnership, policy efficiency, policy coherence and budget synergies, subsidiarity and proportionality, and fundamental rights protection at all levels of governance.<sup>60</sup> The Charter also deals with implementation and delivery of multilevel governance through citizens’ participation, cooperation among public authorities, institutional capacity-building, creation of networks and fostering a European mindset.

Following the 2016 European Commission (EC) Communication on the Next Steps for a Sustainable European Future,<sup>61</sup> a European multi-stakeholder platform on the SDGs with a sub-group on delivering SDGs at local and

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**A European multi-stakeholder platform on the SDGs has been established, with a sub-group on delivering the SDGs at local and regional level including CEMR, Eurocities and other stakeholders.**

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UCLG Executive Bureau in Strasbourg, hosted at the European Parliament (photo: UCLG-CGLU, bit.ly/2AULQJg).

regional level has been established.<sup>62</sup> The sub-group includes CEMR, Eurocities, the CoR and other stakeholders. It has prepared recommendations, which were largely integrated in the final report of the platform to the EC.<sup>63</sup> The report advocates for a territorial approach and a ‘two ways dialogue’ that associate LRGs and civil society at all levels in the implementation of the SDGs in the EU, including in respect of the policies of the EC. Both the EC Reflection Paper on a sustainable Europe by 2030 (2018),<sup>64</sup> and the EC Communication on subsidiarity and proportionality, take these views into account and note the importance of ensuring policy cohesion at all levels of government in the EU, as well as the need to respect the principles of subsidiarity and proportionality.<sup>65</sup> The European Parliament has also underlined the importance of a joined-up, multilevel governance approach to SDG implementation, including respect for the principle of subsidiarity and recognition of the role of LRGs.<sup>66</sup> Furthermore, it has highlighted the role of LRGs in the institutional framework of the EU, and recognizes their important role ‘at all stages of the SDGs’ implementation, from planning and programming to evaluation and monitoring’, calling on the EC to enhance support to LRGs.<sup>67</sup>

Eurostat has since 2017 published an annual report on ‘Sustainable Development in the EU’.<sup>68</sup>

This seeks to provide a detailed assessment on how the EU is performing in implementing the 17 SDGs, deploying 100 indicators, of which some 55 align to SDG indicators. It does not however provide a breakdown of data at sub-national level.

Nevertheless, a recent study by the European Economic and Social Committee takes the view that the annual Eurostat report does not adequately address the ‘distance to targets’ of EU Member States to achieve the SDGs. It says this could be done by using measures such as the Sustainable Development Solutions Network (SDSN)/Bertelsmann SDG Index and Dashboard. It also proposes a shadow report produced in collaboration with the European multi-stakeholder platform on the SDGs, which could also offer a means to address sub-national data gaps.<sup>69</sup>

An innovative approach to multilevel governance was also adopted for the implementation of the Urban Agenda for the EU (see multilevel urban governance below), whereby the European Commission’s relevant Directorate-Generals (DGs), Member States, individual cities and representative associations gather in thematic partnerships to exchange and implement actions on very specific issues of urban development, working around three pillars: better regulation, better knowledge and better funding.<sup>70</sup>

## Partnerships at national level

Even in federal states and strongly decentralized countries, responsibilities for specific government services are shared between central and sub-national government, underlining the essential nature of cooperative multilevel governance and partnership-working in modern economies (see Table 3) and OECD Recommendations on effective public investment across levels of government in 2014.

Coordination mechanisms are well developed in federal countries and some regionalized states, e.g. the conference of Minister-Presidents in Germany, or the Conference of Presidents in Spain. Other examples of cooperative multilevel coordination include the long-standing Austrian Conference of Spatial Planning (OROK). Similar structures for dialogue between central and local/regional government exist in Italy and the Nordic countries, and are often chaired at the most senior level by the Prime Minister and attended by national ministers and top representatives of all LRG levels, including from the respective national LGAs.<sup>71</sup> There are some interesting recent examples of bringing together various multilevel functions as shown at the Council for Territorial Dialogue in Portugal, set up in 2015.<sup>72</sup> Since 2008, fiscal councils and internal stability pacts have also been deployed as mechanisms to strengthen multilevel fiscal coordination in macro-economic management in Belgium,

Austria, Spain, Germany, Portugal and Italy. Other forms of multilevel coordination include standing commissions and intergovernmental consultation boards. These relate to a wide range of areas such as environment, infrastructure, transport, technology and development.<sup>73</sup>

It is perhaps no surprise that this type of cooperative multilevel governance is especially well-developed in countries showing a high degree of decentralization, and it can serve as a model for countries seeking to implement successful decentralization. In Norway, four consultative meetings are held each year to ensure coordination of regulatory proposals affecting local governments. These bring together key central government ministries and representatives of the Norwegian Association of Local and Regional Authorities (KS). Similar meetings address issues pertaining to counties and municipalities. The KS and local government also receive for comment those government draft regulations deemed of special significance for local government. Furthermore, there is a continuous informal dialogue between central and local government on political as well as technical and professional issues.<sup>74</sup>

There is little evidence of such cooperative multilevel governance or intergovernmental mechanisms in non-EU Member States of the Balkans and some like Moldova remain strongly centralized in their governance structure despite

**Table 3 Shared responsibilities across levels of government – proportion of decisions involving more than one level of government**

Country	Education %	Long-term care %	Transport services %	Social housing %	Healthcare %
Belgium	59	42	16	23	39
Germany		35	82	45	20
Italy	11	58	44	59	29
Switzerland	28	21	54	48	65
Spain	21	68	76	93	19
Luxembourg	6	38	13	28	32
Denmark	23	11	33	25	67
Latvia	19	36	42	15	16
Netherlands	0	60	45	40	26
Norway	37	35	37	31	26
Finland	31	31	42	22	44
Poland	43	44	61	48	41
Estonia	38	58	51	78	20

Source: OECD, 'Making Decentralisation Work', p.82.

various attempts at decentralization since 2012. However, many of these countries have now established national LGAs and these should provide a means to initiate intergovernmental dialogue with their central government in future, ultimately leading to the kind of multilevel governance mechanisms and partnerships in existence elsewhere in Europe.

The SDGs are also creating opportunities to develop new high-level coordination mechanisms to ensure the implementation and follow-up of the SDGs, which in many countries adopted a multilevel and multi-stakeholder approach, including SNGs with different roles (full members, advisor or consultative levels) (see Sub-section 3.1).

### Multilevel urban governance

Given the degree of urbanization in Europe, there has also been significant attention given to the concept of multilevel urban governance. The Belgian Presidency of the EU in 2010 published a handbook for multilevel urban governance in Europe,<sup>75</sup> and, following the adoption of the Riga Declaration by the ministers responsible for urban matters in 2015, the Urban Agenda for the EU (Pact of Amsterdam)<sup>76</sup> was adopted in 2016. This sets out a new approach for the EU and Member States to address urban development, in particular to apply an integrated and sustainable urban development approach, in direct partnership with cities. The Pact of Amsterdam is also following the adoption of the 2030 Agenda and therefore commits to the implementation of the SDGs (especially SDG 11 on cities and human settlements), the Paris Climate Agreement and the New Urban Agenda.

Some countries have developed national urban policies (NUPs) as a lever to better coordinate and ensure more policy coherence: France has for a long time had its Policy of the City (*Politique de la ville*), embodied in city contracts and agglomeration, contractual approaches that have followed a decade of failure of the city policy decided at the central level. Belgium has had the Federal Big City Policy (*Politique des grandes villes*) since 1999, complemented by regional urban policies (also implemented through city contracts). Switzerland adopted the Federal

Agglomeration Policy in 2001 and revised it in 2016 in cooperation with SNGs. Germany has had an NUP since 2017 ('Towards a National Urban Development Policy in Germany'), with a multi-stakeholder approach in close collaboration with the parliament and is working now to adapt the New Urban Agenda. The Netherlands has developed a Dutch Urban Agenda to support cooperation with local governments through City Deals. Poland created an NUP in 2015 with a participatory approach. Portugal adopted in 2015 Sustainable Cities 2020. Spain developed a national strategy on urban sustainability and adopted in 2018, after a national consultation, a national strategy to implement the New Urban Agenda. Sweden adopted its Strategy for Liveable Cities in 2018. Several countries are working on the formulation of their NUPs (Slovak Republic).<sup>77</sup>

Other countries do not explicitly have an NUP, but have developed specific national urban programmes that could be considered the main elements of national urban frameworks (e.g. Finland through its Urban Growth Agreements). Beyond several city sectoral programmes, already mentioned, the United Kingdom adopted in 2016 the City and Local Government Devolution Act that provides a national legal framework to devolution and City Deals. Other countries developed policies on specific urban dimensions: on large urbanized areas (e.g. Italy), revitalization of urban districts, deprived areas or peripheral areas (e.g. Denmark, Italy), and framework documents to provide guidance (e.g. Czech Republic, Hungary). Finally, some countries have not put in place proper urban policies but have spatial development policies that cover different dimensions of urban policies (e.g. Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Estonia, Iceland, Ireland, Latvia, Moldova, Romania, Serbia, Slovenia), or the responsibility of urban development falls to local authorities that benefit from close collaboration with the national government (e.g. Norway).

### Partnerships and international development cooperation

There is a close link between European countries' implementation of the SDGs domestically (and at EU level), and the pursuit of the 2030 Agenda in non-European partner countries through international development cooperation in line with SDG 17 on global partnership for sustainable development.

The last Joint Synthesis Report of the EU is devoted to Member States' contribution to the implementation of the SDGs *outside* Europe.<sup>78</sup> So for example, in Germany, the implementation of the SDGs is looked at in terms of its domestic achievement, as well as its development cooperation and the wider global context. Most European

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**The Urban Agenda for the EU sets out a new approach for the EU and Member States to apply an integrated and sustainable urban development approach, in direct partnership with cities.**

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bilateral development cooperation agencies have integrated SDG implementation into their Official Development Assistance (ODA) and related policies. The same can be said of many other EU countries.

At the EU level, LRGs and their representative national, European and global associations, all active in decentralized cooperation, have gathered under PLATFORMA to further exchange practices, develop a common language around the SDGs with their peers in the world, and trial new approaches that can use the SDG framework as a blueprint to build their cooperation.<sup>79</sup>

Increasingly, they have been acknowledged by EU institutions as important partners in development cooperation. Of particular importance was the formal recognition of local governments in Article 4 of the Cotonou Agreement<sup>80</sup> in 2005. This is reinforced by a number of EU policy decisions since, such as the 2013 EC Communication on empowering local authorities in partner countries for enhanced governance and more effective development outcomes,<sup>81</sup> and by a growing EU focus on the territorial approach to local development (TALD) policy to implement the SDGs.<sup>82</sup> This is now leading to EU delegations to drawing up LRG 'roadmaps' in partner countries.

The role of LRGs and cities in the implementation of the SDGs was explicitly acknowledged in the European Consensus on Development, agreed by the EU in 2017. This places strong emphasis on multi-stakeholder partnerships and local government stating, 'the achievement of most of the SDGs is strongly dependent on the active involvement of local and regional authorities'.<sup>83</sup> The Consensus also mentions the commitment of the EU to support decentralization reforms and to empower LRGs.

Cooperative multilevel governance is reflected in the engagement of the EC with umbrella LGAs (e.g. PLATFORMA, UCLG, UCLG Africa, the Commonwealth Local Government Forum – CLGF and the *Association Internationale des Maires Francophones* – AIMF) through both policy dialogue and the channelling of financial support to them via Framework Partnership Agreements, first concluded in 2015/16.<sup>84</sup>

LRGs, as well as the OECD, have emphasized the link between multilevel governance mechanisms and SDG implementation in Europe, and development cooperation undertaken by LRGs through decentralized development cooperation. The OECD takes the view that 'cities and regions have a crucial role in attaining the SDGs' and 'a territorial or place-based approach to SDGs provides a conceptual and operational framework to address the multi-sectoral, multi-actor and multilevel nature of the SDGs'.<sup>85</sup>

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## LRGs and their representatives have been increasingly acknowledged by EU institutions as important partners in development cooperation and crucial actors in the achievement of most of the SDGs.

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The majority of countries in the region have made efforts to integrate the SDGs into national strategies, create high-level coordination mechanisms and improve stakeholder participation in the process. Most countries are also engaged in developing regular reports to the UN and national level. However, there is a continuing need to better mainstream sustainability to ensure greater policy coherence. Despite its commitments, the EU still lacks a formal implementation strategy of the 2030 Agenda, the integration of the SDGs in sectoral policies, as well as in the multi-annual financial framework, and an adequate monitoring system. Policy cohesion is at risk within Europe. Although progress has been made in the governance frameworks for SDG implementation in the region – and some countries' efforts are particularly noteworthy – the involvement of LRGs is still insufficient and needs to be strengthened, as shown in their limited participation in the reporting process and in coordination mechanisms. It is difficult to know precisely the extent to which the structures created to coordinate the 2030 Agenda and other global agreements will influence the multilevel governance mechanisms developed by the EU and Member States in recent years.

Even though Europe is one of the regions where decentralization is strongly embedded in institutions and policies, LRGs in the region have in recent years experienced major challenges and critical reforms in their institutional environment that have impacted on the scope of their responsibilities, resources and autonomy. Despite changing conditions in a majority of countries, LRGs have adapted to ensure the continuity of public services, which can respond to the increasing demands of their communities, and support sustainable inclusive local development, taking the lead in many cases in transformative policies in several areas (climate change, social inclusion and cohesion, local development). The following section analyses a number of these policies and initiatives developed by the territories, as well as the challenges that LRGs face in delivering them. 🕒



# 3. The contribution of local and regional governments to the localization of the SDGs

# 3.1 LRG associations' and networks' actions to support local ownership of the SDGs

**European LRG networks and LGAs have shown a strong commitment to the localization of global agendas. However, the way in which they approach these agendas differs considerably, depending on the geographical scope of their intervention, be it European or national, and on the resources they are able to mobilize. Their focus is on mobilizing and supporting their constituencies to engage with the global agendas, report and capitalize achievements, advocate for more enabling environments, and stimulate and facilitate the exchange of experience and knowledge.**

Brussels-based networks and national LGAs, particularly in Northern and Western Europe, have been leading the localization process in the region by allocating growing resources and building commitment.<sup>86</sup> The involvement of LRGs and LGAs in other countries remains challenging and has a long way to go, although some positive experiences can also be underlined.

## European network and supranational association initiatives

European supranational LRG networks and LGAs have made a concerted effort to contribute to the SDG localization process. Firstly, they have fostered spaces for information, dissemination, learning and training, and generated support tools for their members. Secondly, they have taken advantage of the strong global consensus around the 2030 Agenda to upscale territorial priorities in the framework of EU policies.

Information and dissemination campaigns have contributed to the mobilization of networks and associations' members and their peers and very often have created an enabling environment for interaction and alliance-building with other stakeholders (CSOs, private sector or the EU institutions). In fact, some Directorate-Generals of the EC, members of the European Parliament and

the CoR have been good allies of European LRGs and their efforts to localize the 2030 Agenda and capitalize their contributions (see Section 2.3).

It is difficult to map all the initiatives developed by European LRG networks.<sup>87</sup> CEMR<sup>88</sup> and PLATFORMA,<sup>89</sup> for example, have established a task force where members share information and experience on the implementation of the SDGs in their countries, and the way in which national governments coordinate and cooperate with the sub-national level, and whether it in turn is included in the reporting process to the UN. Furthermore, in 2018, PLATFORMA organized several exchange meetings with different national LGAs (e.g. AICCRES — Italy, LALRG — Latvia, FEMP — Spain, VNG International – VNGi — the Netherlands, ALAL — Lithuania) as part of a pilot project entitled 'National Multi-Stakeholder Dialogues on Development'.<sup>90</sup>

In December 2018, the CEMR Policy Committee had a debate on the SDGs and the adequacy of public policies; members expressed strong support for the SDGs and agreed that CEMR would develop a multi-annual strategy for the SDGs. This strategy will be adopted at the spring policy committee meeting, before the CEMR 2020 Congress, 'Local Action. Global Shift. Living the Sustainable Development Goals' on 6-8 May 2020 in Innsbruck, Austria.

Eurocities<sup>91</sup> organized its Social Affairs Forum in Utrecht (March 2018), 'Making the city together: co-creating city strategies to deliver the SDGs at local level', which included panel debates, workshops, site visits and speed-networking sessions. Similarly, jointly with the city of Ghent, it organized SDG Summer Deals in June 2018,<sup>92</sup> and co-organized workshops with CoR and CEMR on the implementation of the SDGs at regional and local level on several occasions.<sup>93</sup> Other regional government networks, such as the Association of European Border Regions (AEBR),<sup>94</sup> AER<sup>95</sup> and CPMR,<sup>96</sup> as well as thematic networks — Climate

Alliance,<sup>97</sup> Energy Cities<sup>98</sup> — and global networks — C40, CLGF, Global Parliament of Mayors, Local Governments for Sustainability (ICLEI), Regions4, Metropolis, the Union of Ibero-American Capital Cities (UCCI)<sup>99</sup> — are particularly active.

The joint work undertaken between the LRGs and EU institutions in the framework of **the 2030 Agenda acts as an accelerator or lever for the EU and its Member States to enhance LRG-related policies** in important fields, such as cohesion (and structural funds), urban development, the fight against climate change and housing affordability. Eurocities, CEMR and CoR, together with the EC and EU Member States, actively participated in the negotiations leading to the adoption of the Urban Agenda for the EU (Pact of Amsterdam, 2016).<sup>100</sup> In the implementation stage, several partnerships bring together the EC, Member States' cities and associations' representatives of local and regional governments to develop joint initiatives at the EU and local level.<sup>101</sup> In other areas, the EU has listened to the demands made by LRGs, their associations and local stakeholders, for example through the Covenant of Mayors for Climate and Energy to implement the EU climate and energy objectives.<sup>102</sup> The Covenant will also be key to improving local, national and European policies that implement the Paris Climate Agreement, SDG 11 and SDG 13.

LRG networks have now launched a process for reflection and dialogue around the shared stance of European LRGs on the pending Cohesion Policy 2021-2027. Different topics, such as the need to link the new cohesion and structural funds to the commitments made by the international community regarding the 2030 Agenda, the New Urban Agenda and the Paris Climate Agreement (as well as the localization) of SDGs through the European Structural and Investment Funds, are on the agenda. The Cohesion Alliance,<sup>103</sup> funded by the CoR, CEMR, AEBR, AER, CPMR and Eurocities, will work ceaselessly to ensure that cohesion is not sacrificed in the post-2020 EU budget and that LRGs are included in the shaping and managing of investment programs.<sup>104</sup>

The increasing role of LRGs in the framework of the sustainable development agendas (2030 Agenda, NUA, the Conference of the Parties (COP), Global Compact for Safe, Orderly and Regular Migration) needs to be reflected in

European political agendas. European LRGs have fully engaged with EU policies for a long time, seeking to make them respond to local needs through formal channels, such as the CoR, ad hoc mechanisms and/or informal channels. Their political agenda has been raised to EU level, whether through their LGAs or directly. A large share of EU regions and some of the main cities and their LGAs have offices in Brussels that allow direct communication channels with EU institutions.

### **Awareness-raising, training and platforms for the exchange of experiences at national level**

Two surveys in 2018 and 2019 by CEMR/PLATFORMA give more detail of the work undertaken by European LGAs on the 2030 Agenda.<sup>105</sup> Seventy percent of the 26 LGAs that represent local government in 23 countries said they are familiar with the SDGs, 52% that they use the SDGs as a reference and 44% that they align their work priorities with the SDGs, including exchange meetings and awareness-raising initiatives, campaigns, training, advocacy, knowledge-exchange. The majority (20) promote activities to support the SDGs among their members.

The **Swedish** Association of Local Authorities and Regions (SALAR) is working in collaboration with the Swedish UN Association, with financial support from the Swedish International Development Agency (SIDA), to coordinate a three-year project called Glocal Sweden, whose mission is to raise awareness, and educate and engage municipalities, county councils and regions in relation to the 2030 Agenda. In 2019, 81 municipalities and 15 regions joined the seven entities that took part in the original pilot project.<sup>106</sup> This is also true of the **Austrian** Städtebund, Danish Regions (DR) and Local Government **Denmark** (LGDK), the Italian branch of CEMR (AICCRE),<sup>107</sup> LGAs in **Belgium, Czech Republic,**<sup>108</sup> **Finland, the Netherlands, Norway, Slovenia, Spain, Lithuania, Latvia,**<sup>109</sup> (see Boxes 1 and 2) and more recently their Scottish peers.

In Iceland in 2019, the Icelandic Association of Local Authorities organized a seminar to encourage the country's 72 municipalities to promote the SDGs. As a result, cities such as Kopavogur, Mosfellsbaer, Reykjavik and Akureyri worked to integrate the SDGs into their local plans. In **France**, the Association of Mayors of France (AMF), the French section of CMRE (AFCCRE) and United Cities France (CUF), as well as the Assembly of Departments and the French Associations of Regions (RdF), were invited to the High-Level Steering Committee for the SDGs. A number of them created a working group on the SDGs and decentralized cooperation bringing together various French cities and regions.

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**Supranational LRG networks and LGAs have taken advantage of the global consensus around the 2030 Agenda to upscale territorial priorities in the framework of EU policies.**

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Consequently, cities and regions began to align their plans with the SDGs.<sup>110</sup>

In **Germany**, LGAs have been active from the outset and municipalities signed the 2030 Agenda for Sustainable Development: Building Sustainability at the Local Level Declaration, calling on 'federal and state governments to involve local authorities and their representatives as equals when developing strategies to achieve the SDGs. With the support of the Federal Ministry (BMZ) and the Service Agency Communities in One World (SKEW), LGAs are assisting German municipalities in developing their local strategies to introduce the SDGs (see also Box 6).<sup>111</sup>

Similarly, **Serbian** LRGs and their LGA SCTM have fostered cooperation with national institutions to achieve the SDGs and, with UNDP, launched the project, 'Support for Improving Governance and Economic Planning at the Local Level for Accelerating the Implementation of the Sustainable Development Goals in the Republic of Serbia'.<sup>112</sup> In the **UK**, LGAs have raised awareness among members and contributed with positive experiences to the 2019 VNR, while the **Scottish** LGA, the Convention of Scottish Local Authorities (COSLA), co-signed the National Performance Framework that led to mainstreaming the SDGs into middle and long-term plans at national and local level.<sup>113</sup> Transnational cooperation has also proved essential: in 2019, the **Lithuanian** LGA, in cooperation with the national government, organized a high-level conference for mutual learning and the exchange of experiences on the SDGs with Moldova. Other LGAs, however, have had a more passive role and have participated in national conferences organized by the national government or international partners (**Romania's** LGA) or made public commitments but must move towards implementation (**Slovakia, Bosnia and Herzegovina**), or are still discussing how to act (**Albania, Moldova**).

Despite all these efforts, LGAs still need to enhance their role as SDG implementers. Many LGAs, particularly in Central and South Eastern Europe, still perceive the SDGs as an additional and external framework that does not necessarily pertain to the territory.<sup>115</sup> In the aforementioned survey, only seven LGAs indicated that they had set up inter-departmental working modalities; eight had developed joint activities with external stakeholders; two mentioned that their organization had chosen to focus on a limited number of SDGs; and eight LGAs were combining all these approaches. For almost half (40%) of the LGAs, the SDG framework has reinforced their work with European and international fora. However, one third of the respondents said that no strategy was yet in place. LGAs need to strengthen an integrated approach to the SDGs, ensuring inter-departmental work and broader partnerships.

## Box 1

### LGA actions to disseminate the 2030 Agenda

**The Netherlands** has seen the emergence of a myriad of local projects thanks to the Municipalities4Global Goals Campaign, fostered by the Association of Netherlands Municipalities (VNG). This campaign has been welcomed by the municipalities. As the association itself points out: municipalities prefer 'an umbrella project/campaign which provides support, inspiration and exchange of good practices, rather than a uniform or top-down campaign that tells municipalities what to do'.

Examples of the projects of this initiative are the SDG 'Time Capsule', the annual most inspiring LRG competition, and the creation of communication materials. Each year, VNG International (VNGi), the international agency of VNG, organizes an annual competition for the 'most inspiring Global Goals municipality' as part of their New Year's reception.

For local elections in March 2018, VNG launched a booklet signed by mayors to support the SDGs. In September 2018, furthermore, it held four regional Global Goals meetings, with the Dutch Municipal Bank, and the Global Goals Social Impact Challenge to involve responsible entrepreneurs. It also set up Global Goals lectures and sessions during the annual VNG Mayors Day. Together with SNGs (provinces and water boards), VNG each year drafts a chapter for the annual SDG report for the Dutch Parliament.

Moreover, the Association of **Flemish** Cities and Municipalities (VWSG) has been very active supporting local governments on awareness-raising on the SDGs and integrating the SDGs into policy plans with publications, tools, information sessions and workshops. VWSG developed, for example, tools and recommendations supporting a project with a pilot group of 20 municipalities. At the political level, VWSG proposed an SDG Declaration of Engagement that has already been signed by one out of four Flemish municipalities.

It also offered recommendations during the last local election for local political parties to integrate the SDGs into their manifestos (discussing the SDGs within the party and through citizen participation, including visual presentation and key messages to link the SDGs with party priorities, etc.). Following the election, it organized information sessions for approximately 2,000 newly elected councillors. In addition, VWSG launched in 2018 the yearly Sustainable Municipality Week with the participation of over 80 municipalities and 650 'local heroes', committed citizens, companies, schools and organizations that contribute in their own way to sustainable development.

In **South-East Europe**, as part of its efforts to raise awareness of global agendas at the local level, in February 2019, the Network of Associations of Local Authorities (NALAS), in collaboration with the German Society for International Cooperation (GIZ), published a handbook for practitioners, 'Agenda 2030 in my municipality', and organized several training workshops in the region.<sup>114</sup> This handbook provides key information about the SDGs, explains the role of municipalities in their implementation, and explores awareness-raising tools that municipalities could use to bring the SDGs closer to their citizens. It also provides a variety of examples from the region that illustrate what municipalities have done to promote the SDGs and how this has affected their wellbeing.

### Upscaling local and regional interests towards national strategies and policies

Across Europe, LGAs, through the advocacy strategies, signal their aim to participate in the national mechanisms for the coordination and follow-up of the 2030 Agenda, and in the national VNRs. According to the CEMR/PLATFORMA survey, two thirds of the 26 LGAs that responded reported that LRGs are mentioned in their national strategies for the implementation of the SDGs; 60% have been involved in the VNR process, and 69% in the national coordination mechanisms of the SDGs. The level of involvement varies: ten LGAs were strongly involved in the reporting process, some only attended informative workshops or were invited to comment once the VNR was finalized.<sup>116</sup> Only 23% reported that national coordination mechanisms have triggered any change on cross-level governance relations.<sup>117</sup>

In countries such as the **Netherlands** and

**Denmark**, where multilevel governance is strongly developed, LRG representatives were from the outset involved in or consulted on the preparation of the VNRs or coordination policies (also in **Belgium** at regional level). In **Switzerland**, the federal government has committed to intensify the dialogue with the cantons and communes through the Swiss Association of Towns and the Swiss Association of Municipalities. In some countries, LRG representatives participate in working groups at an advisory level, for example in **Germany**, where LGAs take part in the Inter-Ministerial Working Group on Sustainable Urban Development ('IMA-Stadt'). LGA participation also occurs through pre-existing mechanisms such as a Council for Sustainable Development (e.g. **Czech Republic, Estonia, Finland, Germany, Moldova, Montenegro and Switzerland**), or new multi-stakeholders forums (**Ireland, Slovakia**); in **Greece** through the Economic and Social Committee, and in **Poland** in the Joint Central Government and Local Government Committee. In **France**, as mentioned, an LGA representative was invited to the High-Level Steering Committee for the SDGs established in April 2018 and charged with creating a roadmap for the localization of the SDGs. In **Spain**, while several regions, provinces and municipalities initiated actions much earlier than their national government, still LRG representatives were invited as occasional observers to the High-Level Group for the 2030 Agenda (inter-ministerial mechanism). More recently, in February 2019, the Spanish government created a specific mechanism to ensure the cooperation of the SNG level (see Box 2).<sup>118</sup> The involvement of LGAs in the process of reporting and follow-up is particularly weak in countries such **Albania, Cyprus and Malta**.<sup>119</sup>

**Greater involvement of LRGs in the design and follow-up of national strategies will facilitate better integration of local realities and policies.** Capitalizing on the LRGs' innovation and added-value solutions will help develop a new paradigm in which public policies are jointly defined and implemented by the different spheres of government and with the participation of key stakeholders.

It is therefore advisable to promote local and regional level reports that could be included in the national reviews and monitoring processes to facilitate effective harmonization and more coherence of public policies in line with the 2030 Agenda.<sup>120</sup> 📍

#### Box 2

### The advocacy role of the Spanish Federation of Municipalities (FEMP)

The **Spanish Federation of Municipalities and Provinces (FEMP)** has played a major role in SDG localization throughout the country. This LGA has approached the 2030 Agenda in a strategic manner, captured in the document, 'FEMP Commitment 2030'.

FEMP deployed a set of actions to: a) foster institutional strengthening and awareness-raising of local stakeholders to improve knowledge around the SDGs and their localization; b) strengthen and legitimize the strategic role played by LRGs, towards more strategic advocacy actions; c) strengthen alliances with LGA networks, national, European and international organizations and amongst the Spanish LRGs, through the exchange of experiences, technical assistance initiatives and decentralized cooperation for the achievement of the SDGs; and d) contribute to monitoring.

Moreover, FEMP and regional governments drafted a document detailing sub-national SDG achievements to be incorporated in the Spanish VNR; organized the Local Week for the 2030 Agenda and a decentralized cooperation meeting to share experiences and discussion around the SDG localization with national and international peers, and organized training sessions on SDG localization aimed at LRGs.

During 2018, representatives of FEMP and regional governments participated as occasional observers in the High-Level Group (inter-ministerial) in charge of the coordination of the 2030 Agenda. In February 2019, the Spanish government created the National Commission for the 2030 Agenda to ensure coordination with SNGs, and the Sustainable Development Council to facilitate cooperation with civil society, as part of the governance of the implementation of the 2030 Agenda.

Source: <https://bit.ly/2lzLU3>.

## 3.2 Local and regional government initiatives for the implementation of the SDGs

**In large part due to the work of networks and associations, European LRGs are showing a growing commitment to the global agendas related to sustainable development. The 2030 Agenda is a very good opportunity to influence all policy-making processes and strengthen citizens' participation mechanisms.**

The CEMR/PLATFORMA survey in 2019 was responded by 49 cities, departments, provinces and regions, while the CoR, with the support of the OECD, undertook another survey between December 2018 and March 2019, with 400 respondents.<sup>121</sup>

In the first survey, 71% of respondents were aware of and in the process of aligning their work with the SDGs, while in the CoR survey, 59% were familiar with the SDGs and working to implement them. In the CoR survey, furthermore, the percentage of large and middle-sized cities and regions engaged in implementation was especially high (87% and 78% respectively), but was lower for small municipalities (37%). However, very few LRGs were directly involved in the VNR process (21%) or in national coordination mechanisms (9%).<sup>122</sup>

In the following countries, different sources reported a large number of local governments involved in the localization process: Belgium (e.g. 63% of Flemish local governments), Denmark, Norway (25%-30% of LRGs), Sweden (81 municipalities and 15 regions), Switzerland (16 cantons and 234 municipalities), and the Netherlands (64 municipalities).

Albeit to a lesser extent, a significant number of LRGs are also engaged in localization in countries such as Austria, Finland and Germany.<sup>123</sup> In many others, mobilization is growing (e.g. France, Italy, Portugal, Spain, UK, Baltic countries), but is more limited in Ireland, and Central Europe (Czech Republic, Poland, Slovenia, Slovakia, or Hungary — particularly limited). More generally, mobilization is still in the preliminary stages in East and South-East Europe (with the exception of Serbia where a national project is promoting the SDGs at local level).

### Alignment of the SDGs with local strategies and local actions

The transformative power of the 2030 Agenda links to the founding principles upon which this universal agreement was based rather than on the achievement of the sectoral targets integrated in each of its goals. To unlock the transformative power of the 2030 Agenda through the process of aligning local or regional development strategies and public policies, LRGs should move towards more multi-dimensional, integral, participative, inclusive and accountable approaches for defining, implementing and monitoring policies. This, however, depends largely on the institutional and legal environments in which LRGs operate. Fostering an enabling environment, as described above, remains crucial to realizing the potential of LRGs' contribution to the 2030 Agenda, particularly when local development plans are guided (or even determined) by national development strategies (NDSs).

LRGs approach the SDGs differently. Many cities, provinces and regions are already or are in the process of aligning the SDGs with their local development plans or policies (e.g. cities such as Amiens, Besançon, Bonn; provinces such as Cordoba, Barcelona, Gironde; regions such as Brussels, Basque Region, Catalonia, Kronoberg).<sup>124</sup> Many big cities are taking the lead to localize the SDGs (e.g. Barcelona, Berlin, Brussels, Copenhagen, Hamburg, Madrid, Paris, Vienna) — their experiences are developed further in the Metropolitan Areas Chapter.

While some LRGs are adopting a more integrated approach to mainstreaming the SDGs in their development plans, their policies to address sectoral challenges have some way to go in this regard. The conceptual framework of the 2030 Agenda may however help change this approach. A recent analysis commissioned by the Nordic Council of Ministers to assess the implementation of the 2030 Agenda at the local level reveals the holistic approach adopted by the 'first movers' municipalities in the five Northern countries (Denmark, Finland, Iceland, Norway

and Sweden). Many municipalities are adapting management systems and tools to align local goals and plans with the 2030 Agenda (see Box 3).

Many local governments are taking the opportunity of having newly local elected officers to promote new approaches. Examples include the work done by VNG in the Netherlands to foster new multi-annual strategic plans to be adopted after the October 2018 elections; by the Flanders' VVSG in Belgium to foster the inclusion of the SDGs in various local political agreements (2018-2022) following local elections also in October 2018;<sup>125</sup> by the Barcelona Provincial Council<sup>126</sup> through a roadmap for the cross-sectoral integration of the SDGs in the next Mandate

Implementation Plan following the May 2019 elections (and its support of the municipalities in its territory to take the same path); the Integrated World Heritage Management Plan of Regensburg<sup>127</sup> (which integrates cultural heritage in all aspects of city life, be it culture, building, economy, tourism, or others); and the Mannheim Model,<sup>128</sup> through its eight strategic priorities to foster resilience. In Balkan countries, in 2018, Bijeljina (Bosnia and Herzegovina) revised its Integrated Development Strategy to mainstream the SDGs.<sup>129</sup>

Other examples of regional level integrated approaches being adopted are Wallonia (second sustainable development strategy,<sup>132</sup> with a focus on consumption and production patterns regarding food, energy and resources); in Spain, Valencia,<sup>133</sup> Catalonia,<sup>134</sup> and the Basque Country, which all integrated the SDGs in their development plans; Kronoberg and Västra Götaland,<sup>135</sup> in Sweden; or North Rhine Westphalia in Germany, whose strategy was accompanied by the development of 15 other local strategies in the region (e.g. the city of Münster) as a pilot project (see Box 4).<sup>136</sup>

When asked about the main challenges they face in working towards the achievement of the SDGs and the other global agendas, LRG respondents in the CEMR/PLATFORMA survey point to insufficient financial resources and lack of multilevel coordination, followed closely by limited local awareness and inadequate human resources and capacities. Respondents to the CoR/OECD survey, meanwhile, mainly highlighted lack of awareness and capacities or trained staff (50% of all respondents), difficulty to prioritize the SDGs over other agendas (49%), followed closely by insufficient financial resources (45%). In the CEMR/PLATFORMA survey, other challenges were limited support from national governments, the need for legal and institutional reforms to empower LRGs and limited access to information. In the CoR/OECD survey other challenges were lack of high-level commitment and follow-up, difficulties in communicating on the SDGs, lack of harmonized data at different levels or difficulty in selecting appropriate indicators.<sup>145</sup>

### **Involvement of crucial stakeholders (public and private) and 'leaving no one behind'**

The 2030 Agenda is leveraging the involvement of local stakeholders (grassroots and CSOs; foundations and the private sector — usually through business and employers' organizations; trades unions, universities, other knowledge-based organizations etc.) in the policy-making and planning process. As mentioned, involving territorial stakeholders is necessary not only to make public bodies and their interventions more accountable, but also to define effective policies and plans that respond to the real needs and interests of citizens and

#### **Box 3**

### **Holistic approaches adopted by Northern European municipalities<sup>130</sup>**

The Nordregio study analyses 27 municipalities that chose to use the 2030 Agenda to mainstream a sustainability perspective. The municipalities are located in all the Nordic countries and regions, and include small towns and capital cities, island, coastal and inland municipalities, municipalities with vast territories, and those with smaller areas.

Some local authorities linked the SDGs with their core steering documents such as local plans or strategies (Hurdal, Bergen, Copenhagen, Kópavogur, Gladsaxe, Kronoberg and Västra Götaland); to their local objectives (Kristiansund, Örebro, Uppsala) or their sustainability and quality of life programmes (Åtvidaberg, Växjö, Helsingborg, Odense).

Others adapted management systems (Kemi, Malmö), or used the SDGs to guide a merger of municipalities (New Asker).<sup>131</sup> Other local authorities, moreover, work with the 2030 Agenda and the SDGs in specific projects or policy areas or for specific purposes (environmental policies, urban development, climate issues, health and wellbeing).

Each city has specific experiences that they can share with others: Copenhagen how to use living labs to engage local population in developing innovative solutions; Bergen how to link a business strategy to the SDGs; Uppsala how to use spatial analysis to define its priorities; Helsingborg how to link the SDGs to a Quality of Life Plan; Kópavogur how to develop and use indicators systems such the Social Progress Index; and Hurdal how to promote green housing, among others.

Some proposed recommendations are: greater support and customized training; better access to funding; more communication between national and local authorities on their priorities; harmonized indicators; and more opportunities for knowledge-sharing, and spread of best practice and solutions for inspiration.

The study also calls for more information and educational campaigns about the 2030 Agenda and emphasizes that selection of priorities, implementation and measurement of their impact must be adapted to local conditions.

## Regions, provinces and cities' examples of integrated SDG strategies

### Barcelona Provincial Council (Spain)<sup>137</sup>

In 2016, the Barcelona Provincial Council, with its 311 municipalities, made a strong commitment to achieving the 2030 Agenda and its SDGs. It developed a comprehensive strategy to implement the SDGs within the institution while providing support to the province's municipalities to localize the SDGs in their territories. The strategy promoted a communication and awareness campaign called "*Sí m'hi comprometo!*", which offered opportunities for awareness raising, exchange of experiences and dissemination of materials, and launched a specific SDG website, to provide municipalities with the necessary information to develop their own strategies. Along these lines, specific training sessions on SDGs have been made available to both the municipalities and the departments of the Provincial Council. These training sessions comprise an introductory course and a specialized one to train LRGs on how to define their SDG localization strategies. In addition, the Provincial Council provides technical and economic support for municipalities to align their strategic plans to the SDGs, as well as to localize their municipal policies.

### Besançon (France)<sup>138</sup>

With a specific focus on the cross-cutting nature of the SDGs, the city of Besançon has put forward a comprehensive set of actions to steer sustainable development in its territory, structured along the five axes of sustainability adopted after the Rio 1992 Earth Summit. These are: the fight against climate change; the preservation of biodiversity; the promotion of social cohesion; the protection of human life conditions; and the shift towards responsible production and consumption modes. The city council has developed initiatives along these lines, engaging a broad scope of local stakeholders, including a broad strategy to enhance energy efficiency (urban renewal, renewable energies), while reducing the ecological impact and improving environmental protection. Moreover, the city seeks to embed cohesiveness combining actions based on the promotion of culture and the inclusion of vulnerable populations with the elaboration of local development action plans via citizen participation.

### Bristol (UK)<sup>139</sup>

Based on the experience of Bristol Green Capital City, the Bristol City Council is working on its first ever One City Plan. The SDGs offer a common language for city partners — across the environmental, social and economic dimensions of sustainability and across the private, public and third sectors —. 75 of the 169 SDGs targets were found to be directly relevant to the One City Plan. The process has been supported by the Bristol SDG Alliance, made up of more than 45 stakeholders (business sector, CSOs, academia, health institutions, women's organizations), advocating for the practical use of the SDGs in the city. In October 2017, Bristol City Council organized a Festival of the Future City and created an ambassadorial cabinet member role. Citizen-led engagement is planned to reach out to schoolchildren and business networks; and universities will develop assessments, prepare sustainable plans and commit to develop learning for SDGs. The city adopted a manifesto for women (2016) and created a Global Goals Centre. In partnership with the UN Global Compact, in November 2018, it organized an SDG Roadshow 2018 for the UK.

### Harelbeke (Belgium)<sup>140</sup>

The municipality fully embraced the momentum of local elections in October 2018 and the subsequent development of the multi-annual strategic plans for 2020-2025 to move towards a more sustainable local policy aligned with the SDGs. Harelbeke has created broad support for the SDGs within the local administration, council and with external stakeholders such as citizens, private sector and schools. For example, a participatory analysis of the municipality was developed around the five P's of sustainable development (people, planet, prosperity, peace and partnership). Moreover, in the run-up to the local elections, the civil advisory boards of the municipality wrote a manifesto aimed at the politicians, structuring their demands on the five P's. In addition, new multi-annual strategic plans integrate the SDGs with the municipality's sustainability priorities (e.g. mobility, smart cities and housing for elderly); and Harelbeke is also using the SDG framework to communicate about a city-to-city link with Eenhana (Botswana), and to revise this particular programme.

### Münster (Germany)<sup>141</sup>

The German city of Münster has involved the whole local administration (22 offices) in planning and implementation of SDG strategies, both from a political and technical perspective, and produced changes in the local governance approach. There is a core team for the implementation of the 2030 Agenda (six departments), as well as an advisory board (multi-stakeholder platform). Several operational objectives have been agreed: orientation of the Council's public procurement towards the 2030 Agenda; implementation of eco-fair procurement by at least 50 pilot stakeholders; capital procurement of the city and local businesses, alongside capital investment, based on sustainable criteria; development of resilient structures and processes for global justice through enhanced networking, and the establishment of at least one city or project partnership with a community and/or stakeholders from the global South, together with a civil society structure.

### Utrecht (Netherlands)<sup>142</sup>

In 2015, Utrecht Council decided to become a Global Goals City. One of the main priorities is the creation of a 'healthy urban living' environment, focusing on areas such as innovation, health economy and infrastructure, sustainable mobility, air quality, and reducing CO<sub>2</sub> emissions. Working towards an integrated, interdisciplinary and multi-stakeholder approach, the city mobilized a large coalition of citizen initiatives and local stakeholders (business, NGOs, knowledge institutions): for example: the Heelutrecht Campaign to stimulate citizens, grassroots initiatives and businesses that contribute to the SDGs; Fairtrade Utrecht and Utrecht 4 Global Gifts to promote fair trade and sustainable products from Utrecht-based businesses. In 2018, Utrecht4GlobalGoals organized the Climate Planet which attracted an estimated 70,000 visitors. Furthermore, the municipality developed the Global Goals Dashboard. Other cities, such as Oss, have included the SDGs in their programme budgets for 2019-2022 and developed their own local indicators and dashboards,<sup>143</sup> Meanwhile, Rheden has decided to base its municipal reorganization on the Global Goals.<sup>144</sup>



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## Strengthening pre-existing and new alliances with territorial stakeholders, including CSOs, the private sector, schools and knowledge-based organizations, is key to improving national SDG implementation strategies and better linking them to the local level.

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communities. Their involvement makes it possible to pool knowledge, resources, innovation capacity and legitimacy.

The campaigns, conferences, trainings and exchanges of experiences are fostering joint actions by LRGs and LGAs with other stakeholders and, particularly, with CSOs, the private sector, schools and knowledge-based organizations. Strengthening these alliances is key to improving national SDG implementation strategies and better linking them to the local level. Since 2016, the **Belgian** SDG Charter has been signed by local governments, among numerous other stakeholders and governmental bodies. The **Netherlands** SDG Charter signatories include large private companies, CSOs and the VNG (around 500 parties). **Finland's** Civil Society Commitment, 'The Finland We Want 2050', is a multi-stakeholder platform supported by all levels of government. In **Italy**, AICCRE is a member of the Italian Alliance for Sustainable Development (ASviS), also a multi-stakeholder initiative. In **France**, the multi-stakeholder Committee Agenda 21, in 2018 initiated a 'Tour de France' in partnership with the Association of French Regions that will continue to run during 2019.<sup>146</sup> In **Portugal**, the Inter-Municipal Network for Cooperation and Development (RICD), with a membership of 20 municipalities, organized in 2016-2017 a travelling exposition on the SDGs and their localization that has been touring the country. In **Latvia**, both LGAs LALRG and LPS have promoted SDG multi-stakeholder dialogues during 2017 with civil society and organized two grant competitions for development education among Latvian local governments. Likewise, in **Croatia**, the national LGA has worked hand-in-hand with NGOs to improve dissemination through joint events and the publication of a brochure. In 2018, during the European Days of Local Solidarity (EDLS) (15-30 November 2019), a growing number of elected representatives signed the EDLS Charter and up to 120 activities were organized across Europe by city councils in partnership with CSOs and education centres.<sup>147</sup>

Many LRGs have also used pre-existing platforms to engage their local stakeholders. For

example, the former Madrid City Council launched the strategy 'Madrid 2030: a city for all persons and generations' to reduce social inequalities and exclusion. This was a cross-cutting and cross-sectoral exercise based on the outcomes of the *Foro Madrid Solidario*, a forum where all local stakeholders involved in development cooperation and global justice work together in an open, flexible and dynamic manner.<sup>148</sup> It also complements the citizen participation Decide Madrid website.<sup>149</sup>

The most important aim of the 2030 Agenda that has become one of the key references of the entire implementation process is the joint commitment of 'leaving no one (and no territory) behind'. This powerful and transformative principle refers to the need to reach out to the most vulnerable groups to understand the disadvantages these people face; and empower and involve them directly in the inclusive definition, implementation of monitoring of global, regional, national and local strategies for sustainable development. They are migrants, children, the elderly, LGBTQIA+ members, and women, among others. The Barcelona Metropolitan Area's Sustainability Service and the Housing Public Entity (IMPSOL) launched an SDG-related pilot project that aims to protect the rights of tenants and offer affordable and adequate housing by listening to and working closely with the most deprived citizens.<sup>150</sup> In Lisbon, the awareness-raising Lisbon Programme on Education for Democratic Citizenship and Human Rights (SOMOS) focuses on the rights of the child, racism, LGBTQIA+ rights, disability, gender violence and bullying, covering the most vulnerable groups. It has built SOMOS schools (in conjunction with partner organizations including migrants NGOs), and brings together people from particular sectors, such as NGOs, academies, public institutions, corporate bodies, schools, volunteers etc. in an inclusive way.<sup>151</sup>

Finally, Brussels is working to transform and revitalize the Brussels Canal Area and old slaughterhouse with the principal aim of bringing economic and social opportunities for inhabitants living in the area (many immigrant ethnic groups with usually low incomes). It is turning the former slaughterhouse into an everyday infrastructure with a farmer's market, and urban agriculture, and completely revitalizing this region at an economic, social and environmental level. The city was shortlisted for the 3th Guangzhou Award (2016) for the project.

### Making LRGs accountable and measuring their achievements

Defining efficient monitoring and evaluation systems is complex, especially at the territorial level where mechanisms to collect information and reliable data raise problems of resources and capacities. SDG indicators were established at the national level and many of them are not applicable in local and regional contexts. The complexity and

divergences between UN, Eurostat, national and regional monitoring systems further complicate the process. However, 64% of the LGA answers to the survey collected by CEMR/PLATFORMA indicated that LGAs know about initiatives in their countries to develop local indicators to monitor the SDGs and/or disaggregate data collection. In the CoR survey, moreover, 58% of respondents currently use indicators to monitor progress.<sup>152</sup>

To monitor progress in an EU context, Eurostat has developed the European SDG indicator set in close coordination with the national statistical divisions.<sup>153</sup> However, this uses national indicators that do not always respond to local contexts. Meanwhile, the SDG 11 indicators are a very useful tool to measure some achievements at urban level,<sup>154</sup> but they clearly fall short of monitoring implementation of most other SDGs at the local level (and at national level too), as was highlighted by the European Economic and Social Committee (EESC) study, 'Exposing EU policy gaps to address the Sustainable Development Goals'.<sup>155</sup>

The need for data collection and analysis at the local level has been recognized by a number of countries such as Belgium or Sweden (which envisages a comprehensive National SDG Statistical Platform involving LRGs), even if they are still exploring the most appropriate ways to localize indicators that are aligned to those proposed by the UN.

At the same time, several cities, provinces, regions and associations, either by themselves or in close alliance with knowledge-based organizations, are working to set up systems of local/regional indicators aligned with those proposed at the Inter-agency and Expert Group on Sustainable Development Goal Indicators (IAEG-SDGs). Interesting examples are being developed in Germany and in the province of Barcelona (see Box 5). These are also being designed to be reliable and verifiable through the data collection systems available at local/regional level, and are sometimes linked to the monitoring of other policies such as Vienna's Smart Monitor.<sup>156</sup>

Another initiative is the Reference Framework for Sustainable Cities (RFSC), an online toolkit designed to assist cities in their self-assessment of the performance and alignment of local strategies and plans in relation to the European Vision of Sustainable Cities. This provides a framework of 30 objectives comprising spatial, governance, social, economic and environmental dimensions, and the 17 SDGs, to 'localize the SDGs'. Suitable for cities of all sizes and open to all stakeholders, the tool promotes the principles of integrated planning, and a place-based and multi-stakeholder approach.<sup>157</sup>

At local level, Utrecht, shortlisted for the 4<sup>th</sup> Guangzhou Awards for Urban Innovation (see Box 4), is currently developing a local SDG data dashboard with existing local indicators connected

to the SDG targets. This aims to be accessible to the different departments of the municipality and partners to complement the municipal data with examples of local SDG progress by urban stakeholders.<sup>158</sup> At the same time, VNG and Statistics Netherlands (CBS) are working to create a set of indicators at sub-national level. In Flanders, an indicator set was developed for 91 SDG sub-targets with a basic set of 34 indicators for municipalities, in line with the goals of Vision 2030, the SDG agenda of the Flemish government. Some of these indicators are made available to municipalities by higher levels of government, while for others data have to be collected by the municipalities themselves. Municipalities decide

### Box 5

## Bottom-up initiatives to develop SDG indicators – the German and Spanish experiences<sup>160</sup>

The association of German cities, *Deutscher Städtetag*, reports on the initiative it shares with its sister associations (DL and DStGB), the Federal Institute for Research on Building, Urban Affairs and Spatial Development (BBSR), the German Institute of Urban Studies (Difu), the Service Agency Communities in One World (SKEW) and the Bertelsmann Stiftung (BSt).

The aim of the initiative, SDG Indicators for Municipalities, is to develop appropriate indicators for the depiction of the SDGs at municipal level (i.e. to compile and, where necessary, redefine them) and, to the greatest possible extent, provide access to the indicator parameters.

The recently proposed 47 SDG indicators should be regarded as recommendations: individual municipalities decide voluntarily which indicators they want to use to depict or control sustainable development in a local context. The data and methodology are now available through a portal: <https://sdg-portal.de/>.

Similarly, the Barcelona Metropolitan Strategic Plan (*Pla Estratègic Metropolità de Barcelona — PEMB*), together with the Barcelona Provincial Council have launched an initiative to develop a set of indicators to measure the achievement of the SDGs in the municipalities of the Province of Barcelona.

To this end, a working group was created bringing together different actors, including local governments, research centres, international institutions, third-sector organizations and private companies working within the framework of the SDGs and with expertise in the development of indicators and local information systems in the territory. The working methodology included face-to-face and online sessions through a specific platform.

As a result of this initiative, 109 indicators were developed, consistent with the existing information systems and aligned to those established by the United Nations. In addition, 69 complementary indicators were suggested that, although not required by the UN, were considered useful to measure the sustainable development of the territory.

voluntarily which indicators they want to use in accordance with their own context and goals.<sup>159</sup>

The Spanish<sup>161</sup> and Italian<sup>162</sup> partners of the Sustainable Development Solutions Network (SDSN) have published country reports that measure the progress of the SDGs in a number of cities of all sizes through selected indicators adapted to their context and to the official statistical sources available to obtain robust data. Several Portuguese municipalities belonging to the Centre of Studies and Opinion Surveys of the Catholic University (CESOP) local network, which is following the same methodology as SDSN, have worked together in order to create the Municipal Sustainability Report.<sup>163</sup> In Italy in 2017, ASviS also developed a set of composite indicators that include disaggregated data at the level of regions and complete the process begun by the Italian National Institute of Statistics (ISTAT).

Finally, many cities and regions are also developing Voluntary Local Reviews (VLRs) that can be included in national reporting. These include the Basque Country, Barcelona, Bristol, Bourgogne-Franche-Comté Region, the Gironde department,

Helsinki, Paris and Vienna. City-to-city exchange, and decentralized cooperation, can facilitate peer-to-peer learning to support monitoring and ensure coherent implementation, developing a common language and plans, putting the SDGs at the heart of policy and action with partners and discussion with both national governments and citizens, as well as developing partnerships with LRGs in the Global South.<sup>164</sup> 🌐

Bilbao, Basque Country, Spain  
(photo: © Andrea Ciambra).



## 3.3 Local and regional governments as providers of innovation and solutions to achieve the SDGs

**Although at different stages, LRGs across Europe are moving forward in the SDG localization process. They have continued to conceive of and implement policies, plans and initiatives to respond to the challenges they face, complying with their formally devolved and de facto competences, most of them related to the SDGs (see Section 2.2) to contribute to the wellbeing of their communities.**

Particularly in the EU, cities, provinces and regions have been encouraged by and are taking advantage of the EU Cohesion Policy and its various instruments for the 2014-2020 period, as well as the important linkages to EU (and national) development cooperation policy referred to in Section 2. This EU policy framework has been translated into a number of national policies that determine to a greater or lesser extent the challenges and actions of LRGs. The following section shows some examples of policies and actions developed by LRGs to address different sectoral dimensions of the SDGs.

### **Inclusive economic growth: back to economic convergence**

Cities and territories are the backbone of European economic growth. They are promoting innovation, alternative economic models to boost their local fabric and reduce inequalities within and between territories.<sup>165</sup> Inclusive territorial development policies are determinant for European cohesion policies seeking to have a more balanced territorial development. As emphasized in different European reports, regions in Europe seem to be converging again after the economic crisis of 2008-2009 but, although disparities are narrowing, there are still important differences between and within regions, underlying some critical issues for territorial inclusiveness.

Many regions still have a GDP per capita and employment rates below the pre-crisis level of 2008. While at the EU level, for example, unemployment rates have been reduced (from

10.9% in 2013 to 8.3% in 2018), there are still important differences between regions.<sup>166</sup> The regions most concerned with this problem are the less-developed (24%) and especially transition regions (27%).<sup>167</sup> Outside of the EU, in the Western Balkans, the situation is however still worrying.<sup>168</sup> The big differences in unemployment and income encourage people to move. Some regions have rapid population growth, particularly capital and large cities, while others depopulate.<sup>169</sup>

In order to overcome these challenges, many cities and territories are committing to **innovation-driven progress**. Thanks to their capacity to support their Small and Medium-sized Enterprises (SMEs), foster new employment, promote new economic models (such as the social and collaborative economy) and sectors (cultural and creative industries), they are able to mainstream social and technological innovation. In this sense, many medium-sized cities have become urban labs (or living labs), promoting innovation ecosystems where the different stakeholders jointly come up with and implement new solutions to the local challenges, through an approach focused on 'user-centred' innovation and development. In Cornella, the Citilab tool has been created to introduce social and digital innovation in the city using design thinking and citizen-based co-creation methodologies. Similarly in Ljubljana, the Technology Park (owned by the municipality) has a catalysing role that promotes networking, flexibility and co-creation of ideas and opportunities.<sup>170</sup> Some cities and

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**Cities and territories are promoting alternative economic models to boost their local fabric and reduce inequalities within and between territories.**

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Heraklion, Crete  
(photo: alh1, bit.ly/318blMq).

regions have developed their own urban lab as a joint strategy with urban stakeholders (e.g. the Maastricht-LAB,<sup>171</sup> and the living labs integrated in the Smart City Graz Action Plan 2020),<sup>172</sup> while others may not run their own urban labs but offer the territory as a testing ground (e.g. Malmö).<sup>173</sup>

It is however important to note that innovation is in general concentrated in a limited number of regions, mostly in the North-West of Europe (UK, South of Germany, Denmark, the Netherlands, Finland, Sweden). Meanwhile, other regions spread across Europe (in the Baltic countries, Spain, South of Italy, Greece, but above all Poland, Romania and Bulgaria), have a modest regional innovation performance.<sup>174</sup> Taking into account that SMEs (SDG 8.3) are the backbone of Europe's economy and provide 85% of all new jobs, LRGs should link their programmes to support innovation to those that foster SME creation and development (access to funding, etc.). Lombardy, for example, is offering grants for investments aimed at the optimization and innovation of the production processes of micro and small enterprises in the manufacturing, construction and crafts sectors.<sup>175</sup>

To support regional development, wider territorial solutions (including urban-rural linkages) and cooperation within functional urban areas are necessary. The Pact of Amsterdam and recently adopted Bucharest Declaration 'Towards a common framework for urban development in the European Union'<sup>176</sup> also highlight this point. It is particularly relevant for less-developed regions, where the share of employment in agriculture in 2016 was 11 percentage points higher than in highly developed ones (13% versus 2%).<sup>177</sup> For this reason, the development of the smaller cities and their connected hinterlands should carry as

much importance as the competitiveness of larger cities.<sup>178</sup> Precisely because of this need to take not only big cities into account but also smaller ones and the hinterlands (rural areas included), many regions have developed active policies to promote innovation in EU programmes and policies. Several EU Research and Innovation Strategies for Smart Specialization (RIS3) strategies are adopted annually in Europe (over 120 by 2017), each highlighting their own fields of specialization, in order to boost the knowledge potential, strengthen economic competitiveness and drive growth and job creation. The Greek region of Crete,<sup>179</sup> for example, opted for revitalizing traditional and emerging specific activities, and updating its production potential. In the region of Salzburg,<sup>180</sup> five priorities were considered key: life sciences; ICT; smart materials; intelligent building and settlement systems; and creative industries and services innovations.

Additionally, LRGs are giving increasing importance to the leading role **technological innovation** plays in economic sustainable development and the increase in productivity and employability, as well as in urban governance and the creation of better and more accessible services, which has fostered the growth of 'smart city' and 'smart region' solutions (see Section on environmental challenges below). LRGs are fostering many practices that ensure digitalization and technological innovation, such as the growing number of EU municipalities offering free Wi-Fi hotspots (in 2018, over 21,600 EU municipalities registered to apply for the vouchers to the value EUR 15,000 to create free Wi-Fi hotspots in the framework of the WIFI4EU programme).<sup>181</sup> The Digital Transition Partnership, with the support of Eurocities, Open and Agile Smart Cities and

CEMR, has called for a financial framework for cities and regions in digital transition to be guaranteed in the EU post-2020 budget.<sup>182</sup>

Innovation, however, does not always need to be technological. **The social and collaborative economy** offers alternative models that put the person and their needs at the core of the development. These models support productive activities, decent job creation and entrepreneurship, creativity and innovation, and prioritize collaboration in sectors such as culture, education, care for people, housing, food production and the protection of the environment. LRGs in many EU countries are taking action to promote these alternative models. They are creating networks of actors within the social economy to experiment with innovative financial infrastructures such as social impact bonds, crowd-funding, impact hubs and digital platforms, enhancing urban innovation and encouraging smart city solutions from the bottom up. For instance, Gothenburg is offering financial support and skills development opportunities to social entrepreneurs (EUR 200,000 per year awarded in grants and EUR 500,000 per year given in micro-loans), Milan has launched the first incubator dedicated to social businesses, and Rennes has included social responsibility clauses in private and public sector contracts.<sup>183</sup>

All of the innovative models mentioned above are crucial for local development involving two million companies in Europe, representing 10% of all businesses in the EU and more than 11 million people (about 6% of the EU's employees), and very often involving vulnerable citizens. These initiatives should not be associated with the models of Amazon, Uber, Cabify or Airbnb that take advantage of transnationality and new technologies promoting practices that are unregulated and that can harm other groups or citizens' rights (taxi drivers' rights, decent jobs, housing scarcity, etc.). Cities are engaged in vociferous debates about the need to regulate their activities better (Paris, Barcelona, Berlin, Amsterdam, London and Milan, amongst other main cities).<sup>184</sup>

On another note, **culture and creativity** have also been connected to innovation in recent years as a guiding thread of prospering cities and regions in Europe. Local governments in Europe are working to boost the cultural and creative industries' potential to generate jobs, wealth and cultural engagement. Cities are creating new spaces or adapting old ones (city centres, redesigned factories, brownfield areas, etc. as through the IncrediBOL! project in Bologna), to build a supportive environment for these open-minded, adaptable and young industries that have managed to penetrate the arts, production, commerce and technology.<sup>185</sup> Cultural and creative industries are a very important sector of the economy. They employ a large number of

people (especially young creators), particularly through small and medium-sized businesses, and encourage collaboration between sectors and the digital revolution.

### Strong commitment to fight climate change and strengthen resilience in cities and territories

One of the major concerns of cities and regions in today's Europe is the fight against climate change, various ecological crises and strengthening resilience. It is estimated that climate change could cause damage costing EUR 190 billion per year, mostly from heat-related deaths and losses in agriculture and coastal areas in the EU alone, by the end of the 21<sup>st</sup> century (taking a high economic growth scenario as the basis),<sup>187</sup> and a loss of 1% of GDP by 2050 mostly from damages to the tourism and energy sectors in the Mediterranean countries.<sup>188</sup>

For this reason, European LRGs have strived to find the best solutions to the energy, mobility, waste management or circular economy challenges they face, amongst others, with specific emphasis on risk reduction and the achievement of resilient cities and territories. A growing number of cities such as Canterbury in the United Kingdom have declared local 'climate emergencies', committing themselves to strive for zero-carbon emissions and working with local CSOs, academia and other stakeholders to implement relevant SDG targets. The EC adopted in November 2018 its 'Strategic long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050 — A Clean Planet for all', which sets the framework for action in the future.<sup>189</sup>

The EU has repeatedly acknowledged that European cities and regions have proven to

#### Box 6

### Creative Cities' contribution to sustainability<sup>186</sup>

As the Cultural and Creative Cities Monitor 2017 points out (a study that analyses 168 European cultural and creative cities of diverse demographic and economic characteristics), the ideal Cultural and Creative City in Europe would be a mix of eight cities which are mostly small and medium sized.

Thus, from the study, it would have the cultural venues and facilities of Cork, the cultural participation and attractiveness and the creative and knowledge-based jobs of Paris, the intellectual property and innovation of Eindhoven, the new jobs in creative sectors of Umeå, the human capital and education of Leuven, the openness, tolerance and trust of Glasgow, the local and international connections of Utrecht, and the quality of governance of Copenhagen.

be important delivery agents for the European transition towards a more decentralized, energy-efficient, decarbonized and resilient energy system. The European Covenant of Mayors,<sup>190</sup> now gathering over 9,600 LRGs across 38 European countries, covers all the areas mentioned above and has brought high-impact results to Europe, thanks to the Sustainable Energy (and Climate) Action Plans that new signatories committed to. This Covenant is one of the regional covenants within the Global Covenant of Mayors (gathering over 10,200 cities worldwide).

Cities play a major role in **energy transition**, both because they demand two-thirds of primary energy in the entire world and because they contribute with innovative solutions to these problems. As highlighted in Energy Cities,<sup>191</sup> thermal renovation of buildings, the transition towards sustainable mobility and the development of proximity as the lynchpin of urban planning, are three actions that need to be tackled from the local level. The creation of synergies between urban and rural areas where the regions' action is essential, as well as the use of new technologies (smart grids) to make energy production and consumption more efficient, are also critical.

According to EC estimates, **buildings** are currently responsible for 40% of the EU's energy consumption and 36% of its CO<sub>2</sub> emissions.<sup>192</sup> European cities are characterized by quite a rigid, pre-existing urban fabric, with 42% of all

buildings built before 1950. Often outdated building standards inhibit the use of new materials, and technological improvement is mainly done through renovation and retrofitting of existing infrastructure with a very low rate of replacement (London,<sup>193</sup> the region of Jadranska Hrvatska in Croatia,<sup>194</sup> Heidelberg in Germany<sup>195</sup>). In this sense, several instances of best practice can be pointed out, such as the referendum for the remunicipalization of the energy distribution grids in Hamburg,<sup>196</sup> and in Barcelona<sup>197</sup> (along with other movements for the remunicipalization of basic public services such as water, energy, or currently free transport in Dunkirk<sup>198</sup> and Tallinn<sup>199</sup>).

Likewise, several LRGs throughout Europe are getting at least 70% of their electricity from renewable sources such as hydro, geothermal, solar and wind, having abandoned other sources such as coal or lignite (from the Nordic countries – Reykjavik, Gladsaxe Kommune, Oslo, Bærum Kommune, Arendal – and Switzerland – Basel, Nyon – to Portugal – Porto, Fafe, Moita, Cascais –, Italy – Oristano, Bolzano – and Romania – Alba-Iulia).<sup>200</sup>

Additionally, with the support of the Eastern Europe Energy Efficiency and Environment Partnership or E5P,<sup>201</sup> district heating projects have been implemented in several cities in Ukraine (Zhytomyr, Ternopil, Lviv), and Moldova (Balti), solid waste projects have been developed in Belarus (Puhovichi) and Ukraine (Lviv), and energy efficiency projects in public buildings have taken place in Ukraine (Ivano-Frankivsk, Chernivtsi, Zhytomyr) and in Moldova (Chisinau), amongst many others.

Cities and regions in Europe are also fostering **sustainable mobility** to reduce CO<sub>2</sub> emissions and improve air quality in urban areas.<sup>202</sup> Transport and mobility today count for almost one quarter of Europe's greenhouse gas (GHG) emissions and the demand is still increasing. The EU created a Strategy for Low Emission Mobility in 2016, together with the 'Europe on the move' package.<sup>203</sup> Several measures aimed at increasing the sustainability of European transport systems have been adopted. The strategy mainly targets the reduction of GHG emissions and incentives to drive the market towards clean mobility. At the city level, traffic-free zones have been designated in London,<sup>204</sup> Lyon<sup>205</sup> and Madrid;<sup>206</sup> and car-free days in Paris,<sup>207</sup> congestion-charging schemes in London<sup>208</sup> and car, motorbike and bike-sharing systems in Milan,<sup>209</sup> are all a reality. In Copenhagen the first 'bicycle highway' allows commuters to connect the central district with the periphery by bike. The region of Lombardy<sup>210</sup> (Italy) has also contributed through the development of electric car-charging points. The French region Auvergne Rhône-Alpes has set up a Zero Emission Valley programme.<sup>211</sup>

#### Box 7

### Green Deals towards sustainable energy consumption in the Netherlands<sup>212</sup>

In the Netherlands, the Dutch government (as a joint initiative by the Ministries of Economic Affairs, Infrastructure and the Environment, and the Interior and Kingdom Relations) has fostered Green Deals that is an innovative initiative fostered by a coalition of enterprises, CSOs and/or public administrations to design and implement innovative initiatives aimed at accelerating the transition to a sustainable economy.

To date, the results achieved with Green Deals include: 15,000 electric vehicle charging stations; 8,100 energy-efficient homes; more than 2,000 hectares of temporary nature in almost 30 areas; and construction of seven Liquefied Natural Gas (LNG) stations and two LNG bunker stations. The province of Noord Holland, for example, has taken this opportunity to make its real-estate, infrastructure and 700+km of provincial roads completely circular in terms of replacement and maintenance with the support of the national government under the Green Deals Sustainable Groundwork and Waterworks of 2017. Similar initiatives exist in other countries (e.g. Flanders in Belgium, with seven Green Deals).

**Waste management strategies** are also crucial to improve environmental sustainability (SDG 12.5) and citizens' quality of life. Some innovative examples are the household waste selective collection as a pilot project in a neighbourhood in Barcelona,<sup>213</sup> the Blue Box programme in the Waterloo Region,<sup>214</sup> or the search for intelligent systems and innovative planning in the partners of the Interreg-funded WINPOL project<sup>215</sup> (Gijon, Brussels, Anvers, Maribor, Mehedinti County, Drobeta Turnu Severin, Crete Region and the Environment Resources Authority of Malta). These LRGs have contributed to the increase in the rates of municipal waste recycling (covering material recycling, composting and digestion of bio-waste),<sup>216</sup> although the 50% recycling target by 2020 have only been achieved by six countries, and disparities between Member States are still very obvious: in Belgium, Denmark and the Netherlands less than 5%; in Bulgaria and Greece up to 80%.<sup>217</sup>

The EU has placed the **circular economy** at the heart of its sustainability policies: the circular economy action plan adopted in 2015 sets out measures to change consumption and production patterns by focusing on the design of products, new rules for waste management and increasing consumer awareness.<sup>218</sup> It also addresses two huge challenges in Europe: food waste and plastics. Moreover, circular economy is one of the 12 priority themes of the Pact of Amsterdam to achieve the sustainable management and efficient use of natural resources of the 2030 Agenda (SDG 12.2).

The circular economy has been mainstreamed into strategic instruments: in pilot programmes such as the EIT Climate-KIC Orchestrated Innovation Ecosystem programme<sup>219</sup> (with Malmö, Copenhagen, Helsinki, Sofia, Utrecht etc. as participating cities); in the federal constitution in Geneva;<sup>220</sup> in different strategies in the Basque Country;<sup>221</sup> in multi-stakeholder roadmaps in the Päijät-Häme region;<sup>222</sup> and the Tampere region<sup>223</sup> in Finland (shortlisted for the 2016 Guangzhou Award), among others.

Finally, cities and regions are key to achieving new and sustainable modes of **production and consumption** that contribute to reducing GHG emissions, amongst others. Amongst the main challenges, food production and consumption, particularly agrifood, is increasingly important. Several city and regional networks have been established in recent years both at the national level (Sustainable Food Cities in the UK;<sup>224</sup> *Red de ciudades por la Agroecología* in Spain;<sup>225</sup> *Rete Città Sane* — OMS in Italy;<sup>226</sup> the Dutch City Deal: Food on the Urban Agenda;<sup>227</sup> the German BioStädte network)<sup>228</sup> and at European level (*Agroecocities*;<sup>229</sup> ICLEI-RUAF CityFood network).<sup>230</sup> One of the most meaningful initiatives is the Milan Urban Food Policy Pact,<sup>231</sup> with 179 signatory cities since 2015 and 66 cities

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## Following the remunicipalization trend to achieve more affordable and efficient public services, cities such as Budapest, Paris, Montpellier or Berlin, recovered the management of water supply, complemented with social inclusion policies.

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engaged in food policy city-to-city cooperation. This represents an innovative planning strategy that integrates a food cycle system fostering reuse, recycling waste and reducing food miles through the promotion of local products. Based on the Québec Declaration of 2015, Regions France, with the support of UCLG, launched an initiative to foster a progressive reterritorialization of food systems, and improve local food production processes to protect and involve local communities, and promote food security and nutrition transition.<sup>232</sup>

Along with waste management, the **supply of drinking water and sanitation** (usually a local competence), as well as **water management**, are also high on the European agenda, particularly thanks to the European Citizen's Right2water initiative that was endorsed by the European Parliament in 2013. This initiative called for the basic human right to access clean water and sanitation in a broad context of privatization and market competition for water supply.<sup>233</sup>

As a consequence, and following the remunicipalization trend to achieve more affordable and efficient public services, cities such as Budapest, Paris, Montpellier or Berlin, recovered the management of water supply,<sup>234</sup> complemented with social inclusion policies (SDGs 1.4, 11.1), such as modification of fee structures (progressive rates in Grenoble, Hermosillo, Lisbon; special fees for persons with disabilities in Nantes); provision of economic support (social funds for residents of vulnerable areas in Grenoble and Malaga); prohibition of water supply disconnection (in Edinburgh and Glasgow); and other support measures to facilitate payment (for the poor community in Budapest).<sup>235</sup>

**Resilience** has been acknowledged by the 2030 Agenda in as many as eight targets related to infrastructure (9.1), agriculture (2.4), vulnerable citizens (1.5) and most particularly human settlements in the specific urban SDG 11, and resilient societies and territories are the main goal of the Sendai Framework for Disaster Risk Reduction 2015-2030. Many initiatives have been developed by LRG networks (e.g. ICLEI, UCLG), partners (100 Resilient Cities — 100RC) and UN agencies (UN



Habitat resilience programme, UNDRR Making Cities Resilient Campaign) to raise awareness and provide tools, technical assistance, city-to-city support networks, and learning opportunities for disaster resilience-building. Local governments promote resilience and are mainstreaming resilience into the different plans adopted (e.g. in the province of Potenza,<sup>236</sup> through the Territorial Coordination Plan); engaging citizens and local stakeholders in a participative manner (e.g. Bristol, through the Resilience Sounding Board and the involvement of over 1,600 people from across the city);<sup>237</sup> and in monitoring (e.g. Lisbon,<sup>238</sup> through the web dashboard with a GIS approach to centralizing data, or Stepanavan,<sup>239</sup> through the Local Government Self-Assessment Tool). Using a broader approach, the Swedish region Skåne addressed resilience-integrated challenges such as urbanization/depopulation, the use of new technologies, aging population and climate adaptation by involving a specific community of public and private stakeholders.<sup>240</sup>

### Towards more inclusive cities and regions that 'leave no one behind'

In 2017, there were more than 112.8 million people or 22.4% of the EU Member States' populations at risk of poverty and social exclusion.<sup>241</sup> The risk of poverty or social exclusion is particularly high in the Southern and Baltic countries and it is marginally higher in rural areas than urban areas (19.8% in rural areas, 16.7% in cities and 16.0% in towns or suburbs).<sup>242</sup>

Inequalities within and between cities and territories also have a bearing on social exclusion.<sup>243</sup> Increasing socio-economic differences between metropolitan regions, middle-sized cities, towns and rural regions contribute to aggravating disparities, eliciting migration to larger cities, and accelerating the marginalization of peoples and territories. While capital gains are concentrated in growing urban systems and economically dynamic regions, around 20% of European cities — mostly small and medium-sized, and often with aging populations — are being affected by shrinkage and decline, particularly in Eastern and South-eastern Europe, Baltic countries, and Western Spain.<sup>244</sup>

To face these challenges and advance policy and societal change, LRGs across Europe have sought to foster paradigm shifts in urban and territorial policies through new planning and regeneration policies, social inclusion, gender equality, alternative economic options (as mentioned above), housing, health or education, with a specific focus on the inclusion of vulnerable populations (disabled people, women, children, elderly, migrants).<sup>245</sup>

'Frontrunner' **cities facing shrinkage** are developing fresh approaches to build on citizen commitment, generate new approaches to urban

planning, design and management. Most EU policy instruments and state-level fiscal, regulatory and economic policies are designed not for shrinking but for growing cities. Cities promote 'smart shrinking', de-growing polices; regeneration of historic assets and landscapes; redevelopment of uninhabited spaces and brownfields in green spaces or new public cultural areas; adjustment and co-production of services; more age-friendly welfare services; and develop contra-cyclical management, social economy alternatives, including urban farming, among others, based on meaningful collaboration between public agencies, businesses and citizens. Case studies show examples in cities such as Altena and Schönebeck (Germany), Riga (Latvia), Nord-Pas de Calais (France), County Louth (Ireland), and Glasgow (Scotland).<sup>246</sup>

**Gender equality** is at the centre of many local government policies in Europe. In 2006, CEMR launched the European Charter for Equality of Women and Men in Local Life, which currently has 1,777 LRG signatories in 36 countries. The charter gives information on how to mainstream gender in all public policies, and the related Observatory website highlights good practices in fields such as gender-responsive budgeting, urban planning, governance, adequate provision of basic services, countering gender violence, and raising awareness about harmful gender stereotypes.<sup>247</sup> The Swedish city of Umeå, highlighted as an international model town for gender equality, continues to improve its Gendered Landscape Tour, which aims to show how working with gender equality takes form in a city.<sup>248</sup> In the French region Île-de-France a vast communication campaign across the entire public transport network in the region was carried out in cooperation with Ile-de-France Mobilités, the Paris urban transit agency (RATP) and train companies (SNCF Transilien): 'Never minimize sexual harassment: Victim or witness, speak up!'.<sup>249</sup> A best practice publication by the Italian LRA AICCRE includes replicable examples in the fields of governance (a commission for equal opportunities in Imola), work-life balance (pilot project with 30 micro, small and medium enterprises — MSMEs in Milan and with 70 employees in Lazio region), awareness-raising (campaigns for the youth in Reggio Calabria), and gender violence (support centre in Chieri), among others.<sup>250</sup> Although there are many accomplishments across Europe (higher figures for women in terms of holding a tertiary education certificate and lower rates of school drop-out), there remain many unresolved matters. These include the fact that women account for only 29% of the members of regional parliaments in the region, in some cases not being included at all (in five regional assemblies in Hungary, Italy and Romania, according to data from 2017).<sup>251</sup> Many of these matters need to be tackled also

at national level (i.e. the employment gap is still concerning across the EU with a difference of 11.5 percentage points in 2017).<sup>252</sup>

**Lack of affordable housing** and the accompanying rise in homeless people, especially among the young, has become an increasingly important challenge for cities as skyrocketing property and rental prices, speculation, housing exclusion and gentrification push neighbours towards the periphery, financing of social housing is scarce and territorial divide (to find adequate and affordable housing in places where job opportunities are) keeps growing (see Box 8).<sup>253</sup>

The EU average housing overburden rate has significantly increased among people at risk of poverty (from 35% in 2005 to 39.9% in 2014).<sup>256</sup> The cooperation between LRGs and the national authorities has allowed the Irish National Asset Management Agency and local governments to identify 6,575 vacant units owned by the banks and allocate 2,526 of them for social housing purposes.<sup>257</sup> Mechanisms are being developed at local level to ensure that a proportion of new affordable housing units will be dedicated for social purposes (at least 25% in London),<sup>258</sup> going further than the national directives even (40% in *Plaine Commune*),<sup>259</sup> and ensuring that no homeless family is left behind (Brno).<sup>260</sup> After the worsening situation of the eviction crisis, many Spanish cities created specific offices aimed at mediating with banks or trying to put an end to evictions through different strategies (e.g. Mostoles, Terrassa, Barcelona or Cadiz),<sup>261</sup> while others such as Mataro have leveraged vacant private property to create affordable cooperative housing models. Many cities are pushing to regulate the rental urban markets to avoid rental bubbles (e.g. Berlin, Paris).

**Health and care systems** are central for social inclusion. The main challenges that currently affect Europe include the reduction of health and healthcare services in a number of territories (even creating medical 'desert' areas), or the significant increase of the prevalence of chronic non-contagious diseases.<sup>262</sup> Inequalities in access to health services are evident between urban and rural areas,<sup>263</sup> but also in cities, for example, life expectancy in London can vary by almost 20 years depending on where you live.<sup>264</sup> Environmental problems in cities include air pollution (severe in Poland, the Czech Republic, Romania, Bulgaria and the Southern regions of Europe); concentration of ground-level ozone (Italy, Spain, South and East of France, Southern Germany), or noise pollution (cities like Bucharest, Palermo, Athens).<sup>265</sup> While LRG solutions, as underlined in the previous sub-section, contribute to a more sustainable environment, they also aim to achieve better health levels amongst the population through soft mobility, zero-emission zones (e.g. Oxford city centre),<sup>266</sup> the building of

## Box 8

### Cities for Adequate Housing Initiative<sup>254</sup>

The worrying housing situation in Europe, together with the limited competences of LRGs in this field, led the city of Barcelona and others, with the support of UCLG, to bring to the 2018 High-Level Political Forum of the UN (HPFL) a firm pledge for the Right to Housing in the form of the Declaration 'Cities for Adequate Housing'. A growing number of cities have committed to promoting renewed housing strategies, and to do so according to social inclusion and human rights standards, seeking to overcome the obstacles to the realization of the right to housing, such as the lack of national funding, market deregulation and housing commodification.

Work has not stopped here, and UCLG and participating cities such as Vienna, Barcelona or the periphery of Paris, are collaborating to find more inclusive housing policies. The Urban Agenda for the EU Partnership on Housing in 2019 published its action plan, which provides best practice and recommendations to EU, national and local authorities on better regulation, funding and knowledge.<sup>255</sup>

new green areas (e.g. Vienna or Freiburg), or the construction of parks, playgrounds, sports fields and cemeteries (e.g. covering 40% of the city by 2035 in Hamburg).<sup>267</sup>

For 30 years, the World Health Organization (WHO) European Healthy Cities Network has brought together some 100 flagship cities and approximately 30 national networks. In February 2018, the Copenhagen Consensus of Mayors: Healthier and Happier Cities for All<sup>268</sup> was adopted to mark a transformative approach towards building safe, inclusive, sustainable and resilient societies in line with the 2030 Agenda.<sup>269</sup>

A public health problem related to risk prevention in urban areas is road accidents (SDGs 3.6, 11.2).<sup>270</sup> It has been proved that those cities with low traffic speeds and good public transportation systems have far fewer road fatalities than those where the use of private cars is still widespread (i.e. below ten per million in Stockholm and Vienna in 2015).

As stated in Section 2, LRGs play an important role in **education** in many European countries. In this sense, many local governments offer quality education from pre-school age (SDG 4.2).<sup>271</sup> They have also achieved a noteworthy reduction of early school leaving (SDG 4.1), although figures are still higher in rural areas (12.4%) than in towns and suburbs (11.9%) or cities (10%).<sup>272</sup> Cities are developing initiatives to face these challenges as well as tackle education segregation, particularly affecting minorities (e.g. Roma children) or children with migrant background.<sup>273</sup>

To address the needs of **children and the elderly**, particularly in territories with aging urban population,<sup>274</sup> cities are redesigning public space to be age-friendly (e.g. Ljubljana),<sup>275</sup> as well as to facilitate the inclusion of persons with disabilities (e.g. Lausanne Plan on Accessibility; Middelburg and Veere local implementation of the Covenant on the Rights of Persons with Disabilities; Budapest plan on accessible public space and transportation for people with disabilities).<sup>276</sup>

LRGs also play a major role in the settlement and integration of **migrants and refugees**.<sup>277</sup> Their actions are fundamental to achieve SDG 10.7 and the ambitious Global Compact for Safe, Orderly and Regular Migration adopted in late 2018 by the UN.<sup>278</sup> Since 2014, LRGs have been acquiring importance at the EU level as more pragmatic and results-oriented actors in the fields of migration and integration. CEMR and the European Public Services Union (EPSU),

representing respectively the employers and employees of LRGs in the European Social Dialogue, endorsed 'Joint Guidelines on Migration and Strengthening Anti-Discrimination in Local and Regional Governments', which were updated in 2016. The objective was to provide a framework for action in local and regional public authorities.<sup>279</sup> The December 2016 European Council Conclusions on the integration of third country nationals legally residing in the EU,<sup>280</sup> as well as the Action Plan on the integration of third-country nationals of the EU,<sup>281</sup> explicitly reinforced the strategic role of the local level. The Action Plan on integration also encouraged Member State efforts 'strengthening communication between local, regional and national levels', introducing instruments such as the European Integration Network, to which selected cities, together with Eurocities and CEMR, were invited in March 2017.<sup>282</sup>

In 2017, the Mechelen Conference 'Cities and Migration' explored the links between local government and human rights agendas with regards to migration.<sup>283</sup> Initiatives on this topic range from local government services of attention, welcome and advice for irregular migrants, to local programmes on the right to work and capacity-building for migrants and refugees (as was implemented by Vienna).<sup>284</sup> Other local governments have addressed this issue via initiatives on migrant participation in public life (Grenoble).<sup>285</sup> Finally, recent years have also seen a rise in the number of cities to declare themselves 'sanctuary' or 'refugee' cities, such as Bristol, in the United Kingdom, Valencia, in Spain or Naples, in Italy (see Box 9).<sup>286</sup>

Anti-rumour networks in Amadora,<sup>292</sup> the Refugee Taskforce in Ghent,<sup>293</sup> (which has been acknowledged as the URBACT Good Practice 'Refugee Solidarity'), or the Finding Places project to identify locations for accommodating around 20,000 refugees in Hamburg, have proven highly successful and brought together the public administration, the social organizations and the citizenship.<sup>294</sup> Decentralized cooperation has also focused on migration issues as shown by the successful Mediterranean City-to-City Migration Project (MC2CM), which since 2015 has worked with Amman, Beirut, Lisbon, Lyon, Madrid, Tangiers, Tunis, Turin and Vienna to increase the knowledge base on urban migration, and the Urban Innovative Actions of the EU, which has funded several projects in the field of integration of refugees and migrants.<sup>295</sup>

Indeed, the commitment of 'leaving no one behind' underlines the role cities and regions play in the achievement of **human rights**, equality, non-discrimination and dignity. Many cities and regions have come out to defend the rights of migrants, the value of local diversity, the need for better housing and basic services for all persons

### Box 9

## LRG initiatives for the integration of immigrants and refugees

The Eurocities Migration and Integration Working Group, as well as the CEMR Task Force on Refugees and Migrants, work to ensure local experiences are central to the drafting of the EU migration and integration policies. In 2015 and 2016, CEMR published a Call for a Common Real Asylum Policy<sup>287</sup> and a Resolution for a Common European Asylum Policy at all levels of government.<sup>288</sup> In 2018, the OECD, in collaboration with other partners and LRGs, launched a publication called, 'Working Together for Local Integration of Migrants and Refugees', aimed at identifying the challenges of LRGs in the field of migrant and refugee integration.<sup>289</sup>

Solidarity Cities is an initiative on the management of the refugee crisis proposed by the Mayor of Athens.<sup>290</sup> It seeks to constitute a framework under which all cities' actions and initiatives are presented in terms of the political leadership of cities addressing the crisis. Eurocities also participates in the Research Social Platform on Migration and Asylum (RESOMA) project, a unique partnership of European civil society and local authority organizations, think-tanks and research networks seeking to create opportunities for consultation and provides policy expertise. The European Committee of the Regions, in coordination with the main networks of LRGs in Brussels, launched in 2019 an initiative called 'Cities and Regions for Integration', aimed at raising the political profile of this topic from an urban perspective, and scaling-up good practices.<sup>291</sup> Also in 2019, the EC continued to support LRG networks working on the integration of refugees and migrants by supporting the IncluCities project, a CEMR-led initiative seeking to strengthen cooperation between middle-sized cities (with varying levels of experience in the field) on integration, and in close cooperation with LGAs.

and, in essence, the human rights of each and every person in Europe and beyond (see Box 10).

### Enhancing good urban and territorial governance to 'leave no territory behind'

Good governance has become a priority for most LRGs in Europe considering as noted by the EC, poor performance is an obstacle for sustainable development.<sup>300</sup> More sustainable territorial governance, transparency, citizen participation, co-production, use of new technologies have been prioritized for some years by LRGs to offer better public services and policies to their constituencies (SDGs 16.6, 16.7).

As underlined in previous sections, LRGs are increasingly recognized as being key to regional and local governance. However, this is not always accompanied with the appropriate institutional and financial architecture to enable them to fulfil their role (see Section 2.2.). This is reflected in the growing inequalities between territories related to the need to strengthen territorial cohesion policies, improve integrated governance of metropolitan areas, and better support middle-sized cities (that host 42% of the urban population in Europe), particularly those suffering shrinkage, and reverse the desertification of rural areas in several countries. Nonetheless, EU regional policies and the EU Urban Agenda do emphasize the opportunities that exist in harnessing complementarities between different levels of government and territories to promote more balanced territorial and urban systems. In this regard, the Pact of Amsterdam was an important step in terms of good governance, promoting collaborative dynamics and exchanges to develop concrete initiatives related to urban development. Consequently, several multi-stakeholder partnerships launched to develop joint initiatives at the EU level have had a strong impact on cities in areas such as urban poverty, housing, mobility or energy transition.<sup>301</sup>

Increasingly, urban and territorial management requires strong **vertical and horizontal cooperation**. Section 2.3 showed different examples of vertical cooperation and multilevel governance bodies that coordinate a wide range of policies and strategies between the national, regional and local levels to embrace the 17 SDGs, and particularly SDG 11. Concerning horizontal cooperation, inter-municipal cooperation is one of the most widespread expressions and has been significantly enhanced in recent years. This takes different forms in public service delivery, socio-economic development, planning and governance. From voluntary agreements, such as multi-purpose cooperative agreements, common committees, joint projects, etc. to mandatory entities such as supramunicipal authorities with delegated functions, including some own-source

#### Box 10

### European Charter for the Safeguarding of Human Rights in the City<sup>296</sup>

In 1998, on the 50<sup>th</sup> anniversary of the Universal Declaration of Human Rights, the European Conference Cities for Human Rights network was created in Barcelona. Hundreds of mayors participated in the event and together called for a stronger political acknowledgement as key actors in safeguarding human rights. Twenty years later, in 2018, Barcelona, Athens, Saint Dennis, Cádiz, Naples, Tunis and Seattle, together with local stakeholders, shared experiences at the Conference Cities 4 Rights to promote human rights and global justice and fight against hate and extremism from the local level.

However, these are not the only occasions where LRGs have proved their commitment and involvement in the achievement of human rights. The European Coalition of Cities Against Racism,<sup>297</sup> the Agenda 21 for Culture,<sup>298</sup> or the Intercultural Cities Programme,<sup>299</sup> fostered by the Council of Europe, all support cities in appraising the values underlying diversity and interculturalism by applying a human rights-based approach to their strategies and daily actions.

tax (e.g. *EPCI à fiscalité propre* in France). In some countries (France, Portugal, Spain), the majority of municipalities are engaged in different modalities of inter-municipal cooperation entities. In Italy, Iceland or Greece cooperation is compulsory for smaller municipalities.<sup>302</sup>

A key dimension of horizontal cooperation is **rural-urban partnerships** (or rural urban continuum) that cover a complex and diverse spectrum of interactions and relationships and make both areas increasingly integrated and mutually reliant. Different studies underline examples of cities and territories that are fostering initiatives to manage such linkages for improved regional development. Middle-sized cities and towns are key players in strengthening these rural-urban alliances. Many regions and cities in France, for example, are fostering local food production involving peri-urban areas and rural communities to ensure more sustainable food systems (see earlier examples in the Sub-section on climate change). Cities have achieved a medium-scale service-based economy through the provision of cheaper, more efficient services to their urban and rural communities, such as in Jyväskylä and Saarijärvi-Viitasaari (Finland), mainly down to new technologies; or in West Pomerania (Poland), through more efficient waste management. Additionally, the Barcelona Provincial Council is leading the Barcelona Smart Rural project in the non-metropolitan area which seeks to support rural municipality development by using innovation and specialization.

Successful partnerships such as these call into question the effectiveness of existing policies and governance institutions, and the need for effective mechanisms and policies to maximize impact.<sup>303</sup>

Governments have recently focused on increasing **transparency** as one of the pillars of good governance and one of the main principles of the 2030 Agenda, to counter corruption, tax competition and tax evasion. One way to increase transparency and foster greater public understanding of the government's work has been the digitalization of services to streamline red tape procedures for stakeholders and citizens. This can be seen in the Stockholm region's newly digitalized e-Government with 'real' e-services,<sup>304</sup> or the region of Flanders saving EUR 100 million after a EUR 2 million investment<sup>305</sup> based on its Flanders Radically Digital strategy.<sup>306</sup>

**Open portals** where local stakeholders and citizens can access all relevant public information have been developed widely in cities such as Amsterdam or Helsinki and have facilitated interaction with the local governments in Lisbon or Murcia, amongst others, thus making the local level more **responsible and accountable**.<sup>307</sup>

Digitalization has also helped make **public procurement** (a field that can be prone to corruption) more accessible and transparent through open platforms and the growing obligation to submit tenders online.<sup>308</sup> Moreover, public procurement has become greener and more socially responsible as practices are increasingly widespread amongst European LRGs that foster environmental, social and economic benefits while driving private companies towards sustainability. This progressive shift to greener, fairer and more transparent procurement procedures has been made possible mainly by the new European legislative framework defined by the 2014 Directives on public procurement,<sup>309</sup> and the Regulation on the European Single Procurement Document.<sup>310</sup> Barcelona has its own sustainable public procurement plan;<sup>311</sup> Manchester made USD 85 million in efficiency savings and created 1,500 jobs;<sup>312</sup> Lublin has fostered the participation of local companies in their tenders;<sup>313</sup> and Koszalin has embedded knowledge around non-price criteria into their procurement processes.<sup>314</sup>

Fostering **public participation, engagement and commitment** is one of the most important pillars of good local governance that goes beyond responding to citizens' queries. It involves citizen and stakeholder co-creation of the territories through participative sessions (as in Rome,<sup>315</sup> or Hamburg<sup>316</sup>). These can be live, online or a combination of both in a bottom-up approach. Participatory planning (Ostrava,<sup>317</sup> Korneuburg<sup>318</sup>), and participatory budgeting (Tartu<sup>319</sup>), are more and more becoming an essential tool to adapt LRG decisions to citizens' needs (including, for

example, the needs of children, as in Esplugues de Llobregat).<sup>320</sup> Local governments even become experimental laboratories to test new strategies, approaches and services (Helsinki<sup>321</sup>). Meanwhile local stakeholders, together with the public administration, co-manage the common goods (as is the case for 189 Italian local governments, e.g. Bologna or Trento, which have adopted specific regulations with the support of the NGO Labsus adapted to each territory's needs).<sup>322</sup>

While many examples of best practice can be seen in the EU, for the Western Balkan LRGs, reform of the public administration and the strengthening of governance is still urgently needed – in fact, the EU has said that for these countries joining the EU will be contingent on reform. To achieve fully digitalized and modernized LRGs in Europe, supplementary coordination efforts between all tiers of government will be necessary,<sup>323</sup> as acknowledged by the EU eGovernment Action Plan 2016-2020.<sup>324</sup> Nonetheless, this is just one area where multilevel coordination is pivotal to better tackling the local and regional dimension of policies and legislation.

The localization of the SDGs and strengthening the quality of local democracy via better ownership of policies by citizens requires a permanent update of the tools and mechanisms that are used to involve citizens in the decision-making process. More and more municipalities are improving their day-to-day mechanisms for citizens' participation, both online and offline, to better deliver, as well as enhance, ownership and accountability. Initiatives such as the *Barcelona decideix*, or the Consul platform,<sup>325</sup> as well as participative budgeting initiatives, are online and offline tools that allow citizens to propose actions and initiatives to be addressed by the municipalities, as well as improve city councils' consultation of citizens.

Since good governance is an essential element of the development of the territories, LRGs need still to boost new practices that continually improve the culture of public administration and management. While much has been done to date in terms of more sustainable public procurement, corruption control, digitalization of public services and an increase in citizen participation, transparency and accountability, mainstreaming these good practices in an integral way in the organization will be essential. This will allow better services for the citizenship and local stakeholders that will result in a positive impact in all spheres of sustainability: economic, social and environmental. In this sense, LRGs need to continue to foster multilevel and multi-stakeholder governance mechanisms (inter-municipal cooperation included) that allow for a more appropriate urban and territorial management, especially for those phenomena that go beyond administrative units. ☉

# 4. Conclusions

**This chapter has provided an overview of the extent to which there is a national enabling environment for SDG implementation in Europe, including the degree of LRG engagement in this process and of cooperative multilevel governance partnerships at national and European level. Most countries have set up national SDG focal points and, up to 2019, 37 have submitted VNRs to the UN. However, the extent of LRG involvement in these practices is still limited and requires improvement.**

LRG actions can accelerate SDG implementation. In Europe, LRGs have been particularly active in the localization of the 2030 Agenda, taking the lead in different areas such as climate action, social inclusion, inclusive and circular economy development, and urban and territorial governance. As the level of government closest to their citizens, they are taking measures to tackle increasing inequalities and environmental challenges, strengthening cooperation between and within territories (e.g. inter-municipal cooperation, urban-rural partnerships). Policies to combat social segregation or discrimination, and for the achievement of gender equality and higher educational, health and healthcare standards have been a priority for European LRGs. They are strengthening the involvement of civil society, business sector, social partners and academia to co-create sustainable alternatives. Many LRGs are also starting the reflection process on how to incorporate the SDGs into their decentralized cooperation, the 2030 Agenda being perceived as a means to transform and rethink long-lasting international partnerships around a common language found in the SDGs.

The chapter also stresses the important role of LRG networks and LGAs, at both the European and national level. They have been strong catalysts of the localization process, informing citizens, raising awareness, engaging their members in SDG implementation, facilitating the exchange of knowledge, information and experience, allowing for experimentation, and influencing major European political initiatives.

The engagement of LRGs varies considerably, however, between countries, and particularly between Northern and Western European countries on the one hand, and Central and

South-eastern countries on the other. Institutional frameworks, and the decentralization processes in particular, have had a direct impact on these trends. Since 1985, the European Charter of Local Self-Government has been ratified by all 47 Member States of the Council of Europe. Decentralization has been progressing in almost all countries. However, the policy response and reforms that followed the global crisis of 2008-2009 — and subsequent national austerity measures — have impacted decentralization trends to varying degrees. Consequently, while the concept of sustainability is widely accepted, the current state of fiscal autonomy of LRGs does limit their room for manoeuvre for the full realization of SDG localization efforts.

Despite restrictive budgetary policies, LRGs continue to be an important public investor (51.6% of total public investment in EU countries in 2017), and their actions are critical to comply with the SDG principle of 'leaving no one and no place behind'. However, their actions need to be facilitated by an adequate collaborative multilevel governance framework and better integrated policies at all levels: local, regional, national and European. In more decentralized countries, dialogue and collaboration between the different levels of government are embedded in the institutions as well as in practices (culture of collaboration). In those countries that are less decentralized, collaboration with LRGs, considered either insufficient or unsatisfactory, must improve. Likewise, financial support for decentralized development cooperation varies from one Member State to another, whereas international cooperation is recognized as a means to achieve the SDGs, i.e. in the case of SDG 17.

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**LRG actions need to be facilitated by an adequate collaborative multilevel governance framework and better integrated policies at local, regional, national and European levels.**

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LRG differ also in their approach with regard to monitoring and reporting. Frontrunning cities and regions that enjoy more autonomy and resources have either already established or are trying to establish various monitoring instruments. Reporting on SDG implementation from the sub-national level is key to capitalizing on results, strengthening coordination with the national level and European institutions, as well as fostering transparency and accountability towards citizens and local stakeholders.

European States and institutions are politically committed to implementing the objectives of sustainable development but rely as much on their national administrative structures as they do on decentralized governments. Countries that have strong decentralized structures tend to be at the forefront of SDG implementation, thanks to persisting multilevel governance approaches and strong commitment from their territories and cities.

Therefore, it is important that the territorial dimension is taken into account in the sustainable development strategies of the various actors concerned. In this regard, the Partnership Principle, introduced in the EU cohesion policy to ensure cooperation of the relevant actors, including LRGs, is an important element. The EU post-2020 cohesion policy should strengthen this approach, ensuring enhanced financing and tailored instruments for SNGs to develop and implement local and territorial strategies, share knowledge and experience and support capacity-building of local and regional administrations.<sup>326</sup>

The territorial dimension of relevant policies and their consistency with the SDGs, the compliance and complementarity of instruments and multi-source funding, include detailed measures for specific territorial challenges, provide for capacity-building, and adopt a nuanced approach to conditionality and European Territorial Cooperation. The SDGs, moreover, can also provide an overarching set of objectives to replace the current Europe 2020 goals.<sup>327</sup>

Policy alignment should not only be applied to domestic policies, but also to EU's international trade agreements and development cooperation policies. LRGs are concerned as providers of public services and purchasers of goods and services, and they are engaged in decentralized cooperation. As such, they can play a greater role in the localization processes of partnering countries. Similarly, at the national level of European countries, the process of drawing up the VNR as part of the monitoring mechanism should be able to stimulate greater local-national cooperation.

Based on these considerations, the following recommendations are inspired (extracted and adapted by the authors of this chapter) by different contributions developed by CEMR, PLATFORMA, the Committee of the Regions (CoR), the European multi-stakeholder platform

on SDGs and its sub-group on 'SDGs at local and regional level', to support the mainstreaming of the SDGs and their localization.<sup>328</sup>

- As required by the Council of the European Union, the European Parliament, the Committee of the Regions, as well as LRGs, their associations and social partners, the SDGs need to be mainstreamed in EU strategies and policies. Therefore, the European Commission should draft an EU Strategy for Sustainable Europe 2030 and an Action Plan for its implementation, 'including a territorial approach for the delivery of the SDGs'.<sup>329</sup> The SDGs should be seen as a tool and visionary compass to do things differently and focus on sustainable development with the necessary urgency.
- The Action Plan should ensure strong EU institutional commitment, encompassing all relevant policy fields, providing ambitious policy objectives and targets with clear connections to the SDGs and other global agendas. The SDGs should be the guiding objectives for the new European Parliament and new European Commission and be reflected in the work and priorities of their five-year mandate (2019-2024). This applies in particular to the future cohesion policies, including urban and rural policies, and the allocation of budgets (e.g. energy and climate, environmental, industry, external — including development — policy, research and innovation, gender equality). The EU should apply an integrated approach and transcend sectoral silos in the European Commission services.
- The overarching Strategy and Action Plan should be developed together with LRGs and civil society organizations (CSOs). SDG 17 is a key parameter for the success of the 2030 Agenda.
- Cohesion policy is the core EU investment instrument for regions and cities to implement the SDGs and the EU Urban Agenda; to ensure territorial development and policy coherence; reduce the economic, social and territorial divide; and make sure that no one and no place are left behind. More balanced regional and urban development requires that the next period of EU cohesion policy (2021-2027) and the EU Structural and Investment Funds are better aligned with the SDGs and the EU Urban Agenda, and support regions and cities to 'localize the SDGs'.
- Many LRGs networks, regions and cities have been pioneers in the localization process. Nevertheless, their involvement needs to be boosted across all of Europe. Limited LRG interest and awareness is stressed as the most important challenge to make progress. LRG organizations need support to accelerate awareness-raising efforts, facilitate learning

and regular exchange of experiences, and stimulate municipalities, cities and regions to take action to achieve the SDGs.

- Localization of the SDGs is a political process that includes empowering LRGs to take action in all stages of the SDG implementation process — in the design, shaping, implementation, monitoring, reporting and evaluation process. LRGs should not be seen as mere implementers, but as policy-makers. National and EU support with adequate policy and financing instruments are critical to promote sustainable territorial development, especially for LRGs with low capacity or severe financial constraints.
- SDG implementation requires adaptation of related policy strategies, legal and regulatory frameworks to support high but achievable ambitions, ensuring cross-scale integration and the design of mutually supportive and cohesive policies namely at European, national, and sub-national levels. This should include effective decentralization, adequate financial support and territorial development policies to foster mixed bottom-up and top-down approaches to accelerate pace and reach the targets set out in the sustainable goals in time.
- Multilevel dialogue and vertical and horizontal cooperation at all levels of governance is critical to ensure localization. The partnership principle should guide the relations between the different levels of governance – European institutions, national and sub-national governments. At European level, the concept of the Urban Agenda for the EU, fostering the cooperation between all levels of government, could inspire the governance of the future EU Strategic Agenda 2019-2024. At national level, multilevel governance mechanisms and forums need be strengthened.
- Existing efforts of LRGs and their organizations to develop knowledge-sharing, exchange of practices and experiences, technical assistance and cooperation between municipalities and regions in Europe, as well in partner countries worldwide is a lever to promote the localization of the SDGs. This should be promoted by political dialogue, adoption of the TALD approach and mainstreaming of LRGs in geographic and thematic programmes under national and EU development cooperation policies, including the post-Cotonou partnership currently being negotiated. Decentralized cooperation by LRGs has an important role to play and a specialized EU budget line for decentralized cooperation and other LRG cooperation activities with partner countries needs to be maintained and strengthened to support the localization agenda. The EU and its Member States should work more closely with LRGs, recognized as key development cooperation

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## It is critical to ensure that the territorial dimension is taken into account in the formulation of sustainable development strategies.

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players, in the joint programming process in partner countries.

- LRG involvement in the national reporting and coordination mechanisms for the implementation of the SDGs is one example of where improvements are needed (LRGs in 60% and 50% of the 37 countries that reported to the HLPF were involved in national reporting and coordination mechanisms, respectively). Limited support from national governments is perceived by LRGs to be one of the most serious problems. EU and national governments should pay more attention to engaging LRGs and other stakeholders when reporting about the SDGs, particularly for the VNRs.
- Monitoring the implementation of the SDGs calls for the development of localized indicators and disaggregating data at regional and local level. Pioneering regions and cities are making progress, but more joint efforts involving all levels of government and local partners are necessary to build adequate local monitoring systems compatible with national and European ones. Voluntary Local Reviews (VLRs) contributing to national monitoring and to the global debate, and promoting knowledge-sharing and emulation between LRGs, could be an opportunity worth pursuing.
- Partnership, participation and empowerment of civil society, private sector, social partners and academia are core values of sustainable development to co-create solutions to achieve the SDGs while striking the right balances in the inevitable trade-offs. A territorial approach is one of the levers to ensure stronger involvement of civil society, social partners, business sector and public institutions.
- To ensure multi-stakeholder dialogue at the EU level, the European multi-stakeholder platform on the SDGs should become a permanent advisory body to contribute to the development of an overarching EU Strategy for Sustainable Europe 2030, to monitor its implementation and the impact of EU policies and to share good practice and knowledge. ◉