

11 July 2013

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International Trade and Cooperation Activities

Purpose of report

For information and comment.

Summary

This report provides an update on the LGA's international cooperation work.

Recommendation

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

Action

Officers to take actions as directed.

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International Trade and Cooperation Activities

EU, Commonwealth and Global Policy

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 as many governments begin to shift functions down to local government in this area. 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. In May, the LGA was represented at the recent biennial conference of the Commonwealth Local Government Forum (CLGF). As part of the event, the United Nations Development Programme (UNDP) conducted a consultation with local government on the future of development policy post-2015 when the Millennium Development Goals (MDGs) expire.
3. The conference produced the Kampala Declaration on Developmental local government, as well as the Munyonyo Statement on Local Government, both emphasising the important role that local government plays in development across the Commonwealth, as well as the importance of its recognition as a key partner in any future development goals at the global level (see [Appendix A](#)).
4. It is a significant time for local government development cooperation on a number of policy levels and the EU Commission has also recently published a communication which clearly recognises local government as a critical partner in delivering the EU's future development commitments (see [Appendix B](#)).
5. This is a considerable achievement for the development cooperation programme, Platforma, a network of European LGAs in which the LGA has participated in. For many years we have been collectively lobbying for greater recognition of local government as a key development actor, separate to civil society and NGOs.
6. The LGA's lobbying work is making a difference within European and international development policy making, particularly around our experience of local government peer review. The message that practitioners, rather than consultants, are best placed to deliver development programmes is increasingly resonating with partners across Europe and beyond. It is clear from the feedback we are receiving that peer review provides development donors with a tried, tested, cost-effective and ground-breaking opportunity to demonstrate their commitment to supporting and improving local government.
7. This is not only an opportunity for donors to develop new improvement programmes, but to also demonstrate more broadly the value of locally led development cooperation. As EU policy shifts, so too are the demands from our development partners. LGAs across Europe and beyond are now thinking creatively about how local government can respond

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to this shift in policy. Over the coming months, local government partners across the EU, as well as regional and national networks in developing countries will be discussing opportunities for delivery of these aims. The LGA will therefore be working closely with a number of partners from across Europe, the Commonwealth and Africa.

Conclusion of the Africa Peer Review project

8. In light of these developments, UCLGA has approached the LGA with a view to commissioning a scaled up peer review programme across the African continent which is entirely externally resourced, self-sustaining and responsive to the learning coming from the current pilot programme. UCLGA is in dialogue with the EU and other partners about the programme and the LGA is also engaging relevant contacts within Europe and beyond.
9. For two years the LGA and United Cities & Local Governments Africa (UCLGA) have been pioneering a local government pan-African peer review programme with the financial support of the Grand Duchy of Luxembourg. Based on British local government's track record of using peer review to drive improvement, the programme has promoted cooperation, learning and organisational improvement across Africa.
10. The current programme is concluding and an evaluation is being carried out. As part of this process, earlier this month the LGA hosted the Secretary General of UCLGA, Jean Pierre Elong Mbassi in London. The visit was an opportunity for Jean Pierre to meet with the UK peers who participated in the African peer reviews, as well as hold wider discussions with the LGA about future opportunities.

Council's role in supporting International Trade and Investment

11. This section provides an update on the work to promote local government's important role in supporting inward investment and export activity and developing existing "local to local" relationships, into new international trade and investment relationships. This is being led as part of the local growth workstream through the LGAs' European and International Board and Economy and Transport Board.
12. The Board will recall that UK firms have been given access to new Mexican markets as a result of close working between Mexican councils, the LGA and UKTI. Officers will update on this work at the Board.
13. Our work with Mexico has created strong interest from UK Trade and Investment (UKTI), the government body responsible for the UK's international trade and investment promotion, to work with us on this issue
14. Sir Merrick Cockell met with Lord Green of Hurstpierpoint, Minister of State for Trade and Investment on 25 June, to discuss developing a more strategic relationship between the LGA and UKTI.

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15. This was a very positive discussion, which provided an opportunity to showcase council's unique role in supporting the government's ambition of increasing the UK's export and attracting more inward investment.
16. The Chairman highlighted the high regard held for English local government amongst its international peers, as strong innovators and exemplar practitioners of local public service. The LGA's work with Mexican local government, plus our direct contact with influential senior politicians via international forums such as Commonwealth Local Government Forum (CLGF) were cited as examples of where UKTI could use local to local relationships to introduce trade and investment discussions and open new opportunities for UK firms.
17. The Minister explicitly recognised the value of UKTI supporting the local government sector in a more systematic manner. In particular, support and advice for local partners to:
 - 17.1. Understand where the sensible links are with established and emerging markets (particularly in 2nd cities).
 - 17.2. Evolve traditional civic twinning agreements in more meaningful commercial partnerships between localities.
 - 17.3. Help steer inward investment into areas and encourage local small medium enterprises (SMEs) to become exporters.
18. Part of UKTI's remit is to find overseas investment for infrastructure and regeneration projects. There is scope therefore to support local government and its partners to identify specific opportunities' that might interest overseas private equity and sovereign wealth fund managers.
19. It was agreed that LGA and UKTI will follow up this discussion and itemise a six-point action plan for council/UKTI collaboration. Copies of this action plan will also be circulated at the Board meeting. The Minister was keen to use the LGA annual conference and exhibition on 2 – 4 July 2013 in Manchester as a platform to promote this collaboration; a speaking slot for UKTI representative was secured.