

Item 4

International Activities

Purpose of report

For information and comment.

Summary

This report provides an update on the LGA's international cooperation work, as well as its support to councils in promoting trade and investment.

Vice Chair, Cllr Richard Kemp will also present a verbal report on the recent biennial conference of the Commonwealth Local Government Forum.

Recommendation

Members are invited to note the progress of the project and to provide comment and direction as necessary.

Action

Officers to take actions as directed.

Contact officer:

Russell Reefer / Ivor Wells / Drago Djekovic

Position:

Advisors

Phone no:

020 7664 3209 / 020 7664 3119 / 020 7664 3116

E-mail:

Russell.reefer@lcoal.gov.uk / ivor.wells@local.gov.uk /
Drago.djckovic@lcoal.gov.uk

Item 4

International Activities

SECTION A: COMMONWEALTH LOCAL GOVERNMENT CONFERENCE

1. There is growing recognition both internationally and within the UK that councils are important partners in tackling underdevelopment and promoting economic growth. This is becoming particularly pertinent at a time of global economic downturn. Yet British local government still enjoys a strong reputation abroad and there is increasing demand upon the skills and expertise of our councils from around the world.
2. Through a range of international networks the LGA actively pursues trade and economic development opportunities with local government and its stakeholders abroad, where it has the capacity to do so. Where the LGA engages in development project work to support local government abroad it is demand led, externally funded and delivered by practitioner-to-practitioner support, rather than expensive consultants.
3. One such network of which the LGA is an active member is the Commonwealth Local Government Forum (CLGF) which brings together councils, national LGAs and local government Ministries from over 40 countries across the Commonwealth. CLGF provides a platform for mutual learning and cooperation for councils across a wide range of themes. CLGF has also recently received £4.5m from the UK Department for International Development (DFID) for a three year programme to build the capacity of local government in southern and western Africa and south Asia. The LGA is working with CLGF to determine the role of English councils in this programme.
4. CLGF also hosts a biennial conference which, this year was held in Kampala from 14-17 May. The details of the DFID £4.5 million will be discussed at the conference and other local authorities will set out their calls for UK expertise. Board Vice-Chair, Cllr Richard Kemp, who is attending the conference, will give a verbal update on the event to the Board.

SECTION B: UPDATE ON INTERNATIONAL TRADE AND INVESTMENT PROJECT

Introduction

5. This section provides an update on the work to support UK trade through developing "local to local" relationships between the UK and overseas partners.
6. Members are invited to note progress and to provide comment and direction as necessary.

Council's role in supporting International Trade and Investment

7. An example of how local-to-local work can support UK trade is seen in Mexico.
8. Public sector reform in Mexico have led to the opening up of formerly closed internal market to external competition, this is alongside the devolution of key roles and responsibilities for the commissioning of public services from central to local level.

Item 4

9. Today, 70 per cent of all public sector spend in Mexico is now made by regional and local government. In terms of purchasing power therefore, this makes mayors and other local government leaders the key economic actors within their locality and very important contacts in terms of international trade growth.
10. Mexican local government has been proactive in seeking links with UK councils to understand the ways in which they commission services and to understand what this means for elected members.
11. Between 11 to 15 March 2013, the LGA co-hosted a trade delegation of senior political and executive representatives from three states of the Republic of Mexico (Hidalgo, Veracruz or Puebla). This delegation was run in partnership with the Foreign and Commonwealth Office (FCO) and UK Trade and Investment (UKTI).
12. The key objective for the delegation was to explore potential trade and investment opportunities for UK firms. Mexican local leadership have come to us to develop such relationships based on three factors:
 - 12.1. Trust in “local to local” relationships between UK and Mexican local government.
 - 12.2. A strong desire to diversify international trading partnerships beyond just the United States.
 - 12.3. The very high regard held for British services, product and innovation.
13. The LGA helped to set up some good working examples this during the week. For example, two companies Carbon Trust and ARUP are already following up with Mexican partners on a number of opportunities’ generated by the visit.
14. While this latter point equates to new opportunities for UK firms to gain business from Mexico, Mexican politicians also identified a need for political capacity building in developing private and third sector partnerships for public service delivery. The Mexican LGA has asked for support from the UK peer model to build capacity in this area.

Council’s role in supporting International Trade and Investment (UKTI)

15. In order to highlight how local-to-local relationships can help UK trade, on 19 March 2013, Cllr Dave Wilcox chaired a meeting between the LGA and UK Trade and Investment (UKTI) regional directors to explore opportunities for better integration of national and local inward investment and trade efforts.
16. It was agreed that both organisations would set out a framework for better co-ordination, engagement and intelligence-sharing between UKTI, local authorities, business and LEPs. This included the following actions:

21 May 2013

Item 4

Follow up

Joint UKTI / LGA publication

17. There was consensus for developing a joint publication to demonstrate to local areas, (who are not as active on supporting trade and export activity as others), the benefits of working with UKTI.
18. LGA officers are meeting with Michael Boyd, Managing Director, Strategic Investment and Accounts and Kate Marshall, Director Strategy, Policy and Local Engagement, Inward Investment later this month to discuss in more detail.

LGA Chairman meeting with Lord Green of Hurstpierpoint, Minister of State for Trade and Investment

19. A meeting between Lord Green and Sir Merrick Cockell is confirmed for 25 June 2013.
20. This will be an opportunity to discuss the overall project, a closer, more strategic relationship between the LGA and UKTI and new opportunities for more effective intelligence-sharing on local trade and investment prospects across the UK.