05

Latin America and the Caribbean

Regional chapter

Mural art in Mendoza, Argentina (photo: formatbrain, bit.ly/2AWQart).

Caribbean

Latin America

Latin America

Argentina
Belize
Bolivia
Brazil
Chile
Colombia
Costa Rica
Ecuador
El Salvador
Guatemala
Guyana
Honduras
Mexico
Nicaragua
Panama
Paraguay
Peru
Suriname
Uruguay
Venezuela

Caribbean

Cuba
Dominican Republic

1. Introduction

The region of Latin America and the Caribbean has recently undergone major political transformations.[1] Significant progress has been made over the past decade in development and poverty reduction, among other indicators. But GDP growth has slowed considerably over the past four years (with negative growth in 2016) and is below the global average.[2] Several countries are affected by growing economic and social uncertainty (e.g. Argentina). Others have seen social conflict worsen to the extent that it is compromising institutional stability (e.g. Venezuela and Nicaragua).

The overall human development indicators for Latin America and the Caribbean are relatively high, behind only Europe and North America.[3] But there are considerable disparities between and within countries. Seventy million people have been lifted out of poverty in the region over the past fifteen years, but an upsurge in extreme poverty occurred in 2017. Intra-regional migration is now taking place in addition to traditional migration, particularly due to the critical situation in Venezuela and Central America.[4]

Latin America has one of the highest percentages of urban population (80.7%).[5] Urban areas have experienced significant growth in the service sector in recent decades, providing a gateway to the labour market but, at the same time, being a source of mostly low-quality employment. Urban labour in Latin America has also seen high rates of feminization, with female labour force participation in the job market rising from 50% to 66%. This level of urbanization has inevitably raised many challenges linked to access to public services, housing, social inclusion, as well as governance of large metropolises and the role of intermediary cities in often vast and under-developed territories.

Another challenge for the region is citizen's trust with their governments and institutions.[6] A recent report indicates a 'growing disconnection between citizens and the state […] illustrated mainly by a decline of trust in public institutions and an increase of citizen dissatisfaction with public services such as health and education'.[7]

In its Quadrennial Report presented at the Forum of the Countries of Latin America and the Caribbean on Sustainable Development in April 2019, UNECLAC confirms this slowdown in poverty reduction and increasing inequality in the region, and stresses concern for the increase in violence, which specifically impacts cities. It also underlines the need to improve policies to protect ecosystems, give greater priority to combatting climate change, disaster risk reduction and sustainability given the decline of progress in this area. It warns against increasing debt pressure, reductions in Official Development Assistance and geopolitical tensions in the region, stressing the need to strengthen regional integration.[8]

In addition to these social, economic and political challenges are the recurrent problems of urban and territorial governance that directly involve local and regional governments (LRGs) and that are crucial to supporting the implementation of the 2030 Agenda. Many UN agencies, moreover, have been very vocal about the growing threats to sustainability and the environment, and the dangers of leaving the global agendas' goals unmet.

The first part of this chapter provides a brief analysis of how national development strategies and the 2030 Agenda link to the reality of LRGs, especially the evolution of decentralization policies and the growing complexity and asymmetries in relationships among various levels of government. The second part of the chapter outlines the initiatives of LRGs in addressing these challenges and in contributing to the implementation of development agendas – in particular the Sustainable Development Goals (SDGs) – in their territories, as well as looking at their weaknesses. The conclusion summarises both the progress and setbacks observed in this process and puts forward several hypotheses for providing greater impetus to implementing a sustainable, inclusive development agenda in the region through territorial development strategies. ⊙

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

2.1 National frameworks for implementing SDGs and participation of local and regional governments

The 19 Voluntary National Reviews (VNRs) produced between 2016 and 2018, and the strategies promoted by most countries to integrate the SDGs reflect a strong commitment in the region to the 2030 Agenda.[9] The preparatory reports together with UNECLAC's which organizes annual regional forums in Santiago de Chile, reflect the main trends arising from the National Reviews.[10] In the region, the 2030 Agenda has an important influence on medium and long-term national development strategies and plans and on the national planning and coordination systems for implementing these strategies.[11]

Most countries have sought to integrate their pre-existing development plans with the SDGs.[12] In the case of Colombia, the process of formulating its development plan coincided with that of negotiating the 2030 Agenda, which made it easier for the country to introduce the SDGs into it (92 of the Agenda's 169 targets are included in this plan). Other countries (Ecuador and Mexico) formulated or revised their development plans after 2016. Some countries also developed specific roadmaps or strategies for the SDGs (Colombia, El Salvador, Mexico and the Dominican Republic), as well as developing territorial plans to implement the SDGs (Colombia and Ecuador).[13]

Table 1 summarizes the strategies as well as the coordination and articulation mechanisms among the various levels of government that have been reported by each country. One group of countries has set up new institutions to coordinate the 2030 Agenda (Brazil, Chile, Colombia, Costa Rica, El Salvador, Honduras, Mexico, Panama, Paraguay and the Dominican Republic). Other countries have chosen to strengthen pre-existing institutions (Argentina, Cuba, Ecuador, Guatemala, Peru, Uruguay and Venezuela). In most cases, responsibility for coordination has fallen to institutions in charge of planning or been assumed directly by the country's Presidency Office. ◉

A meeting of the Open Government Partnership, a Southern American alliance to improve government accessibility and transparency, in San José, Costa Rica (photo: Open Government Partnership, t.ly/800Gj)

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

Argentina

SDGs integrated into the official eight Government Objectives (*Objectivos de Gobierno*) published in December 2016 alongside 100 National Priorities. Initial adaptation of the SDGs to national priorities conducted by six thematic commissions (education, agriculture, housing and urban development, work and employment and social protection). Coordination: National Coordination Council of Social Policies (CNCPS), linked to the presidency, ensures coordination with 20 ministries through 6 commissions. No LRG direct participation, but representatives of Provincial Governments and Civil Society Organizations (CSOs) invited by the CNCPS president.

Bolivia

2025 Patriotic Agenda and Economic and Social Development Plan 2016-2020, linked to the SDGs. Coordination: undefined. Municipalities such as La Paz believe there is no consultation or participation.

Brazil

The SDGs aligned with the 2016-2019 Multi-year Plan of the Federal Government and Action Plan SDG Commission 2017-2019 (currently under review by the new government). Coordination: National Commission for the Sustainable Development Goals + 8 thematic chambers. Multi-stakeholder mechanism, includes representatives from the Association of State Entities of Environment (ABEMA) and the National Confederation of Municipalities (CNM) in its thematic chambers. Some states have created committees at a regional level.

Chile

The new government's initiative is based on the Governmental Programme 2018-2022, a National Agreement (with 5 sectors), a Country Commitment for the more Vulnerable and is developing a new strategy for the implementation of the 2030 Agenda. Coordination: National Council for the Implementation of the 2030 Agenda, led by the Ministry of Foreign Affairs and the Ministry of the General Secretariat of the Presidency (inter-ministerial), an Inter-sectoral Group (implementation) supported by a Technical Secretarial, an Advisory Group, a Group on Indicators and three commissions (economic, social, and environment indicators), creation of a National Network for the 2030 Agenda. Non-direct participation of the Association of Chilean Municipalities in this mechanism.

Colombia

Many of the SDGs were aligned with the National Plan of Development 2014-2018 and 2018-2022, as well as in Territorial Development Plans 2016-2019; adoption of a roadmap in March 2018 by the Council for Economic and Social Policies (CONPES), 'Strategy for the Implementation of the SDGs in Colombia'. Coordination: *Comisión Interinstitucional de Alto Nivel para el Alistamiento y la Efectiva Implementación de la Agenda de Desarrollo Post 2015 y sus Objetivos de Desarrollo Sostenible* (ODS), also known as SDG Committee, chaired by the National Planning Department, with representatives from the presidency and ministries (created in February 2015) and technical committee. Multi-stakeholder participation in five working groups. The territories working group includes representatives from local governments but not from the local government associations.

Costa Rica

National Development Plan 2015-2018 promoted a National Pact for the SDGs (*Pacto Nacional por el Cumplimiento de los Objectivos de Desarrollo Sostenible*), including all levels of government, private sector and civil society. Coordination: High Level Council for the SDGs, chaired by the presidency, technical secretariat (led by Ministry of Planning) and technical committee/working groups. The Union of Local Governments of Costa Rica (UNGL) participates in the technical committee.

Cuba

The SDGs aligned with the National Economic and Social Development Plan (NESDP), approved in May 2017. Coordination: National Group for the implementation of the 2030 Agenda, led by the Ministry of Economy and Planning. Provincial and local governments should align their plans with the NESDP and the SDGs.

Dominican Republic

National Development Strategy 2012-2030 (*Estrategia Nacional de Desarrollo*, or END) and National Multi-Year Plan for the Public Sector 2017- 2020 (*Plan Nacional Plurianual del Sector Público*, or PNPSP). Coordination: High-Level Inter-institutional Commission for Sustainable Development (*Comisión Interinstitucional de Alto Nivel para el Desarrollo Sostenible*, or CDS), coordinated by Ministry of Economy, Planning and Development, including four sub-committees aligned with 5 Ps. The Local Government Association (LGA), FEDOMU, participates in the high-level committee and committees on institutions.

Ecuador

National Development Plan 2017-2021 ('*Toda una Vida', Plan Nacional de Desarrollo*) aligned with the SDGs (149 targets), including a National Territorial Strategy. The president adopted the 2030 Agenda as a public policy (Executive Decree No. 371, April 2018). Coordination: National Secretariat of Planning and Development (SENPLADES), in collaboration with the Ministry of Foreign Affairs and Human Mobility. Parliament adopted the SDGs as a benchmark for its work. Local governments are consulted for VNRs but are not associated with coordination mechanism.

El Salvador

Government's Five-Year National Development Plan 2014-2019 (PQD 2015) should be reviewed by the new government. Coordination: Office of the President of the Republic, with technical coordination ensured by Technical and Planning Secretariat Office (SETEPLAN) and Ministry of Foreign Affairs. There is also an Intergovernmental Panel on Implementation (with representation from state institutions) and consultative mechanisms: National Council for the SDGs. No mention of local government participation.

Guatemala

The SDGs aligned with the *Plan Nacional de Desarrollo K'atun Nuestra Guatemala 2032* (PND 2032) through *Estructura de la estrategia de implementación de las prioridades de desarrollo*, in which various actions are detailed and 129 targets and 200 of the SDG indicators are prioritized. The prioritized actions were included in the budget (*Política general de gobierno 2016-2020*). Local governments should integrate the SDGs in their municipal development plans (PMD-OT). Coordination: National Council of Urban and Rural Development (CONADUR), chaired by the president; SEGEPLAN ensures implementation; technical mechanisms: Commission for Alignment, Follow-up and Evaluation of the PND 2032, a multi-stakeholder mechanism with the participation of one mayor. LGAs are not represented.

Honduras

National Agenda of the SDGs (AN-ODS) sets out the foundation for implementation of the 2030 Agenda, National Plan (2010-2022) and 2014-2018 Government Strategic Plan. Coordination: General Government Coordination Secretariat (SCGG), a High-Level Commission was established to define SDG strategies (multi-stakeholder mechanism) and a Technical Commission for thematic advice. Local governments participate in High Level Commission.

Mexico

National Strategy for the Implementation of the 2030 and National Development Plan 2018-2024. Planning Law amended in 2018 to incorporate SDGs priorities. Coordination: National Council for the 2030 Agenda, chaired by the president's office, National Strategy Committee (intergovernmental, coordination and follow up), Committee for Monitoring and Evaluation, four sectoral working groups, Specialized Technical Committee for the SDGs (governmental bodies), National Governors' Conference of Federated States (CONAGO) and National Conference of the Associations of Municipalities of Mexico (CONAMM), participating in the National Strategy Committee. The National Institute of Statistics and Geography (INEGI) is in charge of the information system created for the SDGs.

Nicaragua

No data.

Panama

Panamá 2030 State Vision for the national alignment and implementation of the 2030 Agenda and review of Strategic Government Plan (PEG) 2015-2019 and sectoral plans to reflect the SDGs. Coordination: Multisectoral Commission of the Social Affairs Cabinet and Inter-institutional and Civil Society Commission for the Support and Review of the SDGs (multi-stakeholder). VNR acknowledges decentralization and the role of local governments, but they are not clearly mentioned as part of national coordination mechanisms.

Paraguay

Paraguay 2030 National Development Plan (*Plan Nacional de Desarrollo, or PND 2030*) is the overarching strategic document. Coordination: ODS Paraguay 2030 Commission (*Comisión ODS Paraguay 2030*), inter-institutional mechanism coordinated by the Ministry of Foreign Affairs and supported by the Operations Secretariat and Technical Implementation Committee (for monitoring). No local government participation, albeit local participation is one of the goals of the PND 2030.

Peru

Strategic Plan for National Development (NSDP) 2016-2021 and 2022-2030. Coordination: Intersectoral Commission for Monitoring of the 2030 Agenda (coordination), National Centre for Strategic Planning (CEPLAN) focal point, National Agreement Forum and Round Table to Fight against Poverty (MCLCP) (multi-stakeholder spaces for dialogue). Regional and local authorities participate in a high- level mechanism for dialogue (GORE for Regional Governors and Muni-Ejecutivo for municipalities). They have signed the Governance Agreement for Comprehensive Human Development 2016-2021, an agreement to uphold the goals and targets of the SDGs drafted in collaboration with civil society.

Uruguay

Alignment of the SDGs with sectoral policies. Integration of the SDGs into long-term development plan (Uruguay Vision 2050). Coordination: Office of Planning and Budget (OPP) of the Presidency of Uruguay, Uruguayan Agency for International Cooperation (AUCI) and National Statistical Institute (for indicators). Local governments are not associated with the coordination mechanism. The VNR 2019 introduces a Strategy for the Localization of the SDG's between OPP and LGRs (not through their associations).

Venezuela

National Development Plan 2013-2019 aligned with the 2030 Agenda. Coordination: Council of Vice-Presidents (cross-sectoral and cross-cutting aspect of development policies), Executive Vice-Presidency of the Republic through the National Council of Human Rights also monitors the implementation and Ministry of People's Power for Foreign Affairs accompanies the coordination. No local government participation.

Latin America and the Caribbean

Sources: UNDESA (2018 and 2019), 'Compendium of National Institutional Arrangements for the SDGs'; VNRs; UNECLAC, 'Annual report on regional progress and challenges in relation to the 2030 Agenda in Latin America and the Caribbean'; UCLG surveys and inputs from Local Government Associations (LGAs).

Box 1

Recognizing local progress in VNRs

The 2017 Brazil Review acknowledges the role played by the National Confederation of Municipalities (CNM) and the Brazilian Association of Municipalities (ABM) in implementing the Agenda, as well as several municipalities and states. It highlights the alignment of the SDGs with local planning and the adoption of new laws and decrees (Barcarena), the creation of working groups (Paraná, São Paulo and Federal District), the development of indicators (Paraíba) and the creation of awards to raise public awareness (Rio de Janeiro). In the case of Costa Rica, efforts on the part of municipalities to implement the SDGs through pilot projects are also mentioned. In Brazil, Costa Rica and the Dominican Republic, the inclusion of LRGs in High Level or Presidential Commissions, either at a council level or in technical committees, should be highlighted.

The 2018 Mexico Review notes the 'importance of localizing the 2030 Agenda' and the essential nature of 'having a sub-national vision', with disaggregated data and identifying areas of opportunity at federal and municipal levels.[16] The National Conference of Governors and National Conference of Associations of Mexican Municipalities have a voice but not a vote on the National Council of the 2030 Agenda, and participate with full rights in the National Strategy Committee. The National Institute for Federalism and Municipal Development (INAFED) promotes the implementation of the 2030 Agenda at a municipal level.

Colombia deserves particular mention for the efforts it has made in its reviews to advance the process of aligning the SDGs with departmental and municipal plans. But the Federation of Colombian Municipalities and some municipalities (Medellín) have indicated a lack of consultation in the process, whilst others were consulted (Bogotá).

Uruguay has devoted a special space to local government actions in the localization of the SDGs in its VNR in 2018 and in a national report 2019 (not presented to the UN), dedicated a full section to the 'Strategy for the Localization of the SDGs'. The report presents the methodology and the evolution of the alignment between the SDGs and local plans in six local governments (departments), as well as the programmes developed by the national government to support the process.[17]

Guatemala has recently launched a consultation process with its municipalities to prepare its VNR 2019. A total of 152 municipalities responded out of 340. This consultation highlights the level of appropriation of the country's National Development Plan by the municipalities, and the progress made in its implementation.

Source: VNRs 2016, 2017, 2018 and 2019 and UCLG Surveys.

There is still limited involvement of LRGs in the processes of preparing the VNRs and in the coordination mechanisms for implementing and follow-up of the SDGs. In several countries, they were directly consulted and included in the process of preparing the VNRs (Brazil, Costa Rica, Honduras and the Dominican Republic) (see Box 1). Consultation was more partial in other countries (mainly state governments in Mexico). In these countries, consultations tended to be direct and systematic (meetings, questionnaires and workshops). In other countries, consultation was more ad hoc, partial or indirect: questionnaires (Guatemala), national multi-stakeholder workshops (Colombia) or regional workshops (Ecuador, Peru and Uruguay). In terms of VNRs, some countries (Argentina, Brazil, Colombia, Costa Rica, Ecuador, Honduras, Mexico, Paraguay and Uruguay) include a specific heading on, or a reasonable number of references to, local governments, highlighting the importance of the localization of the 2030 Agenda. Finally, although the VNRs indicate that consultation with local governments has taken place, the organizations representing local governments note that in some cases the consultation did not directly include them (Argentina, Bolivia, Chile, Colombia, El Salvador and Paraguay).[14]

LRGs have also been included in high-level mechanisms to coordinate the implementation of the SDGs or have been consulted by them in Brazil, Costa Rica, Honduras, Mexico and the Dominican Republic (see Section 2.3 below for further details). Regional governments in Peru are mentioned as part of the national strategy consultation process and are involved through territorial coordination mechanisms. Similar mechanisms are planned at a municipal level.[15] Local elected officials in Colombia and Guatemala were invited to working committees (without consultation of representative associations in the case of Colombia). But their impact is generally still limited (see Box 1). ⊚

2.2 Democracy and decentralization in Latin America: status of LRGs

Decentralization processes in Latin America began in the 1980s and 1990s as part of 'structural reform' policies. They were often part of larger democratization efforts (Argentina, Bolivia, Brazil, Chile, Mexico, Paraguay and the Dominican Republic), peace processes in Central America (Nicaragua, Guatemala, Honduras and El Salvador) or a strategy to regain control of territory in the face of internal conflicts (Colombia and Peru). Decentralization processes are more limited in Costa Rica and even more so in Panama; their purpose is to modernize the administration, extend the role of LRGs in providing public services and create spaces for participation.

The previous GOLD reports provide evidence that decentralization in Latin America has made significant progress.[18] However, it has not been a linear or homogeneous process. One of the most significant outcomes has been that local authorities in almost all countries in the region are currently democratically elected, principally at the municipal level and, to a lesser extent, at the level of intermediary governments (departments, provinces and regions). Participation and interaction spaces for citizens have also increased, in some cases giving rise to internationally recognized processes (e.g. participatory planning and budgeting, open councils, referendums, etc.). The past decade has witnessed new experiences in the region that have progressively transformed territorial governance.

A decade of changes in territorial governance

Since the 1980s, states in the region have undergone profound changes in managing their territories.[19] More than 14 countries have adopted significant reforms in local administration over the past decade, making steady progress but also experiencing some setbacks.

Brazil and **Colombia** are the two countries in the region showing the greatest progress in decentralization. Between 2000 and 2010, **Brazil** constructed a decentralization and development model that gained international recognition, thanks to innovative social policies that strengthened the role of local governments. Federated states and municipalities were recognised as autonomous governments with similar statutes in the 1988 Constitution. In 2001, the Law on the Statute of Cities consolidated the laws and mechanisms for managing urban development — in particular land use — explicitly recognizing the right to housing and to a sustainable city, as well as new spaces for citizen participation. The creation of the Ministry of Cities (2003) and national consultation mechanisms (National Conference of Cities and National Council of Cities) were accompanied by extended legislation — for example, the law of environmental sanitation and inter-municipal public consortium (2005) and new housing policies such as *Minha Casa* and *Minha Vida* (2009). In 2015, the Metropolis Statute (Law 13089) was adopted, which promoted the creation and management of metropolitan areas (78 areas in 2018). A process of reviewing these policies has begun over the last few years (see Section 2.3 below).

Colombia provides another important example of progress in decentralization in the region. Its decentralization process began in 1986. The 1991 Constitution integrated the principles of self-government for local governments. Mayors and governors at departmental level were elected and invested with competences in different areas — urban and territorial development, basic services, including health and education — and with relative autonomy in resource management.[20] The process was relaunched in 2011 with the Organic Law on Territorial Organization (LOOT) and reform of the General System of Royalties (SGR), the aim of which was to improve the redistribution of resources between territories (equalization). In 2013, the Law of Metropolitan Areas was adopted (10 areas are currently recognized). Support given to local levels can also be found in the peace agreements signed in 2017: development plans with a territorial approach were promoted as mechanisms for participation in 170 municipalities. Nonetheless, the decentralization process has some unresolved issues, including the need for improved articulation between various levels of government, financing and strengthening the capacities of local governments.

The process in **Bolivia** is worth mentioning because of its originality. Beginning with its decentralization laws of 1994, in 2009 it adopted a new Political Constitution that defined the country as a 'Unitary Social State of Plurinational,

Community-Based Law: free, independent, sovereign, democratic, intercultural, decentralized and with autonomies'.[21] In 2010, its Framework Law of Autonomies and Decentralization adapted the legal framework to this new Constitution and established four types of autonomies: Departmental, Provincial, Municipal and Indigenous Native Peasant Peoples, each with its own competence, financial regime and elected authorities. The autonomy of Indigenous Native Peasant Peoples belongs to a new type of territorial organization that connects the ancestral model of government of indigenous communities with state regulations. The Ministry of Autonomies was also created to lead the process (becoming a Vice Ministry in 2016). The Framework Law establishes the distribution of competences and the financial regime, which shifts the redistribution of resources from the natural wealth of each territory (mining, gas and oil), as regulated through a fiscal pact between the central government and decentralized entities. In 2014, Law 482 on Autonomous Municipal Governments was passed, establishing the regulatory framework for the organizational structure and functioning of local governments, as was Law 533 on the creation of the metropolitan area of Kanata (Cochabamba). But progress in gaining local autonomy has been slow since the approval of this new Constitution. The central governments' control over municipalities has increased, whilst local financing has reduced.

Since the approval of its 2008 Constitution, **Ecuador** has also been committed to extending the decentralization process. Decentralized autonomous governments are divided into provinces, municipalities, rural parishes and a special regime territory (Galapagos). The creation of metropolitan districts and inter-municipal cooperation mechanisms or consortiums is also envisaged. The government created a national consultation mechanism, the National Council of Competences, a body tasked with steering the implementation of the decentralization process. The Council ensures compliance with the Organic Code on Territorial Organization, Autonomy and Decentralization (COOTAD) established by the National System of Competences, which outlines a process of progressive transfer of responsibilities based on commitments. A National Decentralization Plan 2012-2015 and Strategy for the Implementation of Decentralization 2017-2021 were subsequently adopted. The government is also promoting the creation of deconcentrated operational agencies in territories as part of a new management model, to ensure responsibilities are shared between central and LRGs. In practice, many sources of tension remain between various government levels and in particular between provinces, municipalities and parishes over the distribution of competences and resources,

against a backdrop of a decline in the availability of public financial resources.

Following a different model in 2002, **Peru** integrated the concept of decentralization into its constitutional reform law and adopted its Basic Law of Decentralization, accompanied by several packages of laws between 2002 and 2004. These created two sub-national levels of government: the regions (to replace the departments and the provinces) and the municipal districts. With some exceptions, the process of constituting the new regions did not advance as expected. The departments assumed the role of the regions and were provided with Regional and Local Coordination Councils which involved the participation of civil society. Regional and municipal governments increased their resources by 143% and 183% respectively between 2005 and 2013.[22] Contrary to expectations, the transfer of competences was not conducted in an orderly, progressive manner (through an accreditation system), which led to conflicts in the distribution of responsibilities. In order to improve inter-institutional coordination between the various levels of government, a National Decentralization Council was envisaged, later replaced by a Decentralization Secretariat. In March 2017, the government created a new structure to manage dialogue and coordination with LRGs at the level of the Prime Minister's Cabinet.

The federal countries of **Mexico** and **Argentina** are generally considered to be 'decentralized'. Here, states or provinces assume broad responsibilities and have substantial resources, but progress in decentralization processes at a municipal level in both countries is limited (although municipal autonomy is recognized in the Mexican Constitution and has a long tradition in Argentina). As seen below ('LRG financing determines transformations'), while states and provinces account for almost 40% of public expenditure and revenues in relation to general government expenditure, these ratios are below 10% at the municipal level. Fiscal reforms in **Mexico** have strengthened fiscal powers, mainly at state level (2007, 2013 and finally in 2014-2015 as a result of the Mexico Pact), while the 2014 reform allowed the re-election of municipal mayors (which had previously been limited to three years without re-election) which meant they could renew their mandate. But the greatest progress in decentralization in recent years has been the transformation of the federal district into an autonomous government. In 2017, Mexico City adopted its Political Constitution and created 16 municipalities (*alcaldías*, formerly delegations with no powers of their own) and constituted the first Congress of Mexico City. These reforms, a strong reliance on sub-national levels of federal government resources remains. In **Argentina**, there is persistent debate on recentralization versus decentralization policies. Eleven provinces have
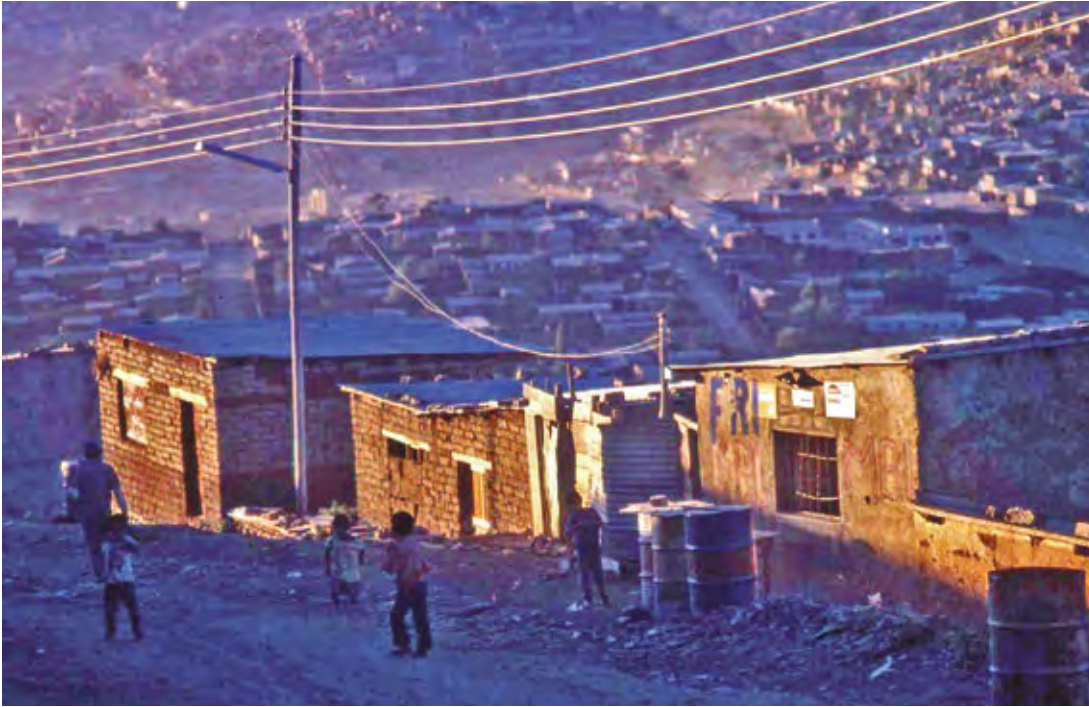
Cerro Verde, Cochabamba, Bolivia (photo: Patrick Henry, bit.ly/2LYOLHs).

implemented constitutional reforms that affect their municipalities. The Federal Solidarity Fund, known as *'Fondo Sojero'*, created by the national government in 2009 with redistributive goals to improve health, education, hospitals, housing and road infrastructure in urban and rural areas, was an important mechanism to promote decentralization. But the Fund was abolished in 2018 by the National Decree of Necessity and Urgency in order to comply with the deficit reduction goal agreed with the IMF. It was replaced with a Financial Assistance Programme for Provinces and Municipalities as part of ongoing fiscal consolidation, with the condition that 50% of the transferred amount should be diverted to municipalities.

Decentralization in the remaining three Southern Cone countries, **Chile**, **Paraguay** and **Uruguay**, is more limited. **Chile** has made some progress, with the election of regional councils in its 16 regions (2013), although direct election of the executive (regional governors) will only take place in 2020 – currently they are appointed by the central government. Municipalities have limited powers and resources. The Decentralization Agenda proposed by the Presidential Advisory Commission for Decentralization and Regional Development (2014-2018) has not made any significant progress; in fact, it has actually led to recentralization in certain areas (e.g. education). The autonomy of municipalities and departments in **Paraguay** is recognized in legislation, but departmental governors act mainly as representatives of the central government in the territories. Progress towards decentralization has been slow and coordination with departments minimal, whereas the central government has

increased its control. **Uruguay** created 112 municipalities that coexist (and share financial resources) with 19 pre-existing departmental governments through two laws passed in 2009 and 2015. But not all the country's territory has been municipalized; a greater devolution of competences, financing and better coordination with departmental governments is expected.

Municipal authorities are elected in all countries of the region of Central America and the Caribbean (**Costa Rica**, **El Salvador**, **Guatemala, Honduras**, **Panama**, **Nicaragua** and the **Dominican Republic**), but the area is characterized by slow decentralization processes and municipal governments with limited resources (see below 'LRGs financing determines transformations'). **Guatemala** and **Nicaragua** stand out, as their municipalities have the greatest competences and resources of the sub-region. **Nicaragua**'s decentralization process began in the late 1980s and its legal framework was reviewed in 2003 and 2013. The current political crisis, however, has severely affected the degree of local autonomy. The role of mayors in **Costa Rica** was strengthened in 1998 by direct elections (they had previously been appointed by municipal councils) and recent reforms have increased their powers and resources in principle (Law 8801/2010 and Law 9329/2015). Territorial development and land-use laws (2011) in **El Salvador** have promoted local planning and the creation of a National Council for Territorial Development (2017). The review of the municipal code (2015) has extended local responsibilities. In 2017, the government in **Guatemala** introduced the National Agenda for Decentralization 2032 to relaunch the

implementation of the Decentralization Law approved in 2002. **Honduras** adopted a National Policy on Decentralization and Local Development in 2012, followed by a Decentralization Law in 2016. But in practice there was a recentralization of resources between 2005 and 2015 (from 3.7% of GDP in 2005 to 2% in 2015 for local expenditures). The law on the decentralization of public administration and its reform was approved in **Panama** in 2009 and updated in 2015, but the limited capacity and resources of municipalities make it difficult for them to assume these new responsibilities. The **Dominican Republic** began a process of strengthening its municipalities in the 1990s, revising its legal framework in 2007 and it is now currently debating a law on 'local administration and territorial system'. During the first decade of the 2000s, most countries in the region made commitments to increase transfers progressively from between 8% (El Salvador), 10% (Costa Rica) and 20% (Guatemala) of the national budget, but this commitment has generally not been met. **Cuba** has also been moving towards decentralization since 2016 by adopting new economic and social policy guidelines, as well as recent constitutional reforms.

As illustrated in this summary, decentralization and the reform of territorial governance have continued to remain on the regional agenda, but progress has been uneven and in many cases slow and contradictory. The evolution of territorial organization, distribution of competences and financing of LRGs are analyzed below.

Fewer changes in territorial organization

Table 2 provides a summary of the territorial organization of countries in Latin America and the Caribbean.

The table shows that the three federal countries in the region (Argentina, Brazil and Mexico) have two levels of sub-national governments — states and municipalities — while the differences between the unitary countries is greater. Five Central American countries (Costa Rica, El Salvador, Guatemala, Honduras and the Dominican Republic) have only one level of sub-national government: municipal. Six South American countries (Chile, Colombia, Ecuador,

Paraguay, Peru and Uruguay) have two levels of sub-national government, with two special features: in the case of Uruguay, most of the territory is not municipalized but has departments (intermediary level); while in the case of Chile, the intermediary level authorities — regions — have an elected council, but their executive (the current regional governor) is still appointed by the central government (and will be elected for the first time in 2020). Two countries (Bolivia and Nicaragua) have three levels of sub-national government, with a special feature in the case of Bolivia which has two types of autonomies at a local level, and a small part of the country with a second intermediary level (indigenous autonomies).

Most countries have slightly increased the number of sub-national governments over the past decade — especially at a municipal level (Argentina, Bolivia, Brazil, Colombia, the Dominican Republic, Ecuador, Guatemala, Mexico, Panama, Paraguay and Uruguay) and at an intermediary level in two federal countries (Argentina and Brazil) and three unitary countries (Colombia, Ecuador and Paraguay). Only Peru has reduced its number of municipalities (from 2,070 to 1,866, maintaining the distinction between provincial and district municipalities), while at the same time strengthening the role of the regions. Four countries (Chile, Costa Rica, El Salvador and Honduras) have seen little change over the past ten years.

In several countries, there exist intermediary subdivisions or subdivisions below municipalities, which are often in charge of territorial administration, but these do not constitute autonomous governments (e.g. provinces and districts in Costa Rica, departments in El Salvador, regions and districts in Guatemala, departments in Honduras, and districts and townships in Panama). Rural and urban parishes (totalling 1,194) are recognized in Ecuador's Constitution as local authorities, although they are dependent on municipalities. The same is true of districts in the Dominican Republic, of which there are 234. Many countries continue to debate both the structure and relevant size that municipalities need to be to assume their responsibilities, generate greater economies of scale and guarantee their financing.

As mentioned earlier, reforms have been promoted in recent years to create or strengthen metropolitan areas by providing them with a common authority or metropolitan management system (in Brazil, Bolivia, Colombia, Costa Rica, Ecuador, and El Salvador). Despite these advances, the management of metropolitan areas (which account for 45% of the urban population in the region) remains a priority in terms of resolving issues such as institutional fragmentation, ensuring sufficient investment and responding to any externalities and spillover issues that arise.

Decentralization and the reform of territorial governance have continued to remain on the regional agenda, but progress has been uneven and in many cases slow and contradictory.

Table 2 Territorial organization and number of LRGs in Latin America and the Caribbean

2018	Government System	Sub-national Governments Levels	Total of LRGs	1st Level	2nd Level	3rd Level
	Form of State			Municipalities	Department/ Provinces/ Regions	Federal States/ Provinces/ Regions
Argentina	Republic Federal State	2	2301	2277		24
Bolivia	Republic Unitary State	3	352	339+3 (Indigenous Autonomies)	9	
Brazil	Republic Federal State	2	5597	5570		27
Chile	Republic Unitary State	2	361	345	16	
Colombia	Republic Unitary State	2	1134	1101	33	
Costa Rica	Republic Unitary State	1	82	82		
Cuba	Republic Unitary State	2	176	160	16	
Dominican Republic	Republic Unitary State	1	159	159		
Ecuador	Republic Unitary State	2	245	221	24	
El Salvador	Republic Unitary State	1	262	262		
Guatemala	Republic Unitary State	1	340	340		
Honduras	Republic Unitary State	1	298	298		
Mexico	Republic Federal State	2	2511	2479		32
Nicaragua	Republic Unitary State	3	155	153	2	
Panama	Republic Unitary State	1	77	77		
Paraguay	Republic Unitary State	2	272	254	18	
Peru	Republic Unitary State	2	1893	1867	26	
Uruguay	Republic Unitary State	2	131	112	19	
Venezuela	Republic Federal State	2	358	335		24

Source: OECD-UCLG (2019), World Observatory of Sub-National Government Finance and Investment.

Changes in competences of LRGs

LRGs in the region show variations between countries and municipalities in terms of responsibility and functions. The activities of municipal governments generally include the management of basic services (water and sewerage, waste management, and participation in health and education, including school infrastructure); urban development and infrastructure management (urbanism, urban planning and construction standards, public facilities and spaces, parks, public lighting, cemeteries and, in some countries, social housing); economic promotion (local development plans, markets, road maintenance, local transport regulation, tourism); social and cultural services (culture, libraries, sports facilities); and the promotion of local democracy (citizen participation).

Regional governments also have powers and responsibilities in these areas, in addition to other fields such as planning and promotion of regional development (land-use zoning, land-use planning, environmental protection); education (at all three levels); health (from prevention to hospitals); services and infrastructure; economic development (promotion of economic activities, employment, energy, transport and roads, tourism); and social and cultural development and protection (protection of indigenous populations, citizen security). Similarly, LRGs participate in national programmes on health, environment and social protection, amongst others. The information gathered is consistent with the Inter-American Development Bank (IDB)'s analysis of an incremental participation of LRGs in the region in providing public goods and services that are 'crucial for development and social protection'.[23]

It should be noted that the distribution and share of powers for specific functions between the various government levels is not always clear. In practice, the delivery and quality of services do not always correspond to the legal framework. Certain competences may be assumed de facto by the central government or intermediary governments, either directly or through specialized companies or agencies (e.g. Chile, Paraguay and in Brazil for certain services such as water and sanitation or road maintenance). The abundance of shared, concurrent and delegated competences within countries, especially with

respect to major sustainable development issues, reinforces the need for effective coordination.

Significant efforts are needed in most countries to clarify 'who does what' and to define appropriately what resources are required for each function in the relevant field, with the aim of building local autonomy while also fostering innovation and diversification. The latter can be viewed as both a challenge and an opportunity in the light of the 2030 Agenda — and sustainable development in general. As will be seen below, it is necessary to strengthen multilevel articulation mechanisms in the case of the SDGs to ensure the coherence and effectiveness of local policies.

Local and regional government financing determines transformations

LRGs in Latin America and the Caribbean represent 19.3% and 22.7% of general national government expenditures and revenues respectively.[24] According to the IDB, 'The proportion of sub-national governments in consolidated public spending in the countries of the region almost doubled between 1985 and 2010, from 13% to 25%'.[25] But looked at relative to GDP, it represents only 6.3% and 6.2% in terms of expenditures and incomes — less than half that in OECD countries (16.2% and 15.9% respectively). Figure 1 shows the ratio between sub-national government expenditures and revenues as a percentage of general government expenditure and GDP for 16 countries in Latin America and the Caribbean.

As in other continents, there is a clear gap between federal countries (Argentina, Brazil and Mexico) and unitary countries. The former mobilize 16.1% and 16% of national GDP for expenditures and revenues respectively (43% and 52% of general national government expenditures and revenues), whilst the latter represent only 4.2% of GDP for both expenditures and revenues (14.2% and 16% of general national government expenditures and revenues). However, municipal expenditures and revenues in Argentina and Mexico represent only 1.9% and 2% of GDP respectively, highlighting the limits of decentralization at the municipal level in these two countries (while federated states concentrate 16% and 13% of GDP in Argentina, for expenditures and revenues respectively, and 10% of GDP for both revenues and expenditures in Mexico). Only in Brazil is participation in total government expenditures and revenues at both levels more balanced, because the constitution accords similar status to states and municipalities. States ensure 10% and 12% of GDP for expenditures and revenues, while municipalities participate with 8.2% and 8.7% of GDP respectively, demonstrating a more advanced process of fiscal decentralization.

The four unitary countries identified in the previous section as more advanced in the
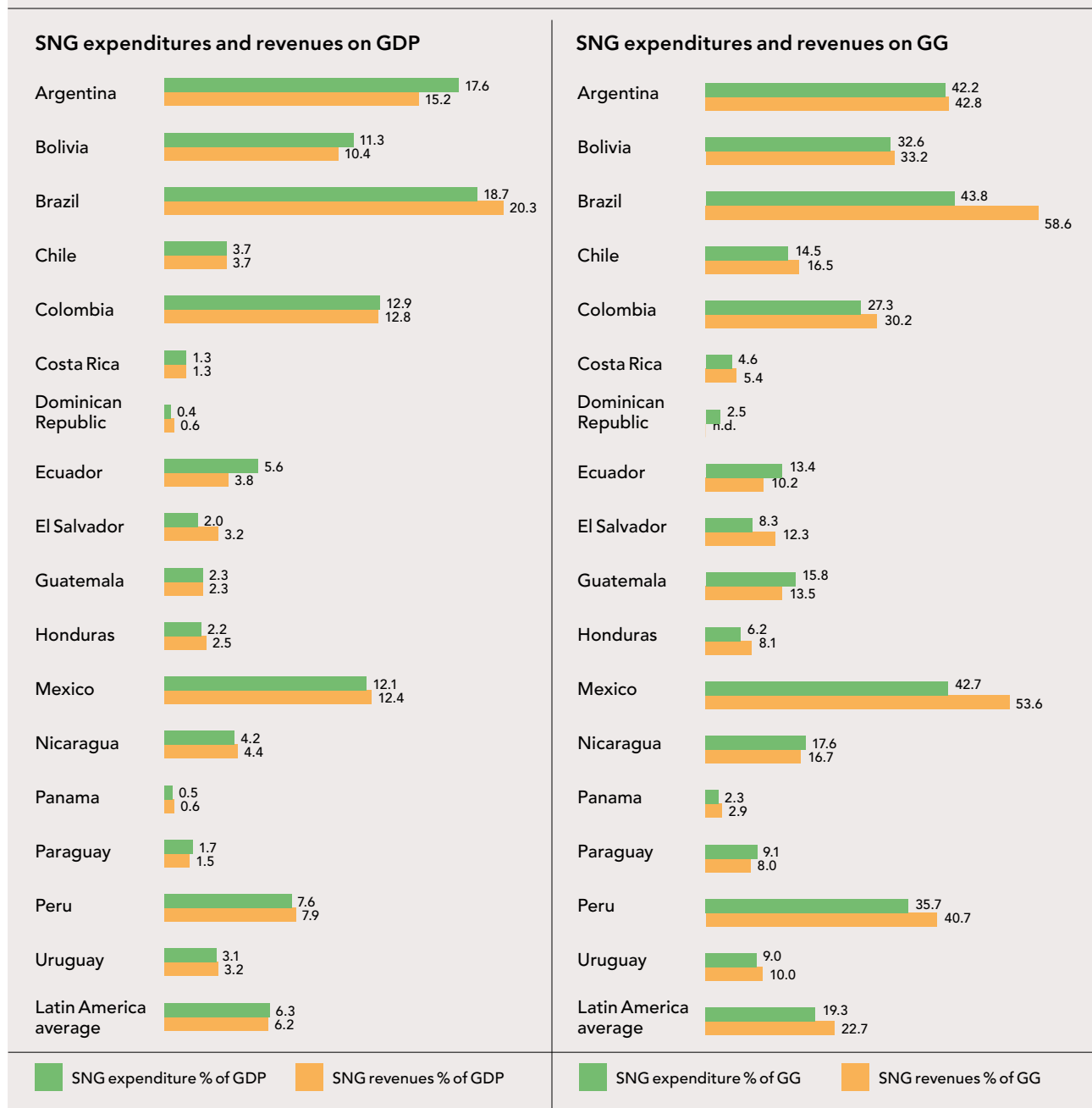
The abundance of shared, concurrent and delegated competences within countries reinforces the need for effective coordination.

process of decentralization (Colombia, Bolivia, Peru and Ecuador) show higher percentages of local government revenues and expenditures compared to the Latin American average. Local expenditures and revenues represent between 12.9% and 12.8% of national GDP respectively in Colombia, and up to 5.6% and 3.8% in Ecuador respectively. Nicaragua is very close to the regional average (4.3% and 4.4% of GDP for expenditures and revenues respectively).[26]

All other countries are below the Latin American average. Overall, local expenditures and revenues in Central American and Caribbean countries, where fiscal decentralization is particularly limited, represent 2.1% and 2.2% of GDP respectively (9.3% and 10.9% of the total public budget). In South America, the two countries at the bottom of the list are Paraguay (1.3% and 1.1% respectively) and Uruguay (3.1% and 3.2% respectively).

Figure 1

Sub-national government expenditures and revenues, as a % of general government expenditures and revenues, and as a % of GDP, by country, in Latin America and the Caribbean

SNG expenditures and revenues on GDP

Country	SNG expenditure % of GDP	SNG revenues % of GDP
Argentina	17.6	15.2
Bolivia	11.3	10.4
Brazil	18.7	20.3
Chile	3.7	3.7
Colombia	12.9	12.8
Costa Rica	1.3	1.3
Dominican Republic	0.4	0.6
Ecuador	5.6	3.8
El Salvador	2.0	3.2
Guatemala	2.3	2.3
Honduras	2.2	2.5
Mexico	12.1	12.4
Nicaragua	4.2	4.4
Panama	0.5	0.6
Paraguay	1.7	1.5
Peru	7.6	7.9
Uruguay	3.1	3.2
Latin America average	6.3	6.2

SNG expenditures and revenues on GG

Country	SNG expenditure % of GG	SNG revenues % of GG
Argentina	42.2	42.8
Bolivia	32.6	33.2
Brazil	43.8	58.6
Chile	14.5	16.5
Colombia	27.3	30.2
Costa Rica	4.6	5.4
Dominican Republic	2.5	n.d.
Ecuador	13.4	10.2
El Salvador	8.3	12.3
Guatemala	15.8	13.5
Honduras	6.2	8.1
Mexico	42.7	53.6
Nicaragua	17.6	16.7
Panama	2.3	2.9
Paraguay	9.1	8.0
Peru	35.7	40.7
Uruguay	9.0	10.0
Latin America average	19.3	22.7

Although the participation of LRGs in general government expenditure has increased in Latin America and the Caribbean in recent decades, the autonomy of sub-national governments to manage their resources may be limited in practice by continued central government controls, limitations in local capacities and the predominance of transfers over own revenue, especially when transfers are conditional — as is the case in many countries.

Own revenue of LRGs in the region represents on average 48% of their budgets, while the OECD average is 63%. In Brazil, Colombia, Honduras, El Salvador and Nicaragua the own revenue of LRGs represents between 49% and 60% of budgets, derived mostly from taxes (except in El Salvador). Own revenue in Argentina represents almost all revenues (97%); however, most of these are de facto shared taxes transferred by the national government (e.g. value added taxes) but these are classified as own revenue. In Brazil, the percentage falls to 35% if just municipalities are taken into account, but the figure is 79% for states (the majority coming from local taxes).[27]

The fiscal powers of LRGs in the region are limited, except for states or provinces in federal countries. Municipalities in unitary countries have greater fiscal bases and powers (e.g. Colombia and Peru) than municipalities in federal countries, although in some countries they are also very restricted (e.g. Chile and Honduras).

As noted earlier, transfers play an important role in the region. The average transfer received by LRGs is 52% of their budget (the OECD average being 37.2%). In most countries, transfers represent between 45% and 58% of the budgets of intermediary and local governments (e.g. Honduras, El Salvador, Colombia, Nicaragua, Chile and Bolivia). Transfers in Brazil represent 40% of sub-national budgets, but 65% for municipalities and 21% for states. Transfers in the Dominican Republic, Ecuador, Mexico and Peru represent almost the entire municipal budget (between 80% and 94%). The importance of transfers has increased in most countries over the past decade.

Transfer systems are generally managed with transparency and regularity using formulas. But transfers are heavily conditional in many countries, for example in Bolivia, Brazil, Chile, Colombia, El Salvador, Honduras, Mexico, Nicaragua and the Dominican Republic. Compulsory expenditure on education, health and basic services in Colombia, for example, accounts for 83% of current transfers. Other countries define the percentage that should be dedicated to investments, for example in Bolivia, the Dominican Republic, Ecuador, El Salvador, Honduras, Nicaragua and Peru. This obviously limits the ability of local authorities to plan their development autonomously.

One persistent problem in the region is rising inequalities between territories, the most striking being the growing concentration of economic activity in the main urban agglomerations. Many countries use specific funds for co-participation or equalization (e.g. Argentina, Bolivia, Chile and Colombia), or transfer formulas including variables to reduce inequalities (e.g. in Central American countries). But the results have been unsatisfactory. In some cases, transfers even increase the gap, for example in Peru. The IDB has noted that existing redistributive income sharing schemes are not enough to compensate for the major differences in resources of LRGs (see Box 2).[28]

Finally, LRGs in Latin America and the Caribbean play an essential role in public investment in the region, representing 40% of public investment (below the OECD average of 57%). Local investment in federal countries and Peru represents between 67% and 77% of public investment. Local governments in five other countries are above average – Nicaragua, Bolivia, Guatemala, Ecuador and Colombia – at between 44% and 67%. Ecuador, Bolivia and Nicaragua dedicate around 60% of their budgets to legally binding investments. Municipalities in Brazil contribute 41% of public investment and federal states 32%, although local investment has fallen in recent years. Finally, four countries are below the average — Uruguay, Honduras, Paraguay and Chile (between 12% and 21% of public investment) — and in three countries the contribution of local governments to public investment is lower than 10% (El Salvador, the Dominican Republic and Costa Rica).

LRGs' access to financing is allowed in most countries (except in Chile), but it is strongly regulated and usually only allowed for investments (the so-called 'Golden Rule'). Strict controls were imposed in Argentina and Brazil after the debt crisis at the end of the last century. Colombia adopted its 'Traffic Light Law' in 1997, which lays out the rules of indebtedness, reinforced by subsequent laws. The 2016 Fiscal Discipline Law in Mexico increased control over indebtedness and created a warning system. Strict thresholds of government indebtedness, authorization and guarantees are also applied in other countries, generally restricting access to international financing (except for some cities such as Quito in Ecuador and Lima in Peru), or limiting the issuance of bonds (Ecuador and Peru). It is public banking or specialized institutions (municipal development institutes) that have assumed a central role in local credit in some countries, for example in Central America.

Latin American countries remain more centralized than most OECD countries with respect to financing, with examples of stagnation and setbacks (Mexico at the municipal level, Chile and Paraguay) or very slow progress (Central American and Caribbean countries), while budget restrictions are on the increase in several Southern Cone countries as a result of crisis or changes in the political regime (Argentina, Bolivia, Brazil and Ecuador).

Political and fiscal decentralization in most Latin American countries faces considerable challenges. LRGs' budgets have increased, but vertical budgetary imbalances have worsened. LRGs have therefore become increasingly dependent on transfers from central governments, which has often weakened local autonomy and local development planning capacities. Inequalities among territories persist or have worsened between peripheral or border regions and central regions with greater economic dynamism and better connections. The disparity between the capacities and responsibilities of local institutions undermines decentralization through its effect on the implementation and integration of public policies, which weakens the momentum of territorial development policies and social and territorial cohesion. Decentralization leads to greater administrative, financial and socio-economic interdependence between central and sub-national governments, but if multilevel governance mechanisms do not evolve to ensure the consistency and effectiveness of public policies, transparency and accountability, the process may come to a halt.[29] ◉

Street seller weaving traditional textiles in Cusco, Peru (photo: © Julien Cavadini, bit.ly/2IBB3YN).

2.3 Relationships between different government spheres and SDGs – changes in multilevel governance mechanisms

As noted in the introduction to this report, the 2030 Agenda has a direct impact on the relationship between different government levels. Dialogue and cooperation, as well as the participation of citizen actors, are essential to achieving greater integration and political cohesion. They help improve national and local planning and territorial development strategies for the achievement of the SDGs.

An activist from the Articulation of the Indigenous Population of Brazil's movement gives the inaugural speech at the University of Brasilia in 2018 (photo: Raquel Aviani/Secom UnB, bit.ly/2B8ACkR)-

The progress seen in the region over the past few decades, in particular the decentralization processes, have led to a more complex political institutional landscape. However, be it in the form of integrating the 2030 Agenda into national and local strategies, or in many other ways and designs that support inclusive and sustainable territorial development, more progress will be needed. The implementation of the 2030 Agenda undoubtedly represents an opportunity to extend the processes of change and tackle many of the existing challenges in strengthening institutional collaboration.

The following section illustrates with examples the different routes taken by four countries in constructing an MLG framework, including its inherent contradictions and tensions. These are Brazil and Mexico, two countries that have created high-level national mechanisms to follow up the 2030 Agenda, including the participation of LRGs; and Colombia and Ecuador, who have opted for coordination mechanisms at the ministerial level, but who have had experience in identifying MLG mechanisms.

Over the past decade, **Brazil** has been regarded in the region as a role model of social and inter-institutional dialogue. With respect to the SDGs, in 2017 the government established a National Commission on the SDGs and aligned its Multi-Year Plan 2016-2019 with the 2030 Agenda. The composition of the Commission was promising, with equal representation from governments, including LRGs, and civil society. The National Commission included two representatives from the National Confederation of Municipalities (CNM) and two representatives from the Brazilian Association of States Entities of Environment (ABEMA). Several strategic principles were established, one of which was to develop a territorialized plan for the 2030 Agenda that would include the creation of commissions for the SDGs at state and municipal levels to coordinate their implementation, taking into account the need to move towards a 'new federative pact' that fully involved LRGs.[30]

Historically, Brazil has faced major problems as regards effective policy coherence between

different levels of government and sectors, including overlapping responsibilities, financial mismatch, major gaps between capacity and resources at various levels of government, dramatic differences between regions (e.g. between the north-east and the south) and between metropolitan areas and small to medium-sized municipalities, as well as within cities. As mentioned above, Brazil has been advancing its legal frameworks and structuring policies to strengthen sub-national governance since the 1980s. The Brazilian government has developed several initiatives to create an enabling environment for local governments and states in what has been dubbed a 'new federalism' over the past decade, in order to strengthen the involvement of LRGs in national development, foster territorial development strategies, and improve multilevel and multistakeholder dialogue. With the adoption of the Statute of Cities (2001), the municipality acquires a strategic role in urban planning. The master plan, a guiding instrument of local urban policy, becomes mandatory to define the social function of urban property. On the other hand, there is still a lack of technical and financial assistance to municipalities in the development of urban policy. The Ministry of Cities and Council of Cities is one salient example, acknowledged at international level as a national participatory mechanism comprising national and local governments and civil society institutions and organizations (all elected through the Conference of Cities). The Council has the legal power to monitor and evaluate the implementation of national urban development policies, particularly housing and public services, to advise on the necessary measures and to promote cooperation among governments at national, federal state and municipal levels, as well as involving civil society in formulating and implementing national urban policy. However, over the past few years (under President Temer), the national government abolished the competences of the Council of Cities in organizing and implementing the National Conference of Cities (Decree 9076/2017) and postponed the National Conference (in principle to 2019), disregarding the participatory processes that had been developed over almost 15 years.[31]

Progress in defining an SDG action plan has also been limited and is currently on hold.[32] It is still not clear if the new Brazilian government under President Jair Bolsonaro will continue with the SDG Commission and the SDGs in general, although the first initiatives regarding environmental protection (e.g. renewing the expansion of exploitation of resources of the Amazonian region as well as threatening to disengage from the Paris Climate Agreement), social policies (e.g. severe cuts in health and education expenditure) and respect for human rights (e.g. increasing violence against peasant

organizations, indigenous and LGBTQIA+ communities) have not been encouraging. Brazil also decided to withdraw from the list of countries that reported to the HLPF in 2019. The example of Brazil is symptomatic of the break from, and discontinuance of, public policies which have resulted in a weakening of the process of building mechanisms for participation and dialogue. Brazil's withdrawal from certain global commitments is likely to have an important impact, not just in the Mercosur area.

In the case of **Mexico,** the former federal government also proposed coordinating the 2030 Agenda at the highest level, creating a National Council of the 2030 Agenda (April 2017) as a bridge between the federal government and LRGs, the private sector, civil society and academia, which participate as observers.[33] Representatives of state and municipal governments were invited to participate in the National Council, the National Strategy Committee and their technical committees.[34] The 'National Strategy for the Implementation of the 2030 Agenda', including a system of indicators, required two years of consultations (through a Citizen Forum and several workshops involving municipalities). This information system is managed by the National Institute of Geography and Statistics, which provides guidance for public policy decision-making. The SDGs were linked to the 2018 budget of the federation and the national planning law was reviewed to integrate the principles of sustainable development in order to plan for the long term (20 years). The new government, which took office in January 2019, confirmed its commitment to the SDGs and approved the National Council, but it has not ruled out submitting the strategy for review and introducing it in the National Development Plan 2019-2024.Efforts to construct mechanisms for dialogue and agreement at a national level were also transferred to sub-national levels. With the support of the government, the National Conference of Governors (CONAGO) set up a Commission for the Fulfillment of the 2030 Agenda and promoted the creation of Offices to Follow Up and Implement the 2030 Agenda (*Organismos de Seguimiento e Implementación – OSIs*) in 32 states. These OSIs were established to ensure follow-up (or planning) and liaison bodies between the government, municipalities, the private sector, academia and civil society in each state. However 'more than a year after their launch, most of the OSIs have not advanced in this (operationalization) process'.[35] Some states have introduced initiatives to integrate the 2030 Agenda into their development plans (see Section 3.2 below for further details).[36] Difficulties noted include: 1) the creation of OSIs as ad hoc mechanisms disconnected from state planning committees, thereby weakening their management; 2) the multiplicity of competing

commissions which hinders integration of the 2030 Agenda in a cross-cutting manner; and 3) the lack of clear mechanisms for the participation of actors such as municipalities, the private sector and civil society, which puts their coordination role at risk. The implementation of OSIs at a municipal level is even more nascent, compounded by the limited involvement of national municipal associations.

The case of Mexico highlights some of the difficulties experienced at sub-national level that can impede the process of constructing more articulated policies. As will be seen in the following section, the level and quality of involvement of LRGs in this process is essential for constructing mechanisms that can respond to the principles of coherence and integration of the 2030 Agenda.

The third example, **Colombia**, illustrates the evolution of MLG processes in one of the countries showing the greatest progress in the decentralization process and in constructing territorial development strategies for the SDGs in Latin America. Historically (and even more so in the context of the peace process signed in 2016), the debate on decentralization and territorial development strategies occupies a prominent place within Colombia's agenda.[37] The national government believes it is necessary to clarify the distribution of competences between municipalities and departments and to develop territorial mechanisms and policies that are better adapted to new forms of MLG. Currently, most competences are shared among all government levels (e.g. education, health, water and sewerage, and housing). Departments are responsible for planning and promoting the economic and social development of their territories and must coordinate with municipalities, which should also develop their own local development and land-use plans. The national government recently introduced the concept of regions (for planning and investment purposes) in order to overcome 'low coordination' between different government levels and to promote policies and mechanisms that can foster regional integration and competitiveness.[38]

It is in this context that the SDG implementation strategy is being articulated with national and territorial development strategies. To coordinate implementation, the High-Level Inter-Institutional Commission for the Preparation and Effective Implementation of the 2030 Agenda was created in 2016, bringing together the presidency, ministries and government agencies. At the outset, the Colombian government included the need to formulate a strategy for SDG localization. Taking advantage of the 2016 election of new local governments, the national government promoted the integration of the SDGs into the territorial development plans (2016-2019) that the new local authorities would have to establish.[39] The alignment process showed that LRGs prioritized

the SDGs with national funding.[40] In order to encourage the implementation of the SDGs, the government proposed to strengthen the use of various mechanisms such as plan contracts (to encourage co-financing from central and local governments and private sector) and projects financed through the general system of royalties.[41]

However LRGs believe that these initiatives failed to adequately address their interests and vision (especially when it came to distributing resources through the general system of participation and royalties).[42] Both local governments and civil society are calling for greater efforts to support sub-national governments.[43] The reduction in funds (11% between 2015 and 2017) to finance sub-national projects, and in particular to support municipalities with fewer resources and capacities, has added to tensions.[44]

Although outlined only briefly here, the Colombian process is probably one of the most interesting examples in the region of the difficulties in constructing MLG to enhance the coordination and coherence of public policies to support territorial development policies within a framework of respect for subsidiarity and local autonomy. A number of problems are evident, ranging from information, training and technical assistance for sub-national institutions, to strengthening mechanisms for dialogue and consensus-building among the different government levels but with financing at its core. More recently, several territories have experienced growing social tensions as part of a complicated peace process, with complaints of persecution and murder, which has hindered the fledgling consensus-building processes at the local level.

The SDGs in **Ecuador** have been integrated into the '*Toda una vida*' National Development Plan 2017-2021 (NDP), one of whose principles is territorial development. The NDP was approved by the National Planning Council, chaired by the President of the Republic, which is the senior organization of the National Decentralized Participatory Planning System (NDPPS). It includes representatives of LRGs and civil society (pluri-national and intercultural citizens' assembly). But coordination of the Plan's implementation and the SDGs is the responsibility of the National Secretariat for Planning and Development (SENPLADES). It should be noted that the NDPPS was the main intra-governmental mechanism used to implement, monitor and evaluate the MDGs and, in principle, it will also be used for the SDGs. The NDPPS has a complicated structure with three levels of public policy coordination: national, intersectoral/sectoral and local.[45]

Under the Constitution (art. 280), the NDP is a mandatory benchmark for all public institutions, including those that are decentralized. According to the law governing sub-national governments —

COOTAD 2010 — all public entities must report their NDP compliance progress to SENPLADES as a prerequisite for approving their annual operating budgets and plans.

In the case of Ecuador, the institutional coordination process faces several obstacles. First, the apparent complexity of the NDPPS due to the multiplicity of levels (NDP, sectoral agendas, zonal agendas, local plans). There is also a gap between the time taken to formulate the guidelines of the national territorial strategy and the development and land-use planning plans that each local government must formulate at the beginning of its mandate, which hinders alignment.[46] Added to this is the lack of clarity resulting from the strategy of *deconcentration* defined by the national government in the NDP, which has led to an increased number of deconcentrated agencies at a local level, thereby 'leading to a wearing down and scattering of the coordination and articulation of public management in the territories'.[47] Financing the SDGs represents a further challenge. The dependence of LRGs on national transfers is particularly high (85% of local budgets) and in recent years the country has faced falling oil prices and limited availability of international funds which has resulted in less local financing. A third obstacle is the availability of data and indicators for coordination, given that statistics are still generated centrally at a national level — although the National Statistics Institute is working on the process of strengthening territorial information systems. The Association of Municipalities of Ecuador (AME) and some municipalities (e.g. Quito) collaborate in the collection of local data. However, this process will be affected by the significant changes in leadership at the municipal level as a result of the most recent local elections in March 2019.

Civil society reports state that while the NDPPS represents an opportunity, it also presents challenges, mainly due to weaknesses and coordination problems between public institutions and, in particular, LRGs.[48] As regards local governments — AME and the Municipality of Quito — insufficient consultation and information on the processes is noted.[49] The complexity of the process in Ecuador, compounded by its national political context, demonstrates the difficult positioning of the SDGs in constructing new modalities of MLG despite government efforts to promote a 'decentralized and participatory national planning system'.

Examples from other countries in the region are also worth noting. Several governments have created national commissions at a senior level with broad participation, including LRGs (e.g. Costa Rica, Honduras and the Dominican Republic); other countries have privileged inter-institutional or inter-ministerial commissions

There is growing concern to develop coordinated territorial strategies and involve LRGs which represent 41% of public investment in the region.

(Colombia, Chile) or rely on pre-existing sectoral coordination mechanisms (Argentina, El Salvador, Guatemala, Uruguay) or delegated coordination in a ministry or national agency (Peru). The procedures for involving LRGs can be varied: regional consultation mechanisms (Peru), signing of agreements (Argentina), increasing training and assistance actions, and use of programme funds (Guatemala).

There is growing concern in the region to develop territorial strategies and involve LRGs. It is worth noting that LRGs represent 41% of public investment in the region, putting public investments coordination at the centre of national and local development strategies. But this concern is not of equal importance in all countries in the region in terms of the national agenda or territorial implementation strategies of the SDGs. In some instances, it does not appear to be a priority (El Salvador and Panama). No doubt contrasts in the decentralization processes in the region partly explain these differences. However, strong development territorial strategies and improved MLG mechanisms are critical for SDG localization and, more globally, for SDGs achievement. As highlighted in the UNECLAC Quadrennial Report: 'the 2030 Agenda is facing difficulties in terms of capacities, coordination with the national estate, budget allocation and autonomy in decision-making in order to be adapted at sub-national level'.[50]

As can be seen in the previous examples, the institutionalization of the mechanisms for planning and policy coordination, between national and local development strategies (bottom-up and top-down) has seen progress, but this has often been partial or precarious. Successive crises resulting from the fragility of Latin American economies, social conflicts and institutional arrangements may soon undermine efforts that have taken years to build up.

The progress of these processes in the territories and cities of all countries depends on the will of national governments and the participation and appropriation of the SDGs by LRGs and communities to lead territorial initiatives. As will be seen in the next section, many cities and regions are leading innovative processes and contributing substantially to the implementation of the 2030 Agenda, despite difficulties and setbacks. ◉

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

As in other regions, the mobilization of LRGs to the localization of the 2030 Agenda in Latin America is making progress. There is greater involvement on the part of regional networks and national associations of municipalities, as well as large cities, a process that in federal countries has been extended to regional governments (Argentina, Brazil and Mexico). In other countries, such as Costa Rica and Colombia and to a lesser extent in Ecuador, the Dominican Republic, Peru and Bolivia, mobilization is gradually expanding towards medium-sized cities and smaller municipalities and departments. As noted earlier, some national governments are making efforts to involve and support their LRGs in integrating the SDGs into their development plans and to strengthen territorial strategies. But these efforts are highly variable, as can be seen from the space dedicated to LRGs in the VNRs submitted by countries to the UN (see Box 1 above).

3.1 Actions by networks and associations of LRGs for increased ownership of the agenda

The main cities and local government organizations are seeking to strengthen commitments to the global sustainable development agendas, while advocating for institutional reforms and increased resources to meet these objectives.

Regional initiatives to disseminate SDGs and development agendas

The main associations and networks of local governments in the region — the Federation of Cities, Municipalities and Associations of Latin America (FLACMA), Mercociudades, AL-LAs (Euro-Latin-American Alliance for the Cooperation between Cities), and the Union of Ibero-American Capital Cities (UCCI), all four having now regrouped in the platform CORDIAL, and the Confederation of Associations of Municipalities of Central America and the Caribbean (CAMCAYCA) — have integrated the 2030 Agenda as a key topic both in their own agendas and in their national and regional forums.

In this context, the Habitat III Conference held in Quito in October 2016 — where the New Urban Agenda was approved — as well as several regional events such as the Sustainable Development Forums and the Cities Conferences organized by UNECLAC (see Box 3), have increased the visibility of the SDGs and the New Urban Agenda in the Latin American debate.[51]

In the preparatory process to the United Nations High-level Political Forum on Sustainable Development (HLPF), a representation of LRGs participated in the last two Forum of Countries of Latin American and the Caribbean on Sustainable Development, organized by UNECLAC (in Santiago de Chile, April 2018 and 2019).[53]

At the same time, there has also been an increase in the number of forums and conferences organized by the regional networks and associations of local governments to promote the 2030 Agenda, such as the Hemispheric Summit of Mayors and Local Governments organized annually by FLACMA,[54] annual Mercociudades summits,[55] Ibero-American Congresses of Municipalists,[56] Ibero-American Forums of Local Governments[57] and the Inter-American Conference of Mayors and Local Authorities.[58] The work of several regional networks such as Regions4 and ORU-FOGAR should also be noted.[59]

Latin American associations of local governments increased their regional training actions on the localization of the SDGs and the alignment processes of local and regional sustainable development plans.[60] It is also worth mentioning other regional cooperation initiatives in collaboration with various international organizations on specific issues such as gender equality and the economic empowerment of women in territories.[61]

However, three years after the adoption of the 2030 Agenda for Sustainable Development, LRGs and their associations are still discussing how to address these agendas. In a workshop in Brasilia in December 2018, the main national and regional networks discussed how to accelerate the dissemination of the SDGs by simplifying the language and using new methodologies. There was a call to improve multilevel and multi-stakeholder governance and to calculate the cost of the implementation of the SDGs at local levels.[62]

Box 3

Latin American and Caribbean Urban and Cities Platform[52]

UNECLAC, in cooperation with the Forum of Ministers and High-Level Authorities of the Housing and Urban Development Sector in Latin America and the Caribbean (MINURVI) and UN-Habitat, has proposed the creation of the Latin American and Caribbean Urban and Cities Platform to facilitate the follow-up and monitoring of the New Urban Agenda in the region, and to promote capacity-building and the exchange of experiences and practices among peers. The Platform will host an Urban Observatory and a Virtual Forum to foster capacity building and to promote the implementation of the Regional Action Plan for the Implementation of the New Urban Agenda in Latin America and the Caribbean (RAP), as well as the degree of compliance with the urban dimension of the SDGs at national and sub-national levels.

Source: https://www.cepal.org/es/publicaciones/44158-propuesta-plataforma-urbana-ciudades-america-latina-caribe.

National association initiatives

National municipality associations are also stepping up their actions. In Argentina, Bolivia, Brazil, Costa Rica, Ecuador, Mexico, Peru and the Dominican Republic, the advocacy and awareness-raising strategies of national associations of LRGs, together with national governments, universities, the private sector and civil society, have promoted the importance of the localization of the SDGs. Some examples of actions taken are discussed below.

In **Brazil** the National Confederation of Municipalities (CNM) has placed the 2030 Agenda at the centre of its advocacy strategy in collaboration with the Brazilian government to disseminate and promote localization.[63] It has developed awareness campaigns, meetings (*Diálogos municipalistas*), published guides and organized training sessions (*CNM Qualifica*) on public management and the SDGs together with the National School of Public Administration (ENAP).[64] It has also supported projects in the municipalities (to strengthen the SDG strategy network) and developed a monitoring tool, the Mandala (see 'Commitment to transparency, accountability and reporting' below). A second association, the National Front of Mayors (FNP) participate with the CNM in the project to strengthen the SDGs Strategy Network supported by the European Commission. The FNP has incorporated the 2030 Agenda into his work and in their annual National Meetings for Sustainable Development that gather the mayors of the main cities. For its part, the Brazilian Association of Municipalities (ABM) has organized a large number of SDG workshops in the five regions of Brazil for its more than 300 members, with the support of the European Union (EU).[65]

The Union of Local Governments of **Costa Rica** (UNGL) signed the National Pact for the Achievement of Sustainable Development Goals in 2016, launched by the national government.[66] Internally, UNGL developed a work plan for the SDGs (see Box 4); published a methodological manual for the implementation of the 2030 Agenda in the municipalities of Costa Rica — in collaboration with the United Nations Development Programme (UNDP) and DEMUCA Foundation; held regional SDG workshops; and produced a guideline — the SDG Compass (*Brújula de ODS*) — to support pilot projects in ten municipalities.

In the **Dominican Republic**, in November 2017 the Federation of Municipalities (FEDOMU) approved a resolution on 'FEDOMU's Commitment to the Sustainable Development Goals'. FEDOMU collaborated with the national government to elaborate a 'Roadmap to Implement SDG 11' and define the 'ODS2 Zero Hunger Roadmap'. The Federation also developed a methodological guide to integrate the SDGs into local plans, helped apply the MAP methodology promoted by UNDP, and adapted the SISMAP Municipal tool for monitoring. Other associations (*Asociación Dominicana de Regidores* and the Union of Local Elected Women '*Un Mundo*') have also made policy commitments and developed awareness raising activities and training.[68]

Several national associations of local governments are already integrating the 2030 Agenda into the initiatives they have promoted internally. In **Mexico**, FENAMM has been particularly active in this regard.[69] In **Ecuador**, both the Association of Municipalities of Ecuador (AME) and CONGOPE (see below) have promoted virtual and face-to-face courses on the 'territorialization' of the SDGs, in collaboration with UNDP.[70] In **Colombia**, the Colombian Federation of Municipalities also promotes various projects which, although not specifically focused on the SDGs, contribute to different goals (e.g. strengthening public accountability '*Gobernanza ConSentido Público*', gender equality, peace, justice and stable institutions to contribute to SDG 16), as well as promoting meetings to disseminate the SDGs (on local data, with the Sustainable Development Solution Network — SDSN — and universities). The Colombian Association of Capital Cities (Asocapitals) has organized SDG dissemination workshops (e.g. in Medellín in March 2019). Examples also include those of the Federation of Associations of Municipalities of **Bolivia** (FMB), the National Association of Municipalities of Bolivia (AMB) and Association of Female Councillors of Bolivia (ACOBOL).[71]

Box 4

UNGL work plan for the SDGs[67]

The UNGL work plan on the SDGs was approved by the UNGL Board of Directors on 20 July 2017 (agreement 91-2017).
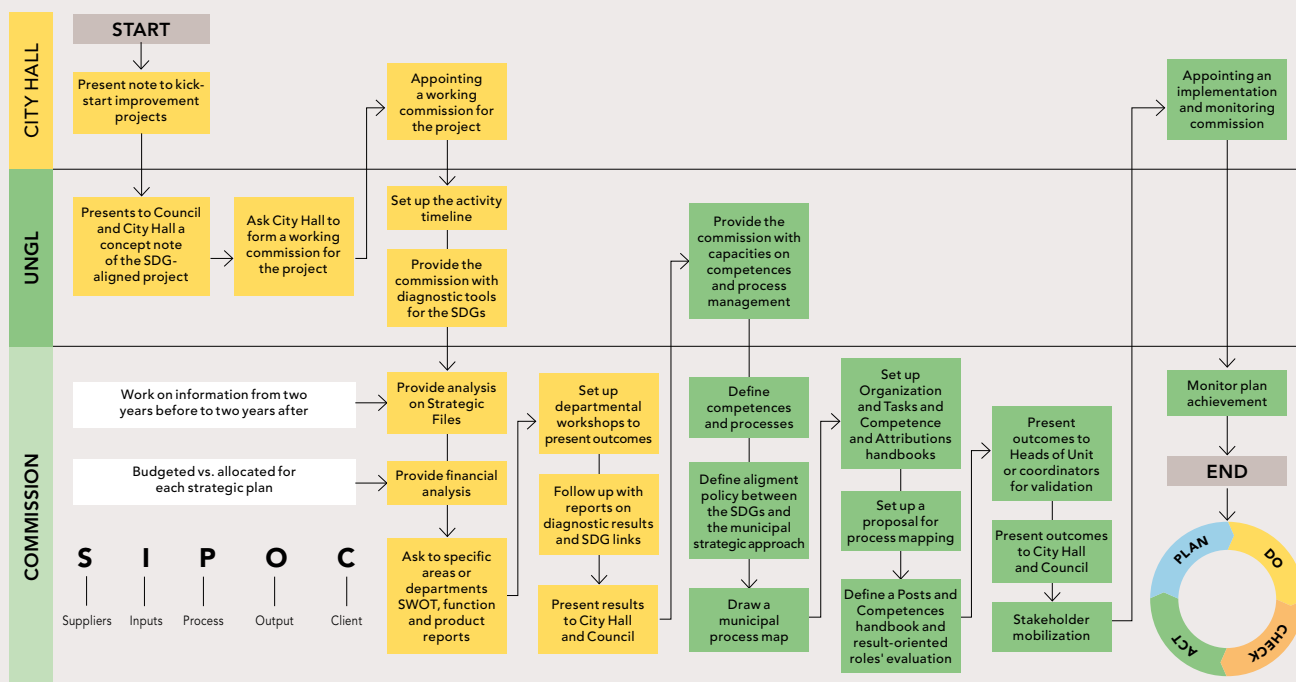It includes activities in six areas:

1. Awareness and diagnosis;
2. Alignment of strategies and plans;
3. Capacity building;
4. Monitoring and evaluation;
5. Accountability;
6. Alliances.

The work plan promotes the alignment of the SDGs and local development plans in 15 municipalities during 2018.

Figure 2

SDG implementation process in UNGL municipalities (Costa Rica)

Source: UNGL-CAM, 'Programme for the Improvement of Local Governments' (PowerPoint); and response to the UCLG Survey 2019, on the role and involvement of Local and Regional Governments' Associations completed by UNGL.

In January 2018, the Association of **Chilean** Municipalities (AChM) held the first national workshop on SDGs for Chilean municipal authorities as part of the FLACMA Executive Bureau, including representatives from other associations in the region (Brazil, Bolivia and Costa Rica).[72] In January 2019, AChM again organized a Municipal Training School on 'Municipalities, Citizenship and Local Development' in Santiago, focusing on the implementation of the SDGs in municipalities.[73] As recently as March 2019, FLACMA organized, alongside the Chilean Association of Municipalities, a Programmatic Congress in Santiago de Chile whose objectives were based on the integration of the 2030 Agenda and other global agreements. Several associations, such as the National Association of Municipalities of the Republic of **Guatemala** and the Association of Municipalities of **Honduras**, have integrated the SDGs into their work plans.[74]

In other countries, the process remains relatively incipient. In **Peru**, two associations — the National Assembly of Regional Governments (ANGR) and the Association of Municipalities of Peru (AMPE) — have offered support and training to create participatory local and regional development plans. In **Venezuela**, the UN agencies, in collaboration with other stakeholders,

have launched the 'Caravan of the SDGs' to facilitate local-level dialogue about the SDGs between local governments, political parties, companies, social organizations and academia. In total 12 local dialogues have already taken place, involving 1300 participants.[75]

Despite the efforts of various networks and associations, the degree of involvement of LRGs is still limited, with little outreach towards citizens. Greater support is needed, particularly from national governments and international organizations, to promote awareness-raising campaigns that go beyond large cities or a few more innovative intermediary cities. Associations face the challenge of moving from declarations to action, relying on the tools that many have developed and expanding support mechanisms to reach a majority of territories. These challenges notwithstanding, across the whole region several social movements are mobilizing civil society against the somewhat lukewarm (even non-existent in some cases) commitment of national governments and parliaments to fight the environmental crisis and current models of development. Several local governments and authorities have been leading such movements and initiatives. ◉

3.2 Progress made by LRGs in incorporating the 2030 Agenda into local policies

There has been gradual progress on the part of LRGs in aligning their development plans with the 2030 Agenda and New Urban Agenda, fostering territorial strategies that contribute to sustainable development. Several regional governments and large cities are advancing most rapidly. The experiences of large cities are discussed in detail in the Metropolitan Cities chapter of this report. Examples of alignment at the level of regional governments and at the level of cities and municipalities are presented below.

Examples of progress among regional governments

Regional or intermediary governments in the region have the potential to play a prominent role in implementing the SDGs. In federal countries (Brazil, Mexico and Argentina) or in decentralized unitary countries (Colombia, Ecuador and Peru) these governments often have major competences and resources. Alignment at this level is therefore essential to promote territorial development strategies, and to support intermediary and small local governments who have fewer resources to align their own development strategies and implement the SDGs at local level.

In Argentina, Brazil and Mexico, for example, states account for between 67% and 77% of public investment; and major responsibilities in a number of areas are strongly linked to the 2030 Agenda, for example land-use planning, economic development, environmental sustainability and social inclusion. In **Brazil**, various states are aligning their development plans with the SDGs. The state of Minas Gerais, for example, is doing so through the Secretariat of Planning with the support of the Rio + Centre (World Centre for Sustainable Development), a UNDP initiative. Notable aspects of this include the process of rapprochement with the territory through 17 regional forums held in various parts of the state, as well as a willingness to involve various sectors of society that have come together to discuss the future of local planning.

In **Argentina**, the National Council for the Coordination of Social Policies (CNCPS), which coordinates the 2030 Agenda with the support of the UNDP, has signed 18 agreements with the provinces to implement the SDGs in their territories over the last two years. The most active provinces are Corrientes, Jujuy, Neuquén, Salta, San Juan, Santa Fé, Tierra del Fuego and Tucumán (see Box 5). All have designated focal points and made progress in various areas (alignment of the SDGs with their strategic plans or provincial government agendas, prioritization of targets, identification of programmes and indicators).[76] For example, the province of Córdoba, which signed the agreement with the CNCPS and the OECD, has prioritized social inclusion and well-being and used the SDGs to develop its Vision 2030 by encouraging the participation of civil society and the private

sector. The province is working with the OECD to design an information system on the SDGs.[77]

In **Mexico** in 2016, the National Conference of Governors created the Executive Commission for Compliance with the 2030 Agenda, which, as noted above, is working to establish OSIs in the country's 32 states (although they have been set up in 31 states, their operation is still only partial).[79] By early 2019, only 9 states had reached an advanced level of alignment, 7 had aligned with the guiding principles and 19 had not yet aligned. The state of Mexico has opted to formally align its 2017-2023 State Development Plan with the SDGs, an inclusive process that has involved the main national actors. The plan defines an integrated approach to territorial development based on four pillars (social, economic, territorial and security), as well as a series of cross-cutting principles that include gender equality, improved governance and connectivity and technology. Another example is the government of the state of Colima, which requested university collaboration to develop an information technology mechanism. A total of 958 related programmes and sub-programmes were identified and a database created to determine the degree of programmatic alignment, budget and operations to implement the SDGs. According to the National Review, the state of Hidalgo has generated a normative framework that integrates long-term planning in line with the SDGs, alongside the alignment of its strategic programmes. The states of Morelos and Campeche included a proposal of goals and indicators to monitor the SDGs in their 2018 government report.[80] The state of Oaxaca has also made progress. After Mexico City, it is the first sub-national government in the country to publish its own Voluntary Local Review (see Box 6).

Voluntary Local Reviews (VLRs) have become increasingly successful amongst local governments willing (and able) to collect information and data on the localization and implementation of the SDGs in their territories and communities. In an attempt to improve on, and complement, the information provided by national governments on local government initiatives and actions, many cities and regions around the world have used VLRs to raise awareness, gain visibility, and participate as peers in the global conversation on the achievement of the SDGs. Besides Mexico City and the state of Oaxaca, other notable examples in Latin America include Barcarena and the state of Paraná in Brazil, Buenos Aires in Argentina (with respect to SDG 16), and La Paz in Bolivia.

Colombia is an example of one of the best documented cases of alignment. According to an analysis carried out in 2017 (mentioned in the previous section), of 32 departmental plans (intermediary level) and 31 plans of the municipalities of capitals of each department,

Voluntary Local Reviews (VLRs) in Mexico: Mexico City and Oaxaca

A growing number of Latin American LRGs are stepping forward and producing Voluntary Local Reviews, reflecting their commitment and engagement in achieving the Global Goals. In Mexico, the **States of Oaxaca** and **Mexico City** launched their own VLRs in 2018 and 2019 respectively. Both reports provide an overview of the comprehensive strategies implemented for advancing the SDGs in their territories. The two LRGs detail the creation of multilevel coordination, monitoring and follow-up mechanisms (*Consejos para el Seguimiento de la 2030 Agenda* and Technical Committees) and the capacity-building activities implemented to promote ownership of the Goals amongst all members of society. In both Mexico City and Oaxaca, local indicators were developed to bring the Global Goals closer to the local reality. In Mexico City, 69% of the 2030 Agenda's goals were identified as being aligned with the 2013–2018 municipal development plan, while the 690 indicators identified within *Monitoreo CDMX*, a mapping tool freely accessible online, have been aligned with 16 of the 17 SDGs. Mexico City's VLR indicates that, building on the mapping efforts, work is now underway to integrate the outputs of the Technical Committees into the new local government development plan.

In Oaxaca, the 240 indicators of the 2030 Agenda were mapped against the 97 indicators in the state budgets, and in 2019 the revision of the 2016 — 2022 State Development Plan (PED) started to align the PED with the SDGs. Actions have also been directed at the local level, with a strong focus on promoting civil participation through the establishment of 547 Municipal Social Development Councils. A guide to Municipal Sustainable Development Plans has been elaborated in cooperation with the GIZ, who have also collaborated with the Technical Committees in the implementation of a participatory local planning pilot project in ten municipalities.

Source: Mexico City Resilience Office. 'CDMX Resilience Strategy'. Mexico City, 2016; Oaxaca 2030, 'Revisión Estatal Voluntaria', 2019.

linkage with the SDGs is high in 24% of the plans, average in 38% of them, and general or limited in 38% of them.[81] It should be pointed out, however, that although all departments are included, this is only a sample of 5% of the country's municipalities. At both levels — departmental and municipal — one third of the SDGs have been prioritized, mainly those relating to education (SDG 4), health (SDG 3), peace and justice (SDG 16), water and sanitation (SDG 6), economic development and job creation (SDG 8). SDG 11 is still important for cities, while infrastructure (SDG 9) and food (SDG 2) is likewise important for departments. SDGs 12, 14, 15 and 17 are the least prioritized. According to another source that analyzed the extent to which the SDGs were either 'fully integrated' or

only 'partially' (i.e. maintaining sectoral actions by silos), the conclusion was that they were only partially integrated in 15 departments and more integrated in 6 departments.[82]

In **Ecuador**, the Consortium of Provincial Autonomous Governments of Ecuador (CONGOPE) has promoted a plan aligned with the SDGs for equality among territories and poverty reduction 2017-2022 in the province of Cañar.[83] This association is also contributing to the SDG Territory Ecuador project, conducted by the Latin American Future Foundation (FFLA) and FARO Group (with support from the EU) to support the implementation and follow up of the SDGs in Ecuador's provinces. Progress has so far been made in the provinces of Manabí, Nayo, Santo Domingo, Galápagos and Azuay.[84] The experience of the Metropolitan District of Quito has involved the economic-promotion agency CONQUITO; the Secretariat of Planning; and the Metropolitan Directorate of International Relations in concrete initiatives, and has incorporated several SDG indicators in the 2030 City Plan (currently in development). The municipality convened the capital city's neighbourhoods to 'co-build' a communication strategy on the 17 SDGs.

In **Paraguay**, the VNR 2018 reflects the adoption of 17 departmental development plans and 244 district development plans 'elaborated in light' of the National Development Plan 2030. The creation of follow-up bodies was also planned, but precise information on the degree of implementation is lacking, and the Paraguayan Organization for Municipal Cooperation (OPACI) which regroups the country's municipalities notes little information on the process.[85]

Progress of cities and municipalities

In conjunction with the actions of regions and large cities, the process of alignment with SDGs is extending to intermediary cities, albeit more slowly. This is crucial in a region where urbanization dynamics are increasingly oriented towards intermediary city systems to the detriment of large mega-cities (which are beginning to witness slower growth and even lose population). Extending the involvement of intermediary cities is both a priority and challenge that will require the support of national governments and, in federal

countries, regional governments. Encouraging intermediary cities to sign up to the concept of localization can, on the one hand, improve the quality of public policies promoted at a local level and, on the other, capitalize and highlight the many innovations in the territories.

In **Brazil**, more than 70 municipalities are aligning and undertaking projects related to the SDGs in at least eight states: Goiás, Paraná (54 municipalities), Minas Gerais (8 municipalities), Amazonas, Piauí, Santa Catarina, São Paulo and the Association of Municipalities of Pernambuco.[86] One frequently mentioned example is that of Barcarena, which has aligned the SDGs with the new Government Plan 2017-2020 and Multi-year Participatory Plan 2018-2021 through a participatory process that has helped identify seven major issues: poverty and hunger, gender, health, education, economic growth and partnerships, environment and peace. In June 2018, the city co-organized the 3rd National Meeting of Rede ODS Brasil: 'What are the opportunities and challenges for the implementation of the SDGs in Brasil?'.[87]

In **Argentina**, intermediary cities such as Godoy Cruz and 18 other municipalities in the province of Mendoza, the cities of Córdoba and Villa María in the province of Córdoba, San Justo in the province of Santa Fé, and the municipalities of Lanús, Moreno, San Antonio de Areco, General Alvarado and Vicente López in the province of Buenos Aires, have promoted new land-use planning plans as part of the SDGs.[88] The city of Buenos Aires has been at the forefront of the localization process, with alignment of local plans, awareness-rising (e.g. the Youth Olympic Games 2018), and prioritization of SDGs.[89] In August 2018, it launched the first report on implementation of SDG 16 and localized indicators: open government, accountable institutions, participation and inclusion (for more information, see chapter on Metropolitan Areas). In Uruguay, it is worth highlighting the case of the Canario Strategic Plan 2030 of Canelones.

In **Mexico**, nearly 100 municipalities in Chiapas, Cohauila, Colima, state of Mexico and Tlaxcala have taken steps to create SDG OSIs. At a national level, the National Institute for Federalism and Development (INAFED) is promoting a programme to 'Strengthen the Capacities of Local Governments for the Operationalization of the SDGs'.[90]

In **Colombia**, alongside the municipalities of Bogotá and Medellin (whose actions are dealt with in the chapter on Metropolitan Areas), several municipalities are promoting local projects in areas that, although not always labelled SDG, are contributing directly to them, especially on non-polluting affordable energy for transport and public lighting (Bucaramanga and San Jeronimo), sanitation (Armenia), environment (terrestrial ecosystems, Barranquilla; reforestation, Ibague,

Urbanization dynamics in Latin America are increasingly oriented towards intermediary city systems to the detriment of large mega-cities, which are beginning to witness slower growth.

and protection of underwater life, Cartagena), waste management and climate change (Bucaramanga, Cartagena, Cali and Villavicencio) and open data and disaster prevention (Cartago and Chinchina).

In **Ecuador**, the main examples are in Cuenca and Ibarra, as well as in Lago Agrio, Durán, Guamote, Quninde, Rumiñahui and Francisco de Orellana (protection of Amazonian protected areas) and Ambato (productive processes).[91] Cuenca and Ibarra have both aligned their new development plans with the SDGs: the Annual Operational Plan in Cuenca and the Ibarra Vision 2030.[92]

In **Bolivia**, apart from La Paz, coordination with the national government has enabled municipal governments of departmental capitals, as well as El Alto and two intermediary cities, to participate in a project to territorialize the SDGs. This project also aims to improve levels of efficiency and quality in managing, implementing, monitoring and evaluating territorial public policies.[93] The municipality of Sucre has defined its 'SDG localization strategy' with the support of the UNDP and the extensive participation of the business sector, academia and civil society.

In Central America and the Caribbean, the experiences of ten pilot municipalities in **Costa Rica** (Desamparados, Barva, Mora, Osa, Golfito, Aserri, Pococi, Carrillo, Naranjo and Zacero) has already been mentioned. In the **Dominican Republic**, efforts are being made by various municipalities to combat climate change (Neyba), integrate waste management (Santo Domingo, Terrena, Monte Plata, San Pedro de Macoris, Bayaguana and Punta Cana) and promote reforestation (Sabana Grande). In **Guatemala**, the Planning Secretariat (SEGEPLAN) designed a new methodology to allow the integration of the SDGs into local development plans. By 2018, 91 municipalities had already made progress in this direction, but due to elections in 2019 at all levels in the country, progress has since slowed. Guatemala plans to adopt municipal management rankings as a criterion for the distribution of resources to local authorities. One example of successful integration stands out to date: that of the municipality of Salcajá (in the Quetzaltenango province) and its localization of the SDGs in the local Territorial Planning Regulation.[94] Finally, according to the **Honduras** VNR 2017, the Secretariat of General Government Coordination, as part of a pilot project supported by UNDESA, has supported the municipalities of Colinas, Santa Barbara, San Pedro Sula and Tegucigalpa to begin a rapid diagnosis at institutional and local level. In addition, in the latter two, as well as in Santa Rosa de Copán, a pilot project was initiated to support results-based management at a municipal level and to raise awareness of the 2030 Agenda for technicians in the planning, budget, monitoring and evaluation units.

Notably, across the whole region many smaller municipalities — especially in rural or isolated contexts — have also been carrying out effective initiatives to develop new approaches to sustainable territorial development, as demanded by many of the global agendas (see Box 7).

Examples of good practice in sustainable territorial development in rural municipalities

San Pedro La Laguna, Guatemala: Sustainable municipality driven by local demand. San Pedro La Laguna is a small rural town and touristic destination in Guatemala, characterized by its mixed Ladino and Maya population (about 10,000 inhabitants) and a common cause: preserving the planet as well as their town. The mayor promoted a sustainable participative plan to abolish the use of plastics in the locality of the town, which is on the shores of Lake Atitlán. The municipal ordinance was met with opposition from the national association of plastic producers, which deemed it unconstitutional. Following a favourable ruling by the country's constitutional court, the initiative led to an 80% reduction in the use of plastics in the municipality. Thanks to the commitment of residents and participants, waste is now separated before collection, improving recycling rates and the sale of by-products. The initiative has improved the image and quality of life in San Pedro, while water quality, fish stocks and tourism have improved throughout the lake area. The municipality was awarded an environmental prize by the President of the Republic, and eight more municipalities have joined the initiative.[95]

Valle del Itata, Chile: 'Lagging Areas Programme' (2016-2019). Since 2016, the National Ministry for Public Works, the Sub-Secretariat for Regional Development (SUBDERE), the Association of nine Itata Valley municipalities together with public and private stakeholders, have integrated the resources available at national level with local sustainability plans and territorial demands through a process of participative development. The process has centred on the revival of the area's traditional wine, fishing and tourism activities, while also reducing investment in extractive and resource-intensive alternatives (e.g. salmon farming in Cobquecura). This framework, based on dialogue, collaboration and MLG has revived the area's social capital and traditional knowledge. The programme is facing a new challenge however, since climate change and environmental depletion are threatening existing sources of potable water for the whole region. The consortium is now looking for new, reliable water sources before the population is more severely affected.[96]

Toribío, Colombia: '2016-2019 Plan: Walking together for territorial peace'. The 30,000 indigenous Nasa residents of this small municipality in the Cauca department in the country's mountainous region, have for decades preserved their culture and autonomy even when faced with armed conflict from several groups in their territory. Their struggle is consistent with the Nasa people's values, based on the protection of the environment, wellbeing and the preservation of their identity in line with the community's 'life plan', traditionally defined as the time one generation takes to take the previous one's place. The community's 2016-2019 plan is an ambitious attempt to merge this ancestral need with a long-term strategy to seek peace in the country and align this with the requirements of the SDGs.[97]

Commitment to transparency, accountability and reporting

The establishment of robust monitoring systems and realistic, measurable indicators is essential in order to measure progress in the realization of SDGs, both at national and local levels. This is a complex issue, given that the indicators defined by the UN are far removed from the reality and capacities of local governments in general, and Latin America in particular. However, it is possible to summarize the experiences of some cities that are strongly aware of the need to account for their progress to citizens.

In **Brazil**, the CNM developed a follow-up system with indicators adapted to various categories of municipalities — the Mandala — which included 24 indicators aligned with the SDGs in economic, social, environmental and institutional areas[98] (see Figure 3).

At a regional level, the state of Parana in **Brazil** has undertaken major efforts to monitor the progress of the SDGs at both regional and local levels — in particular environmental sustainability — in collaboration with a public company (*Itaipu Binacional*) and the UNDP.[99] A platform has been developed that gathers together 67 environmental and social indicators at municipal, state and federal level; these are then used in 110 municipalities of 14 states, as well as other cities in the Piaui region.

Another example at city level is Medellin **(Colombia)** and its 2016-2019 Development Plan, which contains innovative elements for monitoring, evaluation and accountability. This Colombian city has in effect created its own system of indicators to demonstrate how the city is fulfilling the various goals linked to the SDGs. Moreover, the private inter-institutional alliance 'Medellin: How are we doing?'[100] has been operating in the city for many years. Its main objective is to evaluate the quality of life in the city and oversee its ongoing development plan. A similar mechanism exists in 36 Colombian municipalities, including Bogota.[101] Other cities (Cali, Florencia and Monteria) and some departments (Caqueta, Nariño and Quindio) have also made progress in measuring

goals. For its part, the Colombian government has developed several tools to help territorial authorities in their monitoring and evaluation processes: The Performance Evaluation Information System (SINERGIA) and Terridata.[102]

Mexico has the Sustainable Development Goal Information System (SIODS), jointly developed by the National Digital Strategy Coordination of the Office of the President of the Republic and the National Institute of Statistics and Geography (INEGI). This system provides geo-referenced information on the progress made in following up the 2030 Agenda. Similarly, the National Institute of Statistics and Informatics (INEI) in **Peru** has made progress in establishing the 'Monitoring and Follow-up System for the Sustainable Development Goal Indicators', with a website providing data on the indicators by department. As mentioned above, this is an ongoing effort in Ecuador.

Despite these initiatives, the localization of indicators and follow-up systems is still at an early stage. If suitable monitoring and evaluation methodologies, as well as robust information systems, are not defined on a territorial scale, it will be very difficult to present reliable results on the implementation processes of the SDGs. Without these, it will not be possible to advance accountability processes or learn lessons and capitalize on the innovations promoted by territories. This is a challenge that goes beyond local governments and their networks and associations to national governments and multilateral organizations.

As discussed previously, the localization process in the region is progressing, but many of the examples described here are still either at a preliminary stage, alignment phase or commencing implementation. Major efforts are required on the part of cities, regions and national governments to capitalize on good practices and extend their dissemination through direct exchange and policies that give greater impetus to localization, in line with the principles of comprehensiveness and multi-dimensionality of the 2030 Agenda, as well as transparency, accountability and reporting. ⊙

Figure 3

Applying the Mandala in the city of São Paulo

1 Municipal per capita GDP
2 Average wage of workers
3 Evolution of business establishments
4 Exporting companies in the municipality
5 Rate of access to high-speed internet
6 Creation of formal employment
7 Staff expenses
8 Index of fiscal equality
9 Administration costs
10 Participation in inter-municipal consortia
11 Transparency of municipal government

12 Proportion of people living in extreme poverty
13 Infant mortality rate
14 Low birth weight
15 Index of adequate education up to 5th year (age 11) – Mathematics
16 Index of adequate education up to 5th year (age 11) – Portuguese
17 Index of adequate education up to 9th year (age 14) – Mathematics
18 Adequate education up to 9th year (age 14) – Portuguese
19 School dropout rate – primary level
20 School dropout rate – secondary level
21 Number of deaths due to alcohol or drug abuse
22 Homicide rate per 100 thousand inhabitants
23 Femicide rate
24 Maternal death rate

25 Participation in environmental conservation policies
26 Rate of loss in urban water distribution
27 Level of urban sewage treatment
28 Rate of coverage of household waste collection

Source: Measuring the global agenda in municipalities: 'SDG Mandala'.

3.3 Local and regional policies in Latin America in line with the 2030 Agenda

As highlighted in previous sections, LRGs in Latin America are making progress in the territorialization of the 2030 Agenda. These efforts are supported by initiatives to adopt territorial strategies that address the problems arising from existing development models, contribute to environmental sustainability, reduce social exclusion, promote more inclusive economic development and more transparent and participatory governance, and restore the confidence of citizens in their institutions.

Many of the objectives embodied in the SDGs were already the subject of policies that preceded their adoption. Some of the practices reflecting the diversity and challenges faced by LRGs in the region, as well as their ability to provide innovative responses, are discussed below.

The view from a bus in Sao Paulo's traffic (photo: Gabriel Cabral, t.ly/NYY9x).

Combatting climate change and resilience in an increasingly vulnerable region

As in other continents, many cities and regions have adopted a decisive role in combatting climate change and promoting and preserving biodiversity. There are many examples of cities — such as Quito, Buenos Aires and Rio de Janeiro (see Metropolitan Areas chapter for details) — that have developed urban policies as part of their strategic plans to combat climate change. Below are some examples of actions taken in some of these areas: transport, renewable energies, waste management, local food systems, resilience and biodiversity protection.

Transport accounts for 74.6% of CO_2 emissions in the region. Vehicle fleets grew at a faster rate than economies in the region during the period 2005-2015, but it is falling in cities where the use of public transport is significant (Montevideo, Bogota, Santiago and São Paulo).[103]

Access to transport is one of the indicators set out in the SDGs (11.2). Over the past decade, Latin American cities have promoted the modernization of public transport with the construction and expansion of metros and trams (Buenos Aires, Mexico, Panama and São Paulo) and the modernization of suburban trains (in Brazilian cities, Buenos Aires and Santiago). The most high-profile initiative has been the provision of preferential lanes for buses (Bus Rapid Transit), a measure that has been extended to most major cities including Bogota, Quito, Lima, Santiago, Curitiba and Monterrey. At the same time, progress is being made towards more integrated urban transport systems, such as in Belo Horizonte,[104] Medellin[105] and Mexico City,[106] as well as combined tickets for multi-modal transport in Fortaleza.[107] Buenos Aires, Guadalajara, Mexico City, Montevideo, Rio de Janeiro and São Paulo are all promoting the use of bicycles through dedicated lanes or loan or car-sharing initiatives.[108] The city of Campina (Brazil) has installed the first electric bus assembly plant and has guaranteed that 10% of its bus fleet will be electric by 2022.[109]

Despite the modernization of collective transport systems, innovations address only part of the demand and are not always articulated within traditional (or informal) systems; thus

congestion problems, air pollution and high levels of traffic accidents still remain (16 deaths per 100,000 inhabitants per year).[110] Alongside improving access to transport, 'greener' transport (e.g. electrification, use of renewable energies and diffusion of alternative transport, cycling, etc.) and more integrated planning are also required.

Energy policies are also essential in combatting climate change. Latin America and the Caribbean have great potential when it comes to promoting the use of **renewable energy** and thus contributing to SDG 7.2. The proportion of renewable sources in electricity production in Latin America and the Caribbean is 55% (world average 21%), with a high potential for hydroelectric, wind and geothermal energy.[111] Several regions are developing gas emission management plans to improve the efficiency of the energy consumption of public administrations. One such case is the Mexican state of Jalisco, which has implemented 27 projects in government buildings and managed to reduce the government's energy consumption in the state by 20%[112] (SDG 7.3).

Waste management is usually a municipal responsibility (directly or through concessions) and directly impacts the fight against climate change and the SDGs (11.6 and 12). UNEP's 'GEO 6' report, published in 2019, affirms that the most effective way to reduce or avoid water source and ocean contamination is by processing solid and water waste – a municipal competence. Municipalities such as La Pintana (Chile) have been doing this for a while, as have programmes designed by national associations of municipalities such as AMUNIC in Nicaragua, which has been targeting rural and small towns in particular. Rural municipalities in the region (e.g. San Pedro La Laguna, Guatemala — mentioned in Box 7 above) have been especially active in this field. Thanks to the progress made in the last decade, almost 94% of the urban population has household waste collection services (although there are major differences between cities), but only 54.4% of collected waste is deposited in landfills, 18.5% in controlled landfills and 23.3% in open-pit landfills, according to UNECLAC studies. This represents a major environmental problem and is a far cry from the goals of the 2030 Agenda.[113] The fraction of waste that is recycled or reused is even lower, but informal recycling is widespread.

There are well-known examples in various countries of the organization of informal waste-picker workers (also called recyclers or *catadores*). In Bogota, for example, former informal waste-pickers were integrated as actors in the new municipal waste management model under its Zero Waste Programme,[114] which was also introduced in Belo Horizonte through its integrated solid waste management strategy.[115]

The region's growing vulnerability to climate change can be seen in natural disasters of varying types and intensity.

Both cities have improved waste management while seeking the social and economic inclusion of vulnerable people. Similar initiatives exist in Lima. As regards innovative projects, Cuautla (which received a special mention at the 2018 Guangzhou Awards) uses waste to generate electricity and has also increased public awareness of the need to separate and reuse waste.[116] The province of Santa Fe (Argentina) has combined the Production + Energy Programme[117] (aimed at encouraging producers to implement technology for energy use of organic waste by anaerobic digestion, with more than 30 meat producers already involved) and Energy Education Programme.[118]

LRGs are promoting new production and consumption models that encourage improved articulation among territories. Projects for the development of **local food systems** and **urban agriculture** have emerged in recent years to promote food security and create alternatives to vulnerable people in line with SDG 12, SDGs 2, 3 and 1 and even SDG 8 (on decent jobs). Examples of this include: the AGRUPAR programme in Quito;[119] the creation of the public-private company AgroAzuay, which works with rural communities;[120] Carchi Seguridad Alimentaria[121] in the province of Carchi along with other projects implemented in Ecuador under the pilot project 'Responsible and Sustainable Food Initiatives in Ecuador'[122] (promoted by Regions de France and the NGO Resolis); the Sustainable Peri-urban Food Production programme in the Argentine province of Santa Fe;[123] the creation of Agrifam in the province of Misiones, which supports small producers with technology and innovation;[124] the social inclusion of vulnerable young people in the urban garden programme in Rosario;[125] and the promotion of 19 ecological agriculture markets in Rio de Janeiro, amongst many others.[126]

The region's growing vulnerability to climate change can be seen in the phenomena that generate natural disasters of varying types and intensity. Within this context, many LRGs in the region are promoting resilience strategies to deal with various risks, whether natural (an increase in the number of hurricanes, earthquakes, droughts, heatwaves, etc.) or human-induced. It has been estimated that risks, especially those arising from climate change, will cost the region between 1.5% and 5% of GDP by 2050, with Central American and Caribbean cities particularly affected.[127]

Sixteen cities in the region are working with 100 Resilient Cities to outline comprehensive

Asset Planning for Climate Change Adaptation in poor neighbourhoods in Tegucigalpa, Honduras

The Asset Planning for Climate Change Adaptation (APCA) in poor neighbourhoods project is an example of how bottom-up community asset adaptation planning can help address the data gap in resilience policymaking.[128] Honduras' capital, Tegucigalpa, is one of the country's most vulnerable areas. The city, growing at an annual rate of 2.2%, has the highest concentration of urban poverty in the country, with a growing number of poor families and communities increasingly exposed to extreme weather events. The APCA project was introduced in the neighbourhoods of Los Pinos and Villa Nueva between 2014 and 2018.[129] Supported by the Nordic Development Fund and the IDB, the APCA project aims to integrate climate change adaptation actions into neighbourhood upgrading plans in greater Tegucigalpa. With local communities and other relevant stakeholders, the APCA co-produced data on how to increase the capacity of poor urban communities to respond to extreme weather. It also identified which local institutions can support local community initiatives to reduce vulnerability and increase long-term resilience to the impacts of climate change.

Source: Stein, Moser et al. (2018). 'Planificación de Adaptación de Activos al Cambio Climático (PACC) en barrios populares de Tegucigalpa, Honduras'.

resilience strategies.[130] The city of Santa Fe (Argentina), for example, has promoted a risk reduction policy that focuses on hydro-climatic risks;[131] in the Aburra Valley (Colombia), in the centre of which is Medellín, the SIATA early warning system works to predict catastrophes and allow timely action to be taken, while at the same time promoting public awareness amongst 40,000 citizens.[132] The city of Cali has developed an educational strand as part of its integration strategy, to improve the educational levels of its citizens, especially those most vulnerable.[133] The state of Parana (Brazil) has developed a strategy that coordinates more than 340 regional and municipal units,[134] while Lima,[135] Rio de Janeiro[136] and Tegucigalpa[137] have promoted participatory diagnostics to elaborate their disaster risk reduction plans, where citizens also play an active role in identifying and managing disasters.[138] All of them approach resilience from an integrated perspective that includes not only alleviating and adapting to atmospheric phenomena (SDGs 11, 12, 13), but also vulnerable citizens (SDG 1.5), agriculture (2.4) and infrastructure (9.1) amongst others.

Alongside defining strategies to alleviate the impacts of climate change, LRGs in the region are also promoting measures to protect **biodiversity** in their territories and thus contribute to the Aichi Targets, halting deforestation and promoting

the control and eradication of invasive species in response to the 2030 Agenda (in particular SDG 15). For example, the Mexican state of Campeche is working to reduce deforestation by 80% by 2020, restore 0.75 million hectares by 2030 and strategically prevent and combat fires.[139] Similarly, in Ecuador (where 40% of the active population works on biodiversity related projects), the province of Pastaza has declared the protection of more than two million hectares of forest.[140] The illegal trade of wild flora and fauna and transport of all types of fish from water basins, especially during tourist seasons, are a priority for the Brazilian state of Goias.[141] In Brazil, several states are trying to make progress in controlling Amazonian deforestation, but a reversal of this trend has unfortunately recently been observed. In Mexico, the Jalisco state government has linked indigenous and rural communities with biodiversity planning and natural resource management[142] and is working with local women on extracting substances to obtain a red dye in order to improve their inclusion in agricultural activities.[143]

Finally, it is important to highlight the role of LRGs in **raising awareness and educating citizens**. The Brazilian city of Salvador is promoting the *Caravana da Mata Atlântica* project to raise awareness amongst young people about environmental protection and in particular about its impact on marginalized communities and those at risk from the deforestation taking place in the country.[144] Another strategy to promote sustainable use of the environment can be seen in Tlajomulco (Mexico), which has appointed the country's first environmental prosecutor. His/her functions are to supervise government action in the area of environmental protection, investigate environmental crimes by citizens and businesses and raise public awareness.[145]

These examples show how LRGs in Latin America are gradually assuming a more active role in combatting climate change and preserving biodiversity. But they also highlight the need to extend and disseminate these experiences in order to generate new production and consumption patterns that reduce the economic, social and environmental costs of existing development models.

Main challenges of social inclusion in a region with major inequalities

Although recent years have seen a reduction in social inequality, Latin America continues to be characterized by enormous contrasts and imbalances both between and within countries.[146] Since 2015, there has been a further increase in the overall levels of poverty and extreme poverty (in 2017, more than 187 million people lived in poverty and 62 million lived in extreme poverty)

which contradicts the commitments established in SDG 1. [147] Rural areas, where 20% of the population live, are falling behind, especially in north-eastern Brazil, south-western Mexico, and in the Andean and Amazonian areas of Peru, Bolivia, Colombia and Ecuador.[148] Cities are also a growing source of inequality:[149] in 2016, the extreme urban poverty rate stood at 7.2%.[150]

The fight against **social exclusion and marginalization** (SDGs 1 and 10.1) remains one of the main challenges for LRGs in Latin America.[151] Several countries have benefited in recent years from urban programmes with social inclusion goals that seek to improve the **planning and management of urban services** in line with SDG 11.3, such as the IDB's Emerging and Sustainable Cities Programme. Comprehensive urban planning has been addressed in depressed areas of some central and peripheral municipalities. It was only in 2017 that these programmes identified cities such as Bariloche, in Argentina; Chetumal, in Mexico; Barcelona, in Venezuela, or that the Master Plan of the Historic Centre of Asuncion was reactivated.[152] The **renovation of public spaces** in the informal neighbourhoods of São Paulo,[153] Heredia[154] and Buenos Aires[155] has also contributed to some of the SDGs, such as protecting the environment, reducing environmental risks, introducing more sustainable transport and helping to create a feeling of community and security for the entire population, especially women, children and youth. Some of these initiatives deserve to be highlighted for their innovative value and integrated nature (see Box 9). Consistent with the requirements of SDG 10.3, in 2016 the cities of Montevideo, Medellin, Quito and Mexico City put forward an integrated action plan for social inclusion, aimed at **tackling the discrimination of African descendants, indigenous peoples, people with disabilities, women, members of the LGBTQIA+ community and immigrants**. The initiative received technical and financial support from the IDB and was framed within UNESCO's wider Coalition of Cities against Racism, Discrimination, and Xenophobia — and, since 2006, it has brought together 67 municipalities from 23 countries.[156] In 2018, the four cities submitted local reports on the demographic and socio-economic profiles of the groups that were to be targeted by the policy, as well as an analysis of the existing regulatory and policy frameworks. In September, the cities launched their local action plans, which included specific policy measures based on disaggregated local data and with a focus on ensuring access to the programme for indigenous peoples and African descendants in schools located in low-income neighbourhoods. In 2019, the mayors from the four cities committed to consolidating a regional cooperation network for social inclusion by sharing best practices and lessons learned from the policy experiences in their territories.

Despite the progress that has been made, access to **basic services** (SDG 1.4) remains uneven between urban and rural regions and within urban areas. Nearly a third of the countries studied have **water supply and sanitation systems** managed by municipal companies and another third by regional or provincial public companies, while national companies predominate in smaller countries (in Central America, Paraguay and Uruguay). More than 90% of the region's population has access to piped water in their homes (98% in urban areas, although of unequal quality and regularity), but only 60% have access to sanitary sewerage (72% in urban areas), with sewage treatment still deficient. Although supply quality has improved, the rate of incorporation of water supply into services has slowed in recent years[157] whilst improvements in sanitation coverage is growing at a rate of 0.6% per year and water at 1% per year.[158] Territories are making great efforts to have integrated water cycle management systems and to implement improvements, for example in monitoring (district of Arraijan, Panamá),[159] linking these to actions for watershed protection (Metropolitan Water Company of Quito),[160] health and environmental education of the population (Abaetetuba, Brazil,[161] and Asuncion),[162] as well as taking into account the needs of each community, such as the

Cities, such as Bogota, have had to take measures to strengthen health services, schools and kindergartens to integrate newcomers, and set up dedicated employment mechanisms.

inhabitants of deprived areas (Valle de la Sabana, Mexico)[163] or rural areas (Caninde, Brazil),[164] women (district of Ngäbe-Buglé, Panama)[165] and indigenous peoples (Mapuche communities in Chile,[166] Loreto, Amazonas and Ucayali regions in the Peruvian Amazon).[167]

But progress has been insufficient. In several countries, urban policy reforms — regulations, land planning and management tools, and the capture of urban land-use surplus to finance more inclusive urban investments — are viewed as 'fickle' by regional institutions,[168] underscoring the need to strengthen local initiatives and promote coordination and cohesion between local and national policies.

Housing, in fact, remains a very current issue in Latin America, where the level of informal settlements in all countries ranges from 30% to 60%,[169] and where, according to the IDB, there are 105 million people suffering as a result of the housing deficit in the region.[170] In this context, the Guadalajara metropolitan land-use plan[171] (2016) includes aspects of urban re-densification and a pioneering use of empty housing in the region; the São Paulo Strategic Master Plan[172] (approved in 2014) presents an innovative approach in relation to social housing, while in Cordoba (Argentina) the Seed Housing programme helps to complete and improve the housing of citizens with technical and financial assistance.[173]

Migrants represent one of the most vulnerable groups and therefore the most likely to settle in informal settlements. Migration patterns are changing in the region. Many large cities that historically represented the main pole of attraction for young people in terms of opportunities and innovation are today forcing people out because of violence or lack of prospects.[174] In contrast, intermediary cities now seem to have become increasingly attractive, given that they welcome people who leave the countryside (where numbers are falling), small cities (where numbers are on the rise) and other intermediary cities (in this sense, migration from city to city facilitates integration).[175] LRGs must therefore deal with the phenomenon of both incoming and outgoing migration.[176]

Recently, as a result of events in Venezuela,[177] border cities such as Cúcuta in Colombia and the Brazilian city of Boa Vista (whose population

has risen by 10%)[178] have been faced with new demands. Education and health systems are becoming overwhelmed, while at the same time movements against welcoming Venezuelan migrants are on the rise within the population.[179] The Federal Government of Brazil with the support of UN agencies launched the Internalization + Human campaign (*Interiorização + Humana* in Portuguese), with the objective of responding to the demands of migrants, and facilitate their integration into Brazilian municipalities. The Brazilian Confederation of Municipalities (CNM) helps to analyze the local situation, disseminate the plan among mayors, and contribute to preserve the social rights of migrants and refugees. Other cities in Latin America have had to take measures to integrate newcomers, for example Bogota, where health services have been strengthened, additional quotas have been established in schools and kindergartens and a programme has been set up to integrate them into employment mechanisms.[180]

The social exclusion and inequality that prevail in the region lie behind the serious phenomenon of **urban violence**.[181] According to the 2018 edition of the ranking of the 50 most dangerous cities in the world prepared by the Citizen Council for Public Security and Criminal Justice,[182] this region is home to 41 of the 50 most violent cities in the world: 15 in Mexico, 14 in Brazil, 6 in Venezuela, 2 in both Colombia and Honduras and 1 in both Guatemala and El Salvador.[183] In order to confront this challenge and gradually move towards compliance with SDGs 16 and 11.7, several cities are introducing innovative peace projects such as 'Paraíba United for Peace', developed by the municipality of Paraíba in Brazil,[184] or the work carried out in Medellín with its youngest citizens within the framework of its resilience strategy that has managed to transform this city from one of the most violent to a city of peace over the past few decades.[185]

Gender equality policies (SDG 5) are attracting increasing attention from LRGs in the region. The poverty rate among women is 1.2 times higher than that among men, a phenomenon that is compounded in the capital cities.[186] Among women of working age (from 15 to 59 years), the unemployment rate is more than twice that of men.[187] Women have a greater presence in informal employment and are the main victims of unpaid work.[188] Efforts have been made in Mexico City to address this challenge through improved paternity and maternity leave, and promoting a new work culture in Montevideo (alongside other government levels) to territorialize the national childcare policy.[189] Bogotá is encouraging the breaking down of physical and cultural barriers preventing women from freely enjoying their city through a mobile application called Safetipin,

and the city's 19 localities have been obliged to develop a local plan for women's safety.[190] The *Mulher Cidadā* travelling programme also offers basic and intersectoral public services for women (health, security, justice, citizenship, etc.) in the municipalities of the state of Acre (Brazil).[191]

Also, worth mentioning are initiatives to promote the **inclusion of young people** (SDGs 4 and 5) based on human development, recognition of cultural diversity and community feeling. The Childhood Triptych in Rosario is a social action and transformation project for young people and children, aimed at reaching out to citizens through play, imagination, multiple languages and the creation of public spaces.[192] The city of Tamaulipas (Mexico) is training its young people to be promoters of cultural diversity, to participate co-responsibly as actors and links between governments and citizens in building peaceful environments, to coexist, to transform and revitalize communities and ultimately to contribute to exercising cultural rights and local development through culture and creativity.[193] Urban education in the city of La Paz involves young people from deprived neighbourhoods being involved in improving road safety in the city by making them protagonists of change, dressed as zebras and attracting attention through dialogue

and communication. The project received a prize at the 2016 Guangzhou Awards and has been successful in other cities in Germany, Spain, Costa Rica and China.[194]

In the same vein, **culture** provides the driving force for many cities to encourage citizen participation, acting as a lever for promoting a culture of peace within an inclusive and open society although its value and potential have not been sufficiently recognized in the 2030 Agenda. All of the following promote the rights of citizenship, social equality, the formation of partnerships and shared management, the recovery of public spaces, access to cultural goods for all citizens and, ultimately, an improvement in the quality of life as required by SDG 11.4: the political-cultural project of Medellin (Colombia),[195] the Government Plan 2013-2016 of Curitiba[196] and the programme of Belo Horizonte's (Brazil) Arena of Culture, the Community Living Culture Programme of Lima (Peru),[197] the Municipal Culture Agendas of 54 Uruguayan municipalities and the creation and management of the SACUDE complex on culture in the department of Montevideo (Uruguay),[198] the participatory process '*Trabajando Concepción: Una nueva ciudad al 2030*' (Chile) with culture at its heart,[199] the use of public spaces to implement the Strategic Cultural Plan of Canoas (Brazil),[200] the *Habitando: Cultura en comunidad*[201] and

Figure 4

Female representation in local decision-making, latest data available 2018, Gender Equality Observatory for Latin America and the Carribean, CEPAL
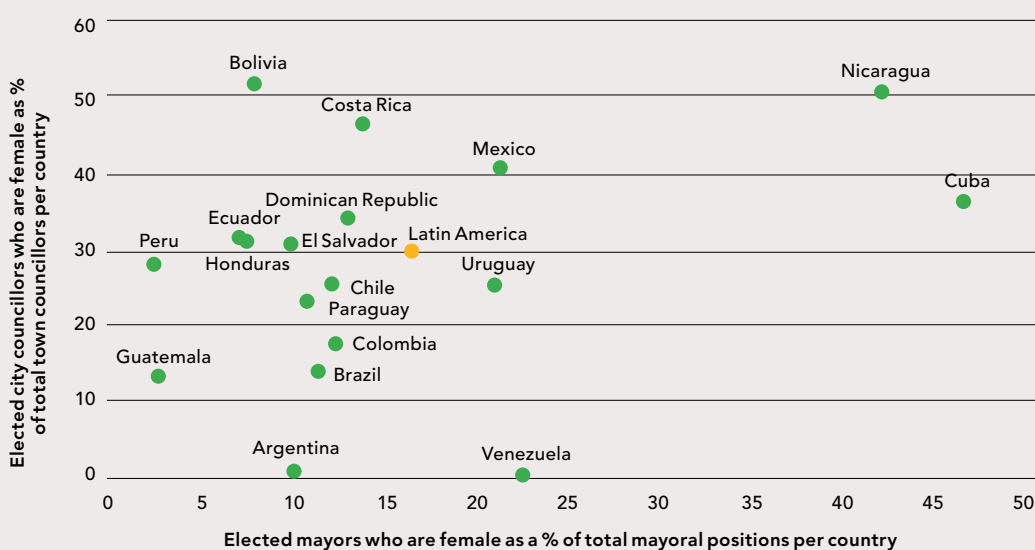
There has been a slow increase in the number of female mayors since 1991, national average remains below 20% in most Latin American countries. In Latin America, women hold 28.8% of municipal council seats, an increase of 6.5% in ten years. At the national level, progress has neither been continuous nor homogeneous.

Source: https://oig.cepal.org/en/autonomies/autonomy-decision-making.

Biblored[202] programmes in Bogota (Colombia), and the artistic-cultural development promoted in the canton of Belen[203] (Costa Rica).

These examples of local initiatives for inclusion, some of which have been internationally recognized, are nevertheless conditioned by macro-social contexts in terms of education, health, employment, housing and culture, amongst others. In order to ensure their impact, greater convergence among the country's various territories is essential (curbing the negative externalities of large cities, valuing the potential of small and medium-sized cities and improving the still important rural environment), without which existing inequalities cannot be reduced. As has already been pointed out, the efforts of LRGs to achieve a more equal and socially sustainable region require greater coherence and collaboration between national and local policies.

Towards more innovative, sustainable development models

In economic terms, Latin America faces an increase in the unemployment rate (9.4% in urban areas), which especially affects women, youth, indigenous people, people of African descent,[204] and migrants.

For this reason, several municipalities and regions have designed **job placement and entrepreneurship** programmes, such as Rafaela (Argentina), whose internationally recognized Rafaela Emprende programme has helped to create new businesses and projects for local young people;[205] São Paulo, which gives support to micro-entrepreneurs (access to credit, tax breaks, technical support, etc.)[206] as part of the Decent Work Agenda; and Guayaquil and Quito, which have created the platforms Emprende Guayaquil and ConQuito to act as catalysts for entrepreneurship

Workers are fetched from the fields and retrieved to their towns in Cuba, near Cienfuegos (photo: © Rebeca Varela Figueroa).

in the country.[207] These projects have also been important in bridging the gap between the training offered by the education system and the skills demanded by the productive sector, given that Latin America has one of the largest gaps in the world according to the World Bank.[208]

Although the most knowledge-intensive services are concentrated in developed regions and large cities, several programmes promote the **innovation and modernization of industry** (SDG 8.2) in order to increase competitiveness in territories, such as those introduced in the state of Jalisco,[209] as well as the ADELCO Network (Local Economic Development Agencies) of Colombia, which is working to help integrate the interests of territories into regional agendas of competitiveness.[210] The programmes to encourage **creativity and innovation** (SDG 8.3) promoted by the regional government of Valparaiso through its Regional Innovation Strategy[211] have helped to position Chile as the most innovative country in Latin America.

The Regional Forums of Local Economic Development launched at a local level, together with international organizations (UNDP and the International Labour Organization (ILO)) and held in Quito (2015), Cochabamba (2017) and Barranquilla (2019), are an opportunity to promote spaces for exchange and debate on the subject.[212] Also important are the efforts at various government levels to coordinate economic development in the territory, as in the case of the PADIT (Articulated Platform for the Integrated Development of Territories) programme in Cuba, which aims to strengthen capacities in municipalities for defining, planning and implementing territorial strategies that encourage the entrepreneurship of women and young people and complement decentralization processes.[213] UNECLAC underlines the **potential of intermediary and small cities** if they are provided with educational and employment opportunities for the local population.[214] It has therefore called for greater public investment and incentives to relocate industrial plants and research and development centres to foster a knowledge-based economy and innovation.[215]

Other **smaller municipalities and those in rural areas** are attempting to support themselves using their 'added value' or 'local culture and products', which aligns with SDG 8.9. The municipality of Viñales and others nearby promote tourism by working with various territorial actors,[216] as do the municipalities of the Jiboa Valley Intermunicipal Association in El Salvador, who have created the country's first territorial master plan for tourism.[217] The mayor's office of El Peñol (Colombia) worked with 30 families experiencing displacement, vulnerability and extreme poverty to improve rural sector productivity as part of the project

'*Mi Finca, Mi Empresa'*.[218] In Bolivia, the Rural Markets project facilitates access to agricultural production markets for producer families and micro and small enterprises (mostly women) in 26 municipalities of four governorates, at the same time revaluing their heritage and territory.[219] In the department of Caquetá (Colombia), the project 'Sustainable Caquetá Territories for Peace' aims to consolidate a stable and lasting peace in Colombia by enhancing production dynamics with competitive potential, at the same time incorporating environmental sustainability and social inclusion into the process.[220]

The **social and solidarity-based economy** is expanding in metropolitan areas as well as in small municipalities and rural areas. The role of cooperatives in developing affordable housing was mentioned earlier and the '*Arranjos Produtivos Locais*' in Brazil is worth noting in this respect (see Box 10).

Finally, 55% of the active population in Latin America works in the **informal sector,** in the areas of waste collection, street trading, etc.[221] In some countries (Bolivia, Colombia, Paraguay and Peru), this figure even reaches 70%.[222] Moreover, a rise in the number of self-employed workers indicates a lack of opportunities in the labour market and generally translates into increased precariousness for workers.[223] Amongst others, the Decent Work Agenda of Santa Fe 2017-2020 (Argentina) has helped the province to increase the number of workers registered in working conditions that follow acceptable work guidelines.[224]

SDG 9 calls for countries to build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation. The region now needs to take advantage of the opportunities offered by technological advances to promote an economy based on knowledge and innovation that accommodates a growing number of workers, in order to increase the region's productivity and its resilience to change and, consequently, income at both macro and household levels.[225]

Box 10

'Arranjos Produtivos Locais' in Brazil

The '*Arranjos Produtivos Locais*' (Local Productive Arrangements) project in Brazil is based on the concept of company clusters, bringing together companies in the same territory with product specialization and maintaining links of articulation, interaction, cooperation and learning amongst them and other local actors. For example, in the state of Santa Catarina alone, sustainable development of the tourism, handicrafts and wine sectors (amongst others) has been achieved.

Source: http://desis.ufsc.br/files/2017/11/CADERNO-APLs-AMURES.pdf.

Restoring confidence in local institutions

Protecting the environment, social inclusion and local economic development all require accessible, reliable and stable institutions that promote high levels of transparency, citizen participation and accountability and know-how in order to adapt to new situations by opting for smart territories that promote the use of new technologies in various fields such as education, health, public services or citizen security.

In Latin America, there is a recognized tradition of **citizen participation** in designing public policies which has served as a benchmark for many countries, with a strong presence of community organizations working in the areas of health, culture, education, basic services, environmental protection and access to land. The experience of participatory budgeting, for example, began in Porto Alegre (Brazil) in 1988 and later spread worldwide. Other municipalities in the region have more recently been promoting various innovative practices: Canoas (Brazil) and its 13 participation tools recognized by the International Observatory of Participatory Democracy,[226] Buenos Aires,[227] Curitiba[228] and more recently San Salvador,[229] which uses CONSUL software provided by Madrid City Council. All these practices contribute to SDGs 16.6 and 16.7. Citizen participation is particularly critical when the trust of citizens in public institutions
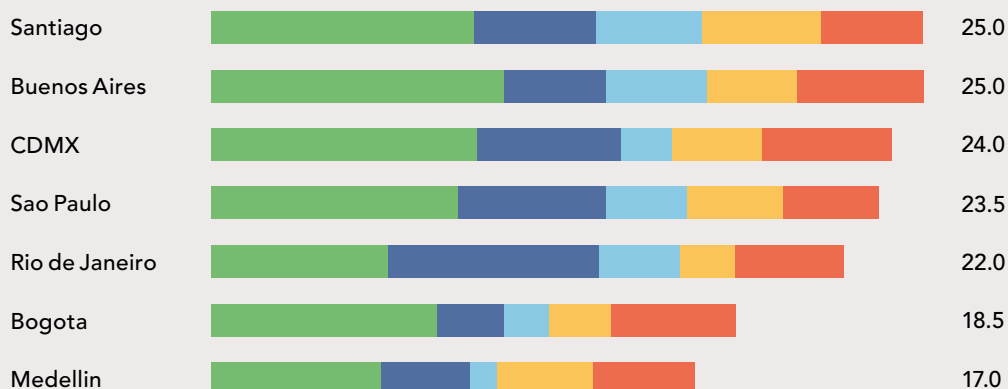
is decreasing and problems such as economic problems, violence and corruption are among the main concerns of Latin American citizens.[230]

National and sub-national governments have also adopted open government initiatives to help **disseminate information through electronic channels,** as well as listening to the demands of citizens. One notable example of good practice is the development of online platforms to manage procedures and the exchange of information with the citizens of La Paz, whose i-gob (innovative e-government) platform provides a large number of services to citizens, as well as an integrated early warning programme for risk management.[231] Bogotá, with its follow-up tool for local public management and citizen observatories, allows citizens to contribute to and evaluate the effectiveness of the management of their municipalities as regards good governance, sustainable economic development, inclusive social development and environmental sustainability.[232] Other municipalities are creating pilot platforms as part of open government agendas: *Barrio Digital* in La Paz,[233] *Mi Quito*,[234] *Mi Medellín*,[235] *Bogotá Abierta*[236] and *Ágora Río*.[237]

These platforms also help to **strengthen transparency and accountability** and restore the confidence of citizens in their institutions (in 2017, 75% of people in the region were dissatisfied with their institutions).[238] The perception of corruption

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Figure 5

Latin American cities and services delivered through online applications

City	Value
Santiago	25.0
Buenos Aires	25.0
CDMX	24.0
Sao Paulo	23.5
Rio de Janeiro	22.0
Bogota	18.5
Medellin	17.0

Legend: ■ Mobility ■ Security ■ Public services ■ Salud ■ Economic development, housing and community

Source: Smart cities: Digital solutions for a more liveable future, 2018.

is widespread in society and has been steadily rising since 2010, with a score of 55 points out of 100 — a much higher figure than the OECD average of 31 points.[239] A UNDP programme in Mexico integrates two main components: strengthening open government practices in the states and an integrity programme to strengthen transparency at federal and state levels.[240]

The dissemination of information and communication technology (ICT)[241] also requires greater adaptation of services, as well as the need to improve the digital capabilities of the population (internet users amounted to 56.4% of the Latin American population in 2016).[242] An increasing number of governments are opting to digitalize their services through online applications (see Figure 5). [243]

The IDB's **Smart Cities** programme has collaborated with several Latin American cities in the areas of security, environment, mobility and the creation of integrated centres (in Valdivia, Nassau, Guadalajara, Montego Bay, Goiania, Barranquilla, and Montevideo), and to a lesser extent on issues of connectivity (Villavicencio and Valledupar), citizen participation (Joao Pessoa and Guadalajara), energy (Florianopolis), e-government (Valdivia), health (Vitoria) and education (Palmas).[244] Cities have in some cases developed strategic plans (Monteria) and created specific council departments (Montevideo) to provide support for projects such as the revitalization of historical and cultural centres (Guadalajara), and greater security, with a reduction of 15% in vehicle theft and domestic violence through the use of a panic button (Vitoria).[245]

Many municipalities and intermediary governments are also innovating their approach to public management to facilitate administrative processes and devise solutions in collaboration with other government spheres. Examples of this include the platforms *Colombia Compra Eficiente* and *Chilecompra* (launched by national governments), which centralize public procurement processes at various government levels in the country by ensuring greater efficiency in management and a suitable critical mass to obtain more competitive prices and higher quality services.[246]

Finally, improved governance can also be pursued through partnerships with the private sector (Public-Private Partnerships, or PPPs) and local communities (Public-Private-People Partnerships, or PPPPs). In this sense, the Infrascope 2017 report indicates that all Latin American countries have together improved in all aspects (regulatory framework, institutional framework, operational maturity and slightly less so in financial facilities and investment climate), but they require greater regulatory clarity and more developed institutional capacity, since projects tend to be inefficient, leading to increases in their total cost.[247]

Promoting new modalities of citizen participation can contribute gradually to creating more efficient, accessible, transparent and accountable local governments.

In conclusion, LRGs in Latin America are developing or participating in initiatives to improve their governance through new modalities of citizen participation, the introduction of ICT and the pooling of efforts with other national or local governments, private entities, civil society and other social and local stakeholders more generally. Promoting these lines of work can contribute gradually to creating more efficient, accessible, transparent and accountable local governments.

This brief summary shows that LRGs in Latin America are capable of promoting initiatives aligned with the SDGs in a variety of fields of competence; that they are capable of leading innovation processes and developing more integrated, multisectoral strategies to involve local actors — communities, the private sector and academia — as well as different government areas at various levels; and that they can therefore promote more sustainable, inclusive development in their territories and cities. In fact, they are supporting territorial development strategies that could be catalysts for the achievement of the SDGs in the Latin American region as a whole. ◉

4. Conclusions

2030 Agenda: progress and limitations

As this chapter shows, LRGs in Latin America and the Caribbean are increasingly committed to the 2030 Agenda. Their actions are dictated by the institutional frameworks that have been developed by the states in the region. As in other continents, national governments have sought to align their national development strategies with the SDGs. They have also created institutional mechanisms to coordinate implementation, monitor progress and report to the UN. However, as the UNECLAC report to the Regional Sustainable Forum stressed, there are still pending issues to enhance the ownership of global agendas by Latin American society (see the introduction of this chapter). It is necessary to improve stakeholders' participation, ensure adequate financing and revise the current unsustainable development models that are still dominant in the region.

Indeed, the current situation in Latin America and the Caribbean hinders the achievement of the ambitious objectives of the global agendas. Economic growth has slowed in recent years. In several states, recent changes in the political regime are steering development in a direction that may diverge from some of the objectives of global agendas (e.g. Brazil). At the institutional level, the disaffection of citizens with their governments and public institutions has grown. There are many questions as to whether the region will be able to achieve all the goals outlined in the Sustainable Development Objectives.

LRGs are key in the implementation of global agendas

Given that Latin America is an increasingly urbanized region that has implemented decentralization processes in recent decades, the chapter outlines how the region's urban and territorial agenda is central to achieving the SDGs. Many of the most important challenges in achieving the 2030 Agenda need to be tackled in urban areas and specific territories: the need to eradicate extreme poverty, improve social and economic inclusion, increase access to public services and housing, promote opportunities and reduce inequalities, enhance resilience to disasters, reduce the impact on climate change and protect the environment, strengthen urban-rural linkages and preserve biodiversity. LRGs have increasing responsibilities within cities' and territories' governance systems and, consequently, a greater responsibility to realize the global agendas. This often comes without adequate technical and financial capabilities, an issue which, in turn, has often led to innovation in public policy and the search for new forms of partnerships and multi-stakeholder alliances.

This chapter showcases the efforts of Latin American LRGs to link up with 2030 Agenda and contribute to the implementation of the SDGs. Local government associations and networks, both regional and national, as well as large cities and regions in federal countries and, progressively, intermediary cities and small towns, have moved forward with greater determination and are leading effective 2030 Agenda localization processes. Many have taken advantage of the 2030 Agenda to review their strategies and public policies, adopt a more integrative approach to development in their territories, engage territorial actors and broaden their alliances with citizens.

The chapter offers hundreds of examples of contributions to the achievement of the SDGs from the territories in the region. Some of these experiences are particularly significant because of their potential for change. Many cities and regions, for example, have begun to act decisively against climate change and for the protection of the environment and biodiversity, even without clear policy guidelines from national governments. It highlights actions that have contributed to redesigning cities, fighting social segregation, improving living conditions in poor neighbourhoods and promoting peace and inclusion. Some visionary local governments are promoting local economic development, entrepreneurship and innovation, creating opportunities for women and youth, responding to the needs of informal workers, including the know-how of First Peoples (*Pueblos originarios*).

Others are promoting the circular economy, the sharing economy, social housing initiatives, local food production systems and urban agriculture, as well as agroecology (such as the Network of Agroecological Municipalities of Argentina, the Mexican *chinampas* or productive forms that avoid the use of chemicals and preserve soil bioversity). They are embracing and leading new territorial sustainable development approaches.

Many of the solutions provided by Latin American local governments are the result of citizen participation through initiatives such as participatory planning and budgeting, which gained international recognition and were disseminated throughout the countries of the region and beyond. These experiences can help to build more transparent governance systems, based on institutions that are open and accessible to the most vulnerable populations.

However, given the magnitude of the challenges, the mobilization of LRGs is still insufficient. **A joint effort by national governments, LRG organizations and international institutions is required to upscale local mobilization and, above all, to generate the necessary support to sustain and amplify change**, upscaling bottom-up initiatives and strengthening cooperation with national strategies.

Structural challenges to localization: uneven decentralization and limited access to adequate funding

Although progress has been made, this chapter examines the institutional contexts within which LRGs operate in order to highlight the constraints of these processes. It emphasises two dimensions: **1) the evolution of the institutional and financial framework,** and **2) the need for greater inter-institutional and citizen cooperation.** In relation to the first, the institutional framework, the chapter highlights the advances of the democratization and decentralization agendas, which in the last few decades have progressed almost in parallel. The election of local authorities is now a widespread phenomenon across the continent. In other respects, progress has been uneven, with clear regional and country differences (between countries of the Southern Cone, Andean, Central America and the Caribbean) and advances stagnations and setbacks. In addition, the increase in the responsibilities of LRGs with respect to communities has left many unresolved problems, both in terms of the clarity of the distribution of competences and the capacity to assume them. In many countries, there is a lack of clarity about 'who does what' and, above all, 'with what means'. This is a burden that increases the challenges implementing the 2030 Agenda, hindering the role of LRGs, the coordination of policies between different levels of government, as well as the mobilization of local actors.

Globally, in the majority of countries LRG funding doubled between 1985 and 2010, following the growth of their economies, yet its level in this region (at 6.2% of GDP) remains relatively low (below Europe's 16% or Asia-Pacific's 8%) and varies significantly between states (particularly between federal and unitary countries). This limits LRGs' ability to fully assume their responsibilities with respect to local development. In most nations (with a few exceptions), local budgets are highly dependent on transfers of funds from the national government, and this is usually accompanied by a high degree of control and conditionality, thus limiting local autonomy. Inadequate local taxation frameworks, on the other hand, curb the possibility of diversifying and optimizing the mobilization of local resources and, especially, the recovery of wealth and added value generated by cities (e.g. through increases in the value of properties). Restrictions on local budgets also affect local borrowing and access to funding. With the exception of large regions and cities, whose investment capacities are significant, most local governments and cities (and intermediary cities in particular) have limited access to resources to invest in services and infrastructure.

The implementation of the SDGs is an opportunity to advance decentralization processes and strengthen LRGs and their financing in order to promote the localization of agendas and move towards new models of development that are more inclusive and sustainable.

The need to enhance cooperation between institutions and civil society

Dissemination, dialogue and cooperation are vital for ensuring the ownership and implementation of the SDGs among both governments and local actors (civil society, business, and academia). The 2030 Agenda places particular emphasis on these two aspects (under the title 'whole-of-government' and 'whole-of-society approaches, or MLG).

To improve the participation of local institutions, LRGs in the region need to be properly represented and active in the national coordination frameworks for the implementation of the 2030 Agenda. This is an important lever for LRGs to feel involved, rather than seeing these agendas as alien.

The progress of LRGs in implementing these agendas depends to a large extent on the willingness and incentives promoted by national governments. One drawback highlighted in the report is the limited participation of local governments in the process of preparing VNRs and in the mechanisms for coordinating the implementation of the SDGs. LRGs' access to the national governance of the 2030 Agenda is limited. In some countries they have been included in the institutional framework for action (as in Brazil, Costa Rica, Honduras, Mexico, the Dominican Republic), but in others their participation is occasional, indirect or non-existent. To improve the participation of local institutions, LRGs in the region need to be properly represented and active in the national coordination frameworks for the implementation of the 2030 Agenda. This is an important lever for LRGs to feel involved, rather than seeing these agendas as alien to the national and local context.

The strengthening of MLG mechanisms to coordinate the implementation of SDGs is an essential lever to strengthen the coherence and impact of public policies. It will take time and a greater willingness to adjust to, and consolidate, new practices, and create a new culture of governance that fosters dialogue and collaboration aligned with the SDGs. Nevertheless, time is pressing to achieve the SDGs and develop a more sustainable future for the region.

Review national and local planning systems and promote access to local data and indicators

Another essential element of collaboration between central and local governments is the planning of development policies and their alignment with the 2030 Agenda. In countries with advanced decentralization processes, this collaboration makes it possible to create synergies, reduce overlaps, avoid duplication and promote the coordinated mobilization of local and national resources. This is particularly relevant when one considers that LRGs represent almost 40% of public investment in the region. To this end, it is necessary to have instruments of MLG in the territories that respect the competences and capacities of each level of government (following the principle of subsidiarity), supported by participatory planning in cities and territories and better coordination between national and local investment plans.

The report presents several examples of progress in institutionalizing coordination mechanisms between different levels of government. It details the efforts made to articulate the SDGs with the national development

planning systems (as in Colombia and Ecuador), as well as the difficulties of vertical and horizontal cooperation between various levels of government (as is the case in states and municipalities in Mexico, and provinces in Ecuador). Although there are positive examples to be highlighted, for some countries these coordination efforts do not seem to be a priority. Admittedly, there are still great difficulties in locating and disaggregating data and constructing joint indicators between national and local governments (e.g. in Brazil and Colombia), without which it is difficult to improve the articulation of national and local planning systems and ensure the follow-up of the 2030 Agenda.

There is greater concern in the region to promote better coordination of national and territorial development strategies with the SDGs. To enhance the effectiveness of such efforts, **it is necessary to reinforce LRGs' planning capacities and the articulation between local and national plans, as well as to define or reinforce financing mechanisms that encourage this coordination. The collection and availability of localized data and indicators is also crucial.**

Strengthen urban and territorial governance to realize the SDGs

Urban policy must also be part of coordination efforts, both in large cities and in intermediate and small cities, as well between urban and rural areas. Despite recent advances in urban governance, many large cities do not yet have a metropolitan government with the necessary powers and resources to adequately plan the development of the metropolitan area as a whole, overcome jurisdictional fragmentation, and respond to the problems of externalities and spillover effects with adequate institutional and financing mechanisms. Given the importance of the metropolitan phenomenon in the region, the establishment of metropolitan governance systems that respond to these challenges would represent an important step forward in the realization of the global agendas, given the significant potential they have to trigger social, economic and environmental change. On the other hand, the persistent territorial inequality between rural and urban territories requires territorial governance frameworks and more collaboration between rural municipalities, mid-sized and intermediate cities and towns, fostering effective and integrated territorial sustainable development approaches.

Despite the growth of intermediate cities in the region, their involvement in the implementation of the SDGs is still limited. Territorial development policies (or their absence) and imbalances in public investment tend to aggravate inequalities between metropolises and intermediate cities, and between better-connected central regions with greater economic dynamism and peripheral

cities and more remote territories. This disparity in investment reduces the equity and integration of the territory, and consequently slows the reduction in inequalities — the objective of the 2030 Agenda.

The ambition to develop interlinkages and more integrated approaches proposed in the 2030 Agenda should support the coordination of urban and sectoral policies with a stronger involvement of LRGs, for example, **by involving them in the design, implementation and evaluation of National Urban Policies promoted by many governments with the support of UN-Habitat. The New Urban Agenda should serve as a catalyst to complement and achieve the SDGs.**

All this notwithstanding, the reinforcement of urban agglomerations, intermediate and small cities and their governance should not be attained at the expense of the surrounding rural areas. The subsistence of urban areas depends on rural ones. If these lose their population, it creates a vacuum that extensive agriculture and monocultures are ready to fill, with irreversible environmental damage and an even more accelerated exodus of the rural population. This is a serious threat that today looms over the Amazon forest in Brazil and other incommensurable natural resources, native forests and biodiversity reserves in other countries. In this regard, **integrated territorial development strategies will be central to the achievement of the SDGs.**

Localize the SDGs to transform Latin American society

The localization of the 2030 Agenda and other global agendas allows for the emergence of an approach and a solution to the sustainable development challenges that Latin American cities and territories face today, and which is hindering their capacities. It is in cities and territories where some of the major problems characterising the region's development models are concentrated — namely high indices of inequality and exclusion, growing violence, and problems of environmental sustainability that affect both the health and wellbeing of the population and negative impacts on the traditional modes of production and consumption of the most vulnerable groups.

In the context of rethinking the regions' current development models, the most innovative local initiatives are those best placed to effect change. They have a key role to play in supporting citizen participation and a move towards more effective forms of cooperative governance. However, many cities and territories face structural problems which they cannot respond to alone. For these initiatives to flourish and multiply, and for their impact to become more significant, it is necessary to create favourable conditions, strengthen the institutional environment and improve resource mobilization. Their participation in building national strategies to implement the SDGs and develop urban policies that address the demands of the New Urban Agenda is essential, not only in terms of adapting national policies to their territories, but also contributing their experiences to the national debate. Their role will become increasingly important for national development. But in order for this to happen, it is necessary to further strengthen their capacities and initiatives and to advance dialogue, cooperation and collaboration at different government levels, thereby extending spaces for participation and consensus. Given the critical situation that many countries in the region face, local and regional governments can become part of the solution in advancing the realization of sustainability agendas and mobilizing the capacities and resources of citizens and local stakeholders. ◉

The Amazon River in the Iquitos-Leticia route (photos: M M, bit.ly/2pZhd3m).