GOLD III Steering Committee Meeting  
Barcelona, 4-5 July 2013

The secretary general, UCLG-A, participated in the meeting of the GOLD III Report to be published during the 4th UCLG Congress from October, 1st to 4th 2013 in Rabat, Morocco. GOLD stands for global observatory on local democracy. The GOLD Report is published on a tri annual basis at the occasion of the UCLG Congress. The first GOLD Report (GOLD I) was published in 2007 and focused on the State of decentralization worldwide. GOLD II Report was published in 2010 and raised awareness on, and advocated for fiscal decentralization and local finance throughout the world. The GOLD III Report is on the Governance of local basic services and the roles of local government to providing access for All.

The steering committee meeting on 4-5 July in Barcelona gathered the 14 regional lead authors and experts involved in the write up of the regional chapters of the report; the 8 secretaries general of the UCLG sections; 4 of the UCLG committees; and 5 of the UCLG partners. The meeting was co-chaired by the UCLG secretary general, Mr. Josep Roig, and Mr. David Satterthwaite, Editor, Environment and Urbanization, International Institute for Environment and Development (IIED), the UK, global coordinator of the GOLD III Report.

The meeting oversaw and discussed the outcomes and conclusions and recommendations of each of the 7 regional chapters and of the Metropolitan chapter. A good chunk of the time was allocated to discussing the overall conclusions and recommendations of the GOLD III Report. Key messages to be highlighted are the following:
1. Progress in access to basic services are globally and positively linked to a greater involvement of local governments in their provision;
2. Progress is also much better when and where there is a multi level collaborative approach in the governance of basic services;
3. Access to basic services is key to better the living conditions of the people, to improve the competitiveness of the businesses, and the attractiveness of cities. Therefore there should be a shared understanding across the world that the competitiveness of national economies are more and more dependent on the environment of basic and other services created in and by cities, and the sustainability of such environment.
4. The infrastructures needed for providing basic services are costly and their maturity is long term by nature. This is why the implementation of these infrastructures demand important financial resources accessible under concessional rates, hence the unavoidable role of national government in mobilizing the necessary funds for public expenditures in basic service infrastructures. Hence as well the call for appropriate level or allocation and scaling up of the investments in basic services be among the top items on the political agenda of governments.
5. The maintenance and management of the basic services infrastructures are not properly taken into consideration because improper definition of responsibilities between the different levels of governments. Risks associated with the lack of maintenance include shortage in provision and lack of efficiency in service delivery. This is a common situation in most cities of the developing world.
6. One of the main problems facing basic services is the lack of upfront planning of support infrastructures associated with land use planning. Land use design merits serious consideration given
its impact on the urban density and on the energy ecological footprint of the city, as well as its long term consequences on the urban structure of these infrastructures especially because of their impact on land value and the functioning of the city. It is therefore recommended that long term strategic city planning becomes normal practice in all cities in order that infrastructures development occurs in a coordinated, coherent and timely manner. This is not yet the case in Africa, Asia Pacific (except in developed and emerging economies), Eurasia and Middle East and West Asia.

7. There is a shared view that delivery of basic services to the people shall be the end responsibility of local governments because they are the level of government concerned with day to day life of the city dwellers, and with the stand to take towards a more inclusive and just city. But in many regions this is not an easy venture for local governments that are struggling everywhere with huge urban growth fueling moving targets in service delivery, and shortage of funding to keep scaling up with the growing and diversifying demands from the diverse layers of city dwellers.

8. One of the daunting problems local authorities have to face is that of affordability of the costs of the services for the majority of city dwellers, including the poor. The affordability issue raises the problem of the operator of the service and introduces the whole issue of the business model to balance.

9. Financial resources resort from the 3 Ts: taxation, tariffs and transfers in the form of grants from national governments or the donor community. It is the responsibility of national and local governments to propose sharing and equalization mechanisms in order that the better off contribute to the access to services to the less advantaged. There is little margin on tariffs, grants and taxation. Therefore to overcome this limitation the recourse to lending is highly recommended to cope with the growth of the demand. But given the difficulties of most of national states there is a propensity to go for the Public/Private/Partnership (PPP). The risk here is that the global economy is geared more by financial return than production. Financial PPP are more and more related with the financial markets cycles, and dependent on huge upfront development expenses before the implementation of the partnership, for example expenditures for studies and legal pre-requisites can amount up to around USD 10 million. Hence the complexity of the governance models of basic services and the need of a renewed capacity of public regulation. Hence, there is also the need for local authorities to build the skills of their staff to be able to negotiate the PPPs.

10. Any service delivery should be people centered, guided by the principle of reality and diversity of solutions, and the choices of citizen following a democratic debate. In that sense basic services debate is at the heart of the democracy debate.

Barcelona, 5 July 2013

Jean Pierre Elong Mbassi
Secretary General, UCLG-A