



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
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Federal Department of Foreign Affairs FDFA
Swiss Agency for Development and Cooperation SDC

e+i | employment and
income network

ddlgn | Democratisation, Decentralisation
and Local Governance

Economic Development and Local Governance – all about the private sector?

Core Group Meeting, 5.6.2018



What has been done so far?

Mapping: What programs exist? (Excel sheet)

Concpet Paper: what is LED for SDC?

Webinars (E/F/S): Casese & experience exchange

E-Discussion

Knowledge Hub Kiev F2F



What is LED?

... takes place in a defined territory

... is a participatory and inclusive process that involves a range of stakeholders

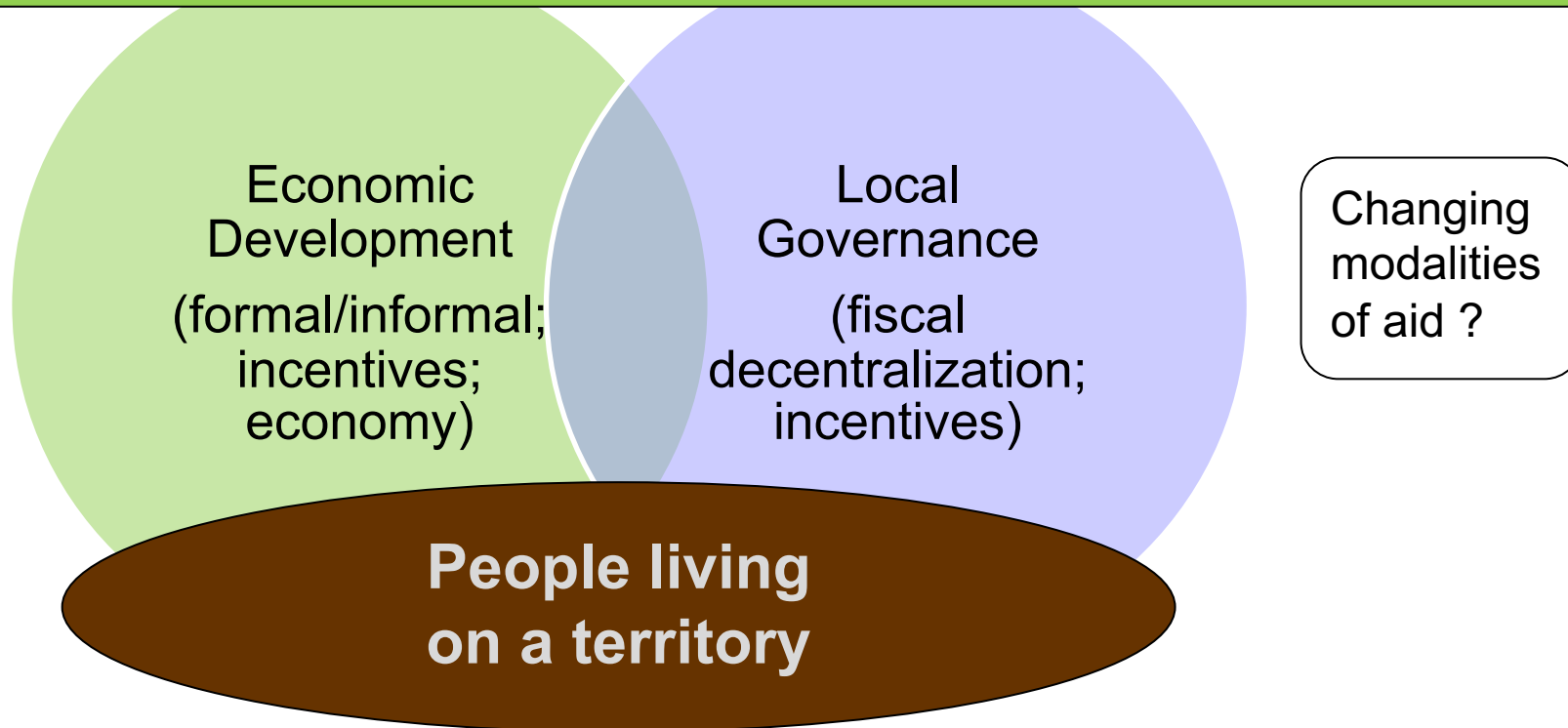
... encompasses the pursuit or facilitation of economic competitiveness

... is undertaken for the purpose of fostering economic well-being



Why to work on LED?

Sustainable inclusive growth for the wellbeing of the people





Synergies between LED and DDLG

LED:

- Is a central function of local governance
- Fosters participation of private sector and civil society in local governance
- Contributes to legitimacy of local governments and private sector

“The governance approach brings all the necessary tools to make LED work for people and to redistribute the welfare.”



Approach

Strategic planning

- Always begin with a strategy
- Based on a step-by-step, planned process
- Driven by government

Institutional

- Local implementation structures, LEDAs
- LEDAs as mixed public private governance structure

Organic

- Learning-by-doing and learning-by-interacting
- Building social capital and capabilities

- DDLG participants see SDCs's approach rather as a **mix of all those approaches** and not so much only 'organic' as in the E-discussion



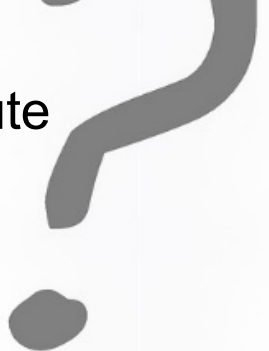

Open issues defined in E-discussion

- Participation vs. results
- Capacity for good governance
- Functioning decentralization
- Incentives and disincentives
- Central vs. local government interests
- Crowding out of other services
- Trust and long-term relationship



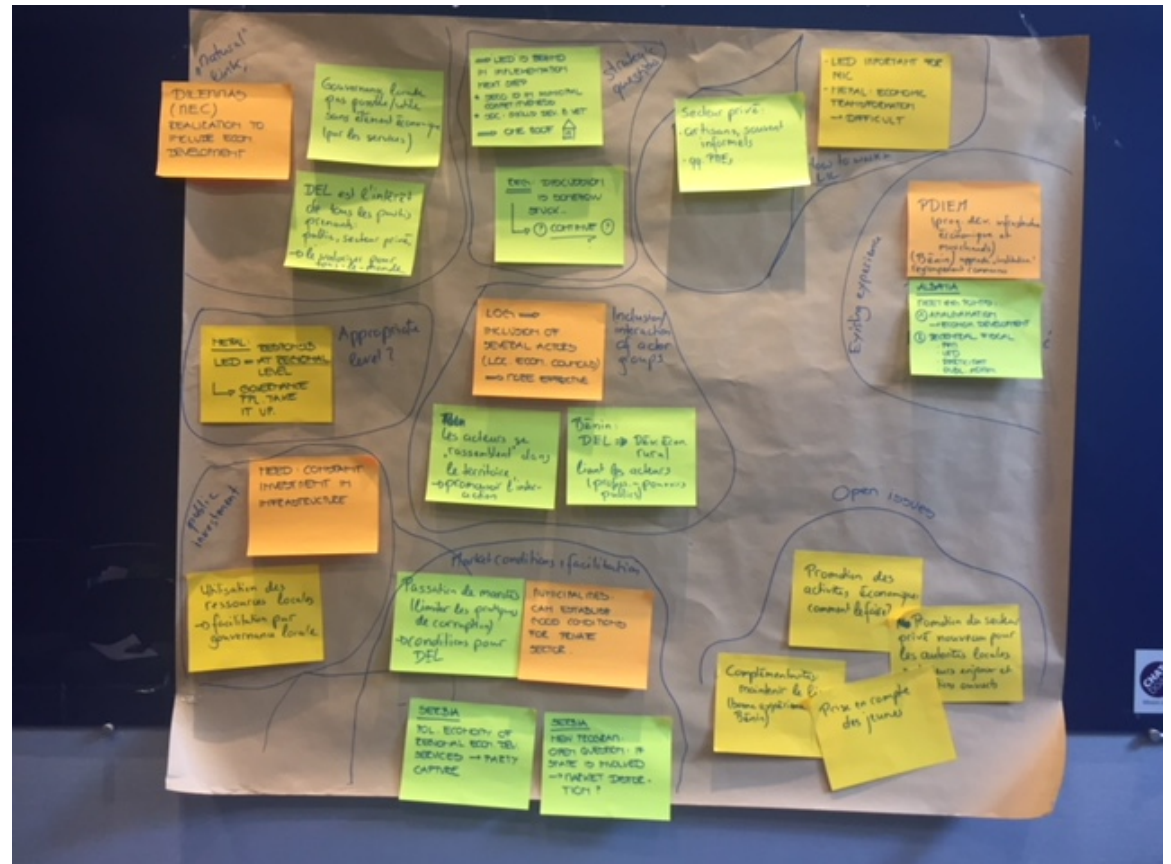
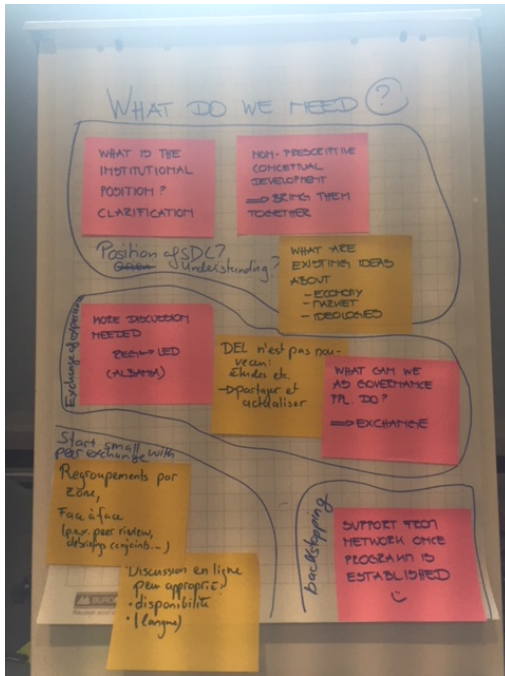


Questions for the Knowledge Hub

- Why link DDLG with LED?
 - What can private sector contribute to local governance?
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- 
- What issues would you like to deepen with your peers in order to develop LED in SDC?
 - How should the process to exchange on LED look like?

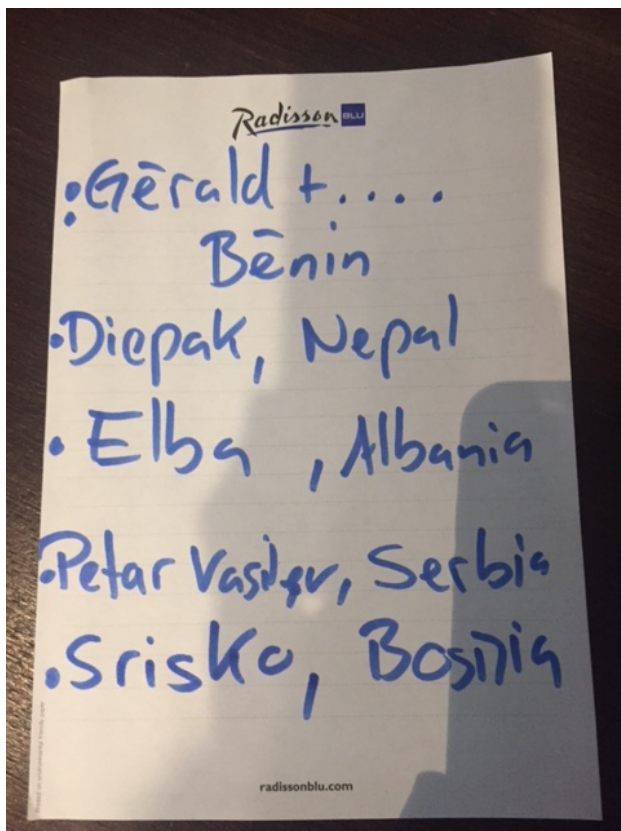


Knowledge Hub F2F





Cooperation offices interested in LED





F2F Discussion – shared issues

- LG and LED are “naturally” linked
- LG can directly influence LED, thus being a key entry point for LED (resource management, infrastructure, market framework conditions)
- It's at the local level that different stakeholder groups interact
- Private sector and economic contexts cannot be treated as homogeneous
- LED can be relevant both for urban and rural areas



F2F Discussion – interests

- Clarify **conceptual understanding** and positioning of SDC
- Build up from **past efforts** (studies, capitalisations)
- **Start small** with f2f peer exchange (regions, peer reviews, debriefings, no e-discussion)
- **Backstop** ongoing programmes
- **Exchange on:**
 - The role of LG/ governance in LED
 - Sensitizing local authorities on LED (promoting LED with authorities)
 - Linking the local and regional level (Albania)
 - Maintain links between local authorities and private sector (Bénin)
 - Role of the youth for LED



Proposition of WG LoG/LED

1. Integrate governance aspects better in the MSD approach

- Who: Backstoppers of E+I and DDLG
- When: tbd
- Resources: tbd

2. Develop an innovative way how to **sensitise DDLG network members about LED** terminology / discourse and main concepts

- Who: Together with WLK
- When: tbd
- Resources: DDLG internally

3. Support facilitation of regional processes and an overall process bringing them together

- Western Balkans (Want to know more about how to integrate LoG perspective and EU's RED approach)
- Westafrica (Want to share their knowledge on multistakeholder processes in the informal economy)
- ALAC (tbd)

4. During the DDLG F2F, the topic of **engagement with the private sector** came up. Currently, a general inquiry into this request is being done with those members that are interested to engage on such a process. Depending on the results of the inquiry, it would make sense to integrate these processes.