



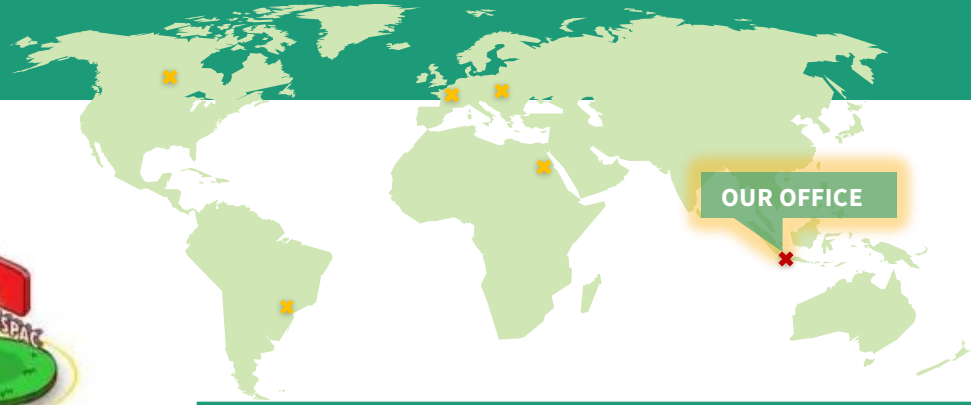
City Enabling Environment Rating:

Assessment of the countries in Asia and Pacific

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United Cities and Local Governments Asia Pacific



1913

IULA
(International Union of Local Authorities)
Established in Belgium.
Headquarter: The Hague, Netherlands



1989

September

IULA ASPAC
Set up During the 29th IULA World Congress in Perth, Western Australia.
Headquarter: Jakarta, Indonesia



2004

January 1

UCLG
An Amalgamation of **IULA**, **UTO** (United Towns Organisations) & **Metropolis** (World Association of the Major Metropolises).
Headquarter: Barcelona, Spain



2004

April 14

UCLG ASPAC
A new entity of IULA ASPAC was established in Taipei. Founded during the 28th IULA ASPAC Executive Committee and Extraordinary Council Meetings.

UCLG is a worldwide association, and the only local government organisation recognised by the United Nations. It nominates 10 out of 20 members of the United Nations Advisory Committee of Local Authorities (UNACLA), the first formal advisory body of local authorities affiliated with the UN.

United Cities and Local Governments Asia Pacific

Training for Trainers

Empowered and built the capacity of dedicated LRGs staff. These staff will serve as focal points to promote and anchor decentralized cooperation and SDGs localisation.

Programme Evaluation

Measured tangible outcomes of the project and capture lessons learned to benefit any future initiatives.

Knowledge Engagement

Utilise the platform of knowledge (UCLG ASPAC Dashboard, social media, website, and e-learning) to update cities and local governments with myriad activities and programme.



01

02

06

03

05

04

Group Discussion

Participants shared experiences that can give practical know-how and case studies on achieving sustainable development at the local level.

Policy Brief

Arranged a policy brief that can be applied by local governments

Peer-to-Peer Learning

Share the good practice among the members and beyond to get comprehensive understanding in attaining the SDGs

Establishing city-to-city cooperation as part of decentralisation plays an essential part of SDGs localisation process, which opens new fields and opportunities in international action of the local and regional governments (LRGs). UCLG ASPAC carried out “Localise SDGs Project in Indonesia” and “LEAD (Local Empowerment, Advocacy, and Development) for SDGs Localisation Project in Pakistan”

UCLG ASPAC Effort in Scale-up the SDG 11 for Cities and Local Governments

VISION: “UCLG ASPAC is the united voice and advocate of democratic local self-government, which promotes cooperation between governments and within the wider international communities in the Asia-Pacific Region”.



To promote strong and effective democratic local self-government throughout the region/world by fostering unity and cooperation among members.



To promote economic, social, cultural, vocational and environmental development by enhancing the services to the citizens based on good governance.



To ensure the effective political representation of local government to the UN and other international communities.



To promote economic, social, cultural, vocational and environmental development by enhancing the services to the citizens based on good governance.



To be the worldwide source of key information on local government, learning, exchange, and capacity building to support democratic local governments and their associations.

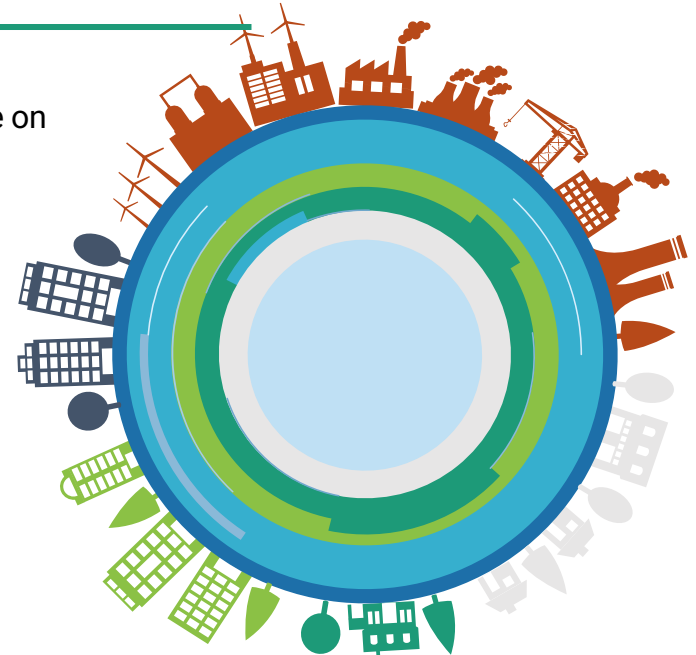
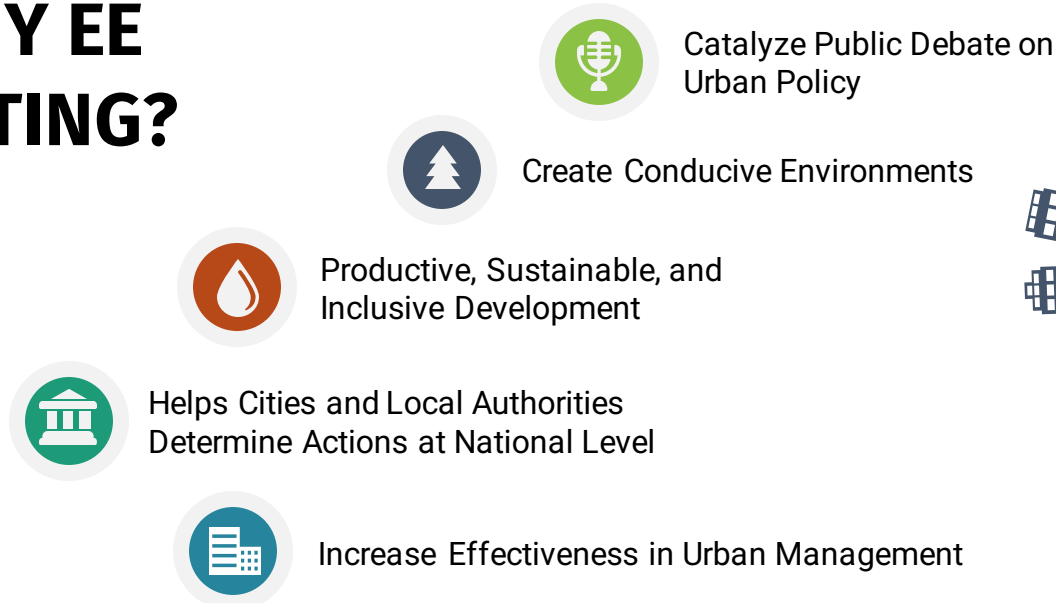


To promote twinning and partnership between local governments and peoples.

WHAT IS EE?

An assessment that allows local government to benchmark themselves against the minimum standards required for cities and local authorities to contribute significantly to effective management of urbanisation

WHY EE RATING?



WHAT IS THE OBJECTIVE?

To assess if the legal and institutional environment (including financing issues) is conducive to the “localisation” of the SDGs/Post-2015 agenda

To strengthen/develop mechanisms to implement and monitor the SDGs, with active participation of local governments

To compare countries in the region in order to identify which countries are currently better positioned to efficiently manage urbanization and use demographic change to catalyse faster and equitable national growth



To examine in selected countries in Asia Pacific, government initiatives to promote an enabling environment for local governments to contribute to achieving the SDGs/Post-2015 agenda

To identify areas for institutional reforms, drawing lessons from the better-rated countries, to create a conducive environment for inclusive and sustainable urban development inclusive gender responsive governance

To identify areas for reforms to strengthen local government capacities and promote strategic participative approach for the implementation of the SDGs/Post-2015 agenda

EXPERIENCE FROM AFRICA

Conducted in 50 countries

Apply 10 criteria





- 1 Provision in the constitutional framework
- 2 Provisions in the legislative framework
- 3 Provisions on local governance
- 4 Provisions on financial transfers from the central government to the local authorities
- 5 Provisions concerning local authorities' own revenues
- 6 Provisions on capacity building for local authorities
- 7 Provisions on transparency in the operation & management of local authorities
- 8 Provisions on citizen participation
- 9 Provisions regarding local government performance
- 10 The presence or absence of a national strategy to manage urbanisation


HOW WILL IT WORK?



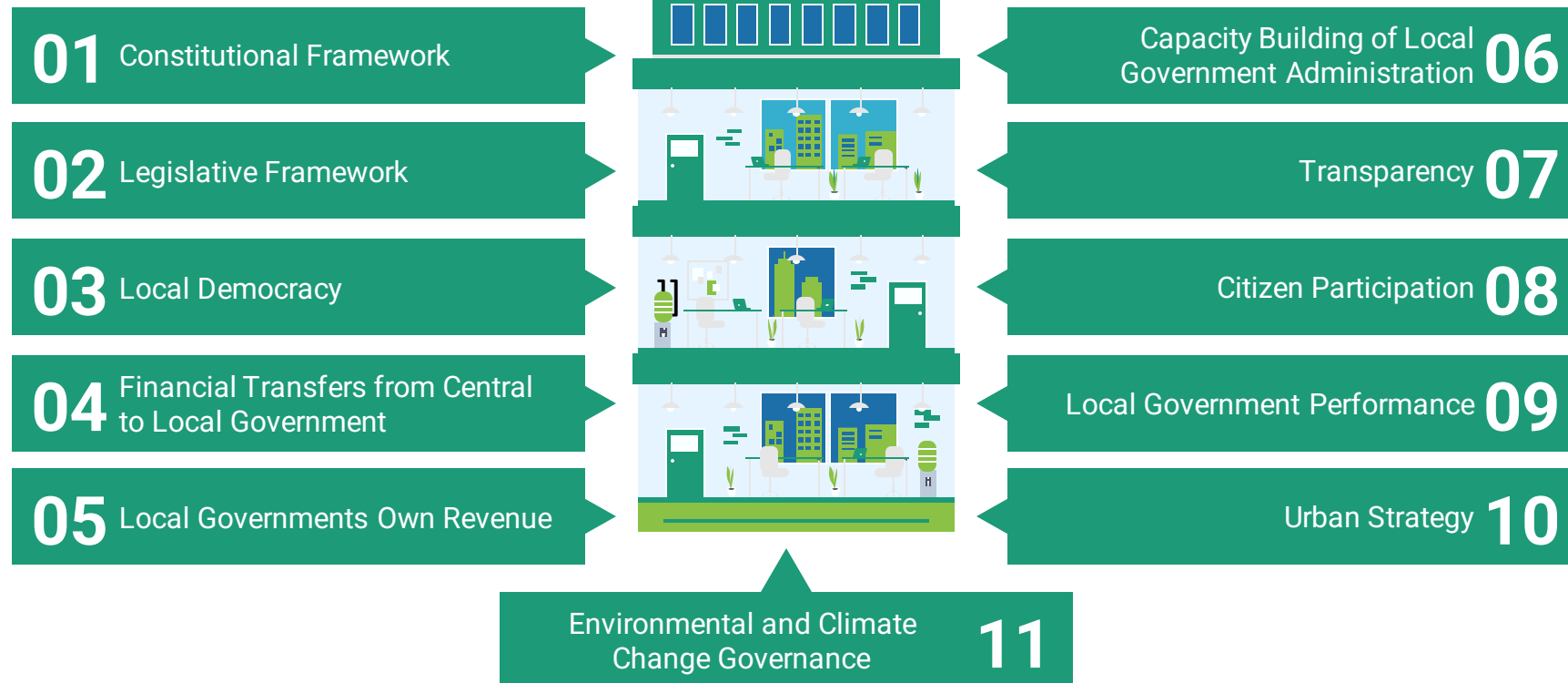
 **30** Asia Pacific Countries

 It adopts a **qualitative approach** by assessing countries on a scale from 1 (least effective) to 4 (most effective).

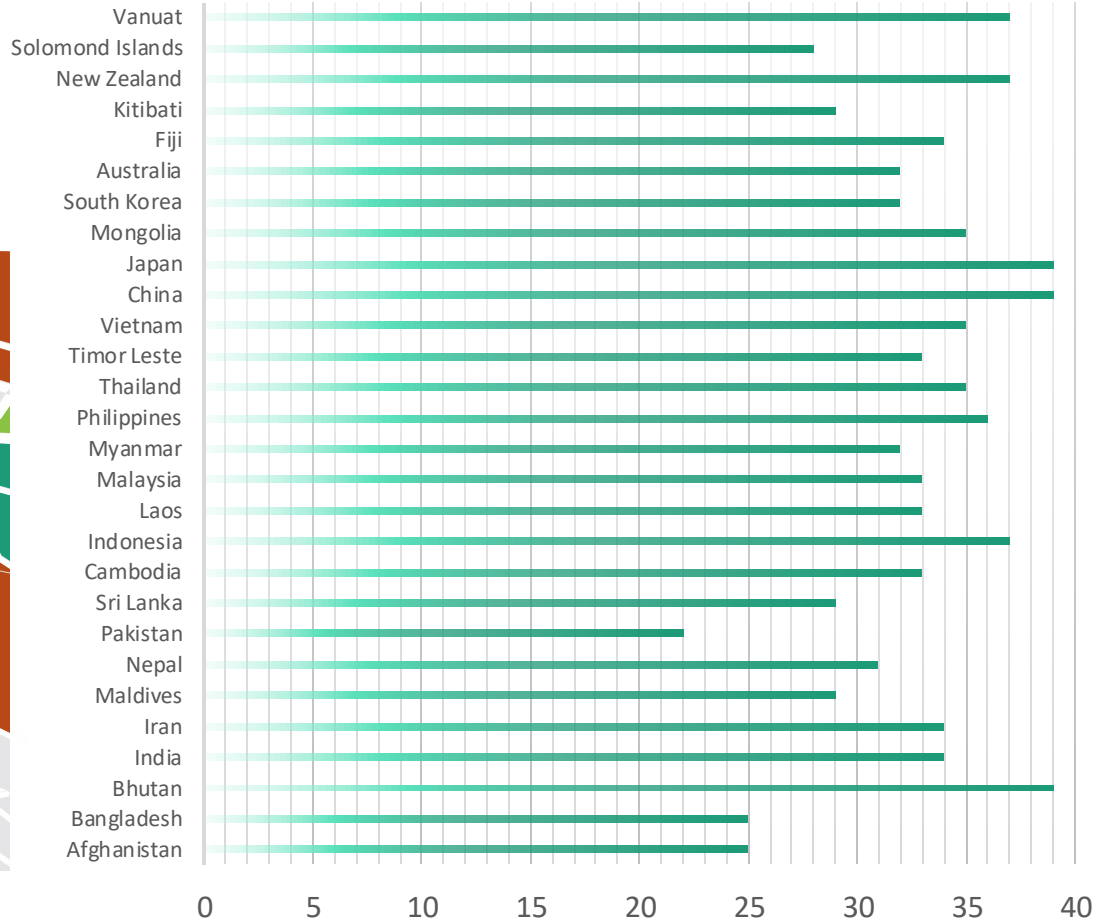
 The indicators cover five areas – local governance, local capacity, financial autonomy, local efficiency and the national institutional framework.

 These five areas cover the essential elements of a city's institutional environment within the context of decentralisation and democracy.

REPLICATING THE WORKS IN ASIA



Total Score by Country of CEE Criteria





Total Score by Country of CEE Criteria



Very High-Performance Countries (score over 33 points)

13 countries have scored higher than 33; these have the most favourable city or local authorities legislative EE in accordance with the adopted evaluation laws of local autonomy. It has the most favourable environment for cities for instruments of transparency, accountability, public participation, capacity building for cities and local authorities, and national urban strategy. Bhutan also scored highly; being a leader in sustainable development.

High Performing Countries (scores of 28-33 points)

12 countries, have CEE scores in the range of 27 to 33. The legal frameworks and legislation of LG exist serving as the umbrella for delegation of powers in government. Decentralisation has been functioning well for some years, enable LGs to manage their territories. Legal, policy and institutional reforms need to be undertaken to ensure that the cities have the fiscal spaces, and capacities to function and deliver their SDGs.

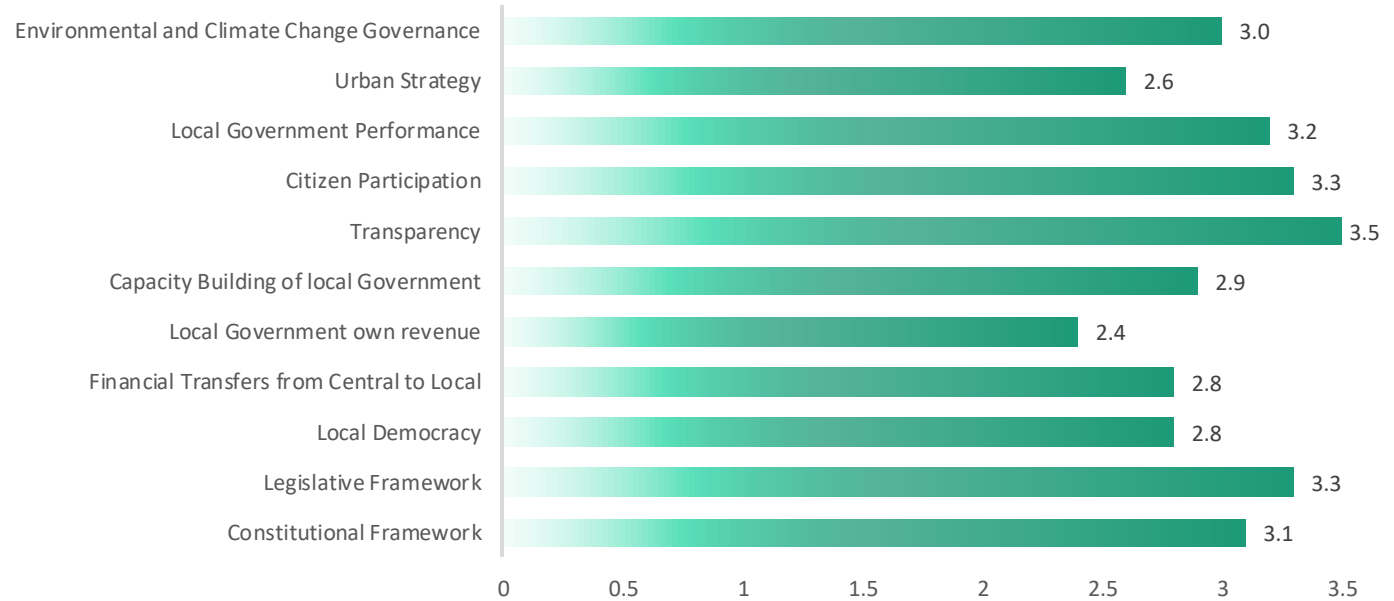
Moderate Performing Countries (22-27 points)

2 countries: Afghanistan and Bangladesh fall in the range of 22-27 CCE country scores. The countries in this range are progressing towards an EE for LGS which will require major reform efforts, when compared to the next group ranking. They have implemented decentralisation, yet some improvements are needed or in some cases, implementation of the reforms has been slow. Several areas of reform identified include legislation to define the role of LGs, financial capacity for local taxation, financial transfer from central government, framework for performance assessment.

Lesser Performing Countries (>22 points)

In Pakistan, many aspects of LG have become dysfunctional and reform has been slow. The central government has not delegated effective functional authority to the states, and this leads to significant conflict between levels of government.

Average CEE Criterion Score Across All Countries



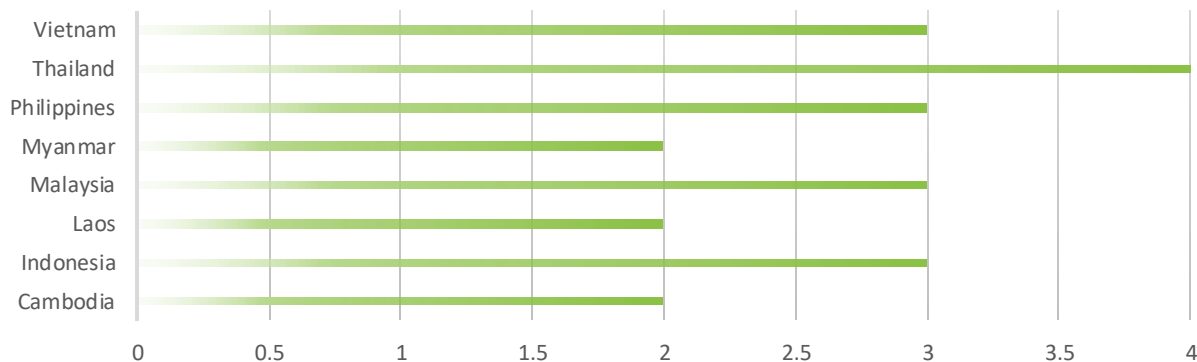
Average CEE Criterion Score Across All Countries



- Five criteria (constitutional framework, legislative framework, citizens performance, transparency, and local government performance score above 3).
- The criteria of financial transfers from central government relate directly to the constitutional arrangements for decentralisation of administrative and fiscal responsibilities.
- There is a vertical fiscal imbalance between revenues collected by the central and local government that often results in complicated transfer arrangements.
- Local government revenue collection in many Asia-Pacific countries is poor. This is partly due to the limited powers of many local governments to set local property tax rates, local levies and service charges.
- Lack of a comprehensive urban strategy is linked to poor planning and management of cities, leading to subsequent sporadic and unplanned development.
- Lack of urban strategy has contributed to serious environmental problems, congestion and poor-quality building design and construction.

CEE Rating: Financial Transfers from the Central Government to Local Governments: Southeast Asia Cases

This criterion attempts to provide a performance measurement of financial transfers from the central government to the local government, and their predictability. This is important in allowing local governments to plan and use resources meaningfully; it scored the poorest overall and also in Southeast Asia



In terms of financial transfer from central to local governments, sub-region wise, reforms are needed in some countries Southeast Asia to improve reliance on the flow of funds under notional vertical fiscal resource sharing arrangements with local government to improve their performance in the delivery of essential legal and other local enabling environments services

Financial Transfer Issues from Central Government to Local Government

Local governments often face several problems in financial matters, especially in their finance infrastructure;

- Adequacy of local revenues and autonomy.
- Expenditure management and service delivery.
- Budget discretion.
- **Intergovernmental transfers.**
- Local government borrowing and investment finance.
- Management capacity.



CONCLUSION

- Most Asia-Pacific countries have enabling constitutional frameworks for LGs but the strengthening of supporting legislative frameworks, especially for fiscal devolution and inclusiveness, are required to develop stronger decentralised, autonomous & self-sufficient LGs.
- Many countries do not have strong enabling frameworks or LGs that can generate their own local revenues. In Sri Lanka, Laos and many Pacific Island states, LGs are highly dependent on the state/province or national governments for funds to support the development of infrastructures and delivery of services.
- LG capacity is an area requiring immediate reform & improvement. Improvements in knowledge, skills & the usage of technology are needed in financial, infrastructure & organisations management. In 'Transparency' and 'Citizens Participation,' local governments appear to be doing well, but there is scope for further improvements in some countries, and the possibility of certain problems going underreported.
- In assessing the 'LG Performance' in Asia-Pacific countries, more focus should be on whether or not recommendations from performance measurement and audits are considered and implemented. The process is generally an internal administrative process. Many Asia-Pacific Countries do not perform well on the criteria of 'Urban Strategy.' There is significant room for improvement in this area, especially in the planning and management of urban development.
- For 'Environment and Climate Change Governance,' the scope for significant improvements to cities and LGs' roles in particular associated with waste management, climate change mitigation and adaptation, pollution & flooding.