

**PRIMER FORO  
MUNDIAL  
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DESARROLLO  
LOCAL**

**TERRITORY, ECONOMY  
AND LOCAL GOVERNANCE:  
NEW VIEWPOINTS FOR  
TIMES OF CHANGE**

conclusions of

**FIRST  
WORLD  
FORUM  
OF LOCAL  
DEVELOPMENT  
AGENCIES**

*Seville, 2011*



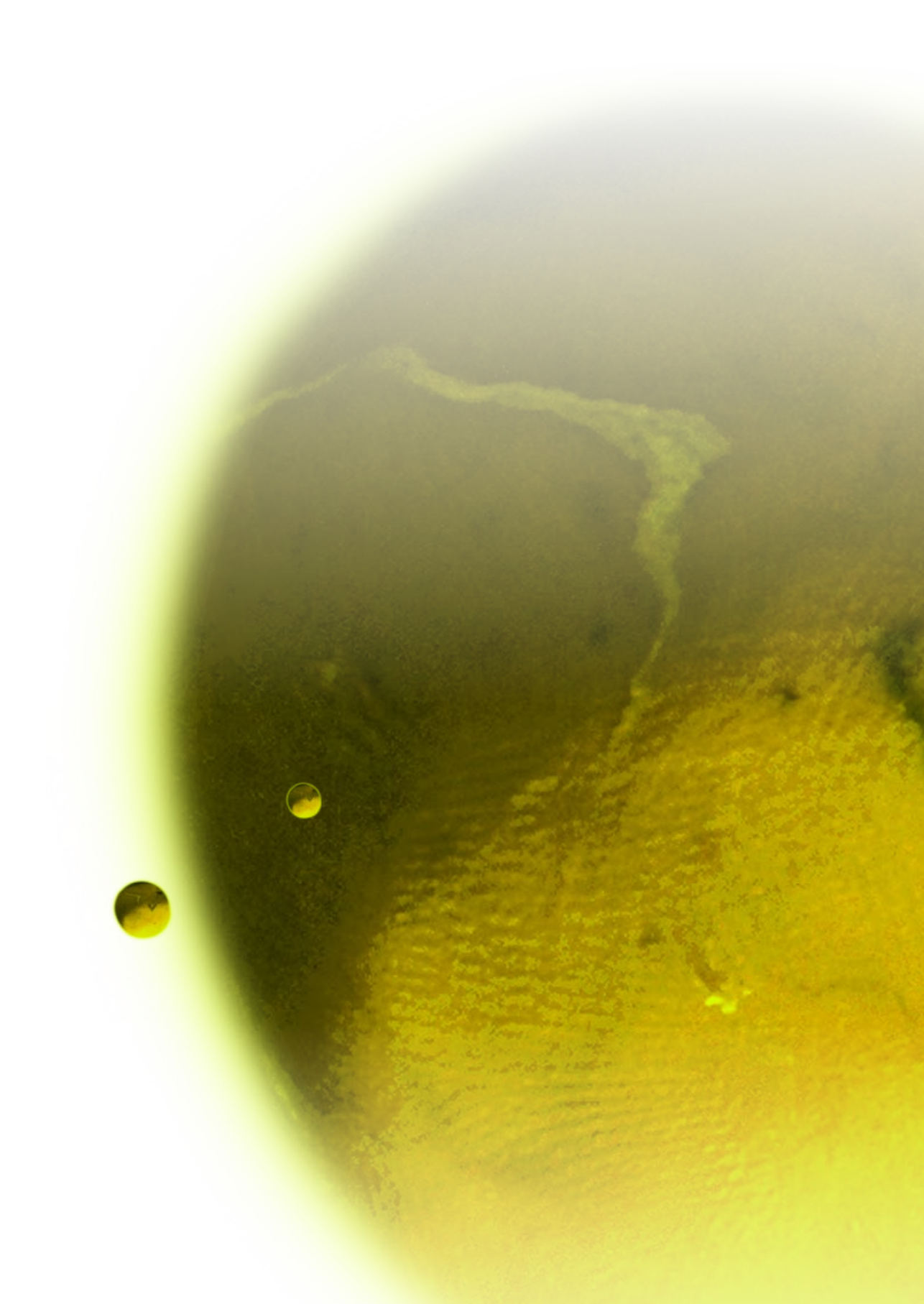
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## CONCEPTUAL NOTE



# The first World Forum of Local Development Agencies, "Territory, Economy and Local Governance: New Perspectives for Changing Times", organized by the Junta of Andalusia Employment Service (SAE), the Andalusia Fund of Municipalities for International Solidarity (FAMSI) and the ART Initiative of the United Nations Development Program (UNDP), seeks to create a space for reflection preceded by leading Local Development actors. Through networking and strategies adapted to the current global context, the Forum will further advance in the creation of new perspectives on supportive and sustainable human development.

**The** current global crisis has prompted a deep reflection process on the paradigm of development, priorities such as employment and the search for instruments that generate and manage Local Economic Development (LED) policies.

**The** experiences discussed in this Forum acknowledge Human Development as the cornerstone of the ongoing analysis, bearing in mind that low democratic control of economic and financial processes and environmental deterioration are among the main causes of the increase in poverty and inequalities.

**This** encounter will create an ideal arena to share tools and strategies for the implementation of a territorial human development approach; moreover, these strategies shall interlink the Forums' three pivotal issues: Territory, Economy and Local Governance.

**The** Forum will put at the participants' disposition the advances and analyses generated by debates that took place in 2010 and 2011: Montevideo (Uruguay), Buenos Aires and Moron (Argentina), Quito (Ecuador), Curitiba (Brazil), Dakar (Senegal), Brussels (European Parliament), Cordoba (Spain), Bogota (Colombia), Maputo (Mozambique), Foligno (Italy), Amman (Jordan) and La Habana (Cuba). These encounters dwelled on the complexity of Local Development's economic dimensions and analyzed how cooperation can support the consolidation of these processes and their articulation with decentralization and de-concentration national policies.

**The** event also seeks to become a space focused on field practices and tools that underscore the territorial dimension of development. This approach is based on potentiating the territories and transcends micro-initiatives, microcredit and small local projects which are often disconnected from territorial development strategies. Local Development Agencies are vivid examples of such an approach, as they become tools of public policies that stimulate concertation amid actors who, among other things, promote territorial marketing; the development of value chains; employment generation services; social and inclusive economy; services to SMEs; a green economy and the socioeconomic empowerment of women. These are only examples of the extensive range of practices to be presented in the Forum; they indeed illustrate the multitude of alternatives offered by the territorial approach in the field of economy and employment. These practices articulate the wide available action space between the local, national and global levels and are useful elements to think, suggest and take action with innovative proposals.



**The** Forum's presentations will revolve around several premises, among which: participation; the necessary and changing balance between local and national actors; the need to generate an economic dynamism grounded on developing the territories' potentialities; the importance of directing these perspectives towards social objectives such as supporting groups traditionally excluded from society in order to facilitate their access to economic opportunities and employment; the promotion of SMEs and improving the quality of life. Moreover, the potentialities offered by the territorial approach to development in contexts of political and social transformation, as is currently the case in various North African and Middle Eastern countries, will be highlighted.

**The** event will also focus on analyzing existing possibilities and new perspectives in the development field. This will allow the innovative aspects of the presented practices to contribute in training and strengthening local, national, public and private capacities.

**Convinced** that sharing the "territories' knowledge" is a valuable opportunity not to be missed, the Junta of Andalusia, through the Andalusia Employment Service, wishes to offer its hospitality and foster the exchange of knowledge and experiences with other countries.

**With** other international municipality networks, FAMSÍ has been the promoter of a municipality-based cooperation that understands the complexity of the national and global dimensions. Its cooperation practices recognize that supporting decentralization and territorial human development in its social, institutional and economic dimensions, while incorporating the cross-cutting issues of environment,

gender, participation and human rights, is both a challenge and an opportunity.

**Wishing** to offer a global perspective and local insight to contribute to empower lives and build resilient nations, the United Nations Development Program has promoted the ART Initiative (Articulation of Territorial and Thematic Networks) as a multilateral tool that facilitates global dialogue between territories, transcending the municipal and national limits. This Initiative enables the systematic exchange of experiences and practices that link the Territory, Economy and Local Governance, thereby becoming a valuable resource for development policies.

**It** is expected that input by the participating countries will contribute to finding new formulas that respond to the urgency of establishing a more efficient link between national public policies (as well as emerging macro-regional ones) and local development strategies, promoting territorial competitiveness in the fight against poverty and inequalities, and preserving the environment and biodiversity.

**The** first World Forum of Local Development Agencies, "Territory, Economy and Local Governance: New Perspectives for Changing Times", hopes to become a permanent platform to discuss and analyze Local Economic Development, as well as a space to influence local public policies in national and international organizations. As such, it is therefore expected that the Forum constitutes a unique opportunity to share experiences and benefit from the comments and contributions of the participants; discuss common challenges, priorities and strategies; and to deliberate on the path to follow in the field of local development in the coming years.

# DECLARATION OF SEVILLE

## First World Forum of Local Development Agencies: New Perspectives for Times of Change

**The** “First World Forum of Local Development Agencies, Territory, Economy and Local Governance: new perspectives for times of change” was held in Seville on 5, 6 and 7 October 2011. It was called by the Andalusian Regional Government (through its Regional Ministry of Employment), the United Nations Development Programme (through the ART Initiative) and the FAMSI, the Andalusian Municipal Fund for International Solidarity (which groups together many municipal and decentralised cooperation networks), with the participation of over 1,300 representatives and delegates from 47 countries, representing local, regional and national governments, local economic development agencies, multilateral organisations, universities, international cooperation institutions, as well as many networks, social bodies and experts in territorial development dynamics in the framework of their respective national processes.

1. The “First World Forum” is the culmination of a fruitful collaboration between decentralised cooperation networks in a multilateral framework that began in the meetings held between 2009 and 2011 in Montevideo (Uruguay), Buenos Aires and Morón (Argentina), Quito (Ecuador), Curitiba (Brazil), Santa Cruz (Bolivia), Dakar (Senegal), Brussels (European Parliament), Córdoba (Spain), Bogotá (Colombia), Maputo (Mozambique), Foligno (Italy) and Havana (Cuba). These meetings have led to a wide-ranging debate on the processes and experiences seen up to now in this important field. These experiences have allowed this Forum to follow a unique learning process on the many facets of local human development and the complexity of articulating development with decentralisation and concentration policies and sustainability in the context of the current global crisis.

2. Focus on moving beyond the stage that concentrates exclusively on micro-initiatives and projects that are not an articulated element of a territorial development strategy. As an example of the driving force behind this focus, special mention must be made of the Local Development Agencies, a public-private policy instrument for the coordination of territorial actors which use a wide and varied range of tools such as territorial marketing, value chains, job-creation services, the social and solidary economy, technical and financial services for SMEs, instruments for a green economy and the socio-economic empowerment of women. These are instruments whose common denominator is that they are the expression of the many alternatives offered by the territorial focus in the field of employment and the economy. These practices articulate the three axes put forward by the Forum: territory, economy and governance, which stimulate us to think, propose and act in today’s context with new perspectives.

The Forum has held 5 plenary sessions and 8 workshops with intense, active participation from delegates of 47 countries:

• **Plenary sessions:**

- The panel on Crisis, Local Development and Territory
- The panel on Local Development, the Economy and International Cooperation.
- The panel on Local Development Strategies: the territorial view
- The panel on Commerce, Cooperation and Local Economic Development: the perspective of diversity.
- The panel on The Experiences of Local Economic Development Agencies in the ART framework

• **Workshops:**

- Public policies for Territorial Development
- The Social / Solidary / Democratic Economy
- Governance, Inclusion, Cohesion and Equity
- Technological Innovation – Social Innovation
- Employment Policies and Local Development
- Local Development, Decentralisation and Governability. The role of International Cooperation
- The Green Economy: Development and Sustainability
- Local Economic Development and Employment: Public-Private Policies and Instruments. The experiences of LEDAs

The conclusions of the plenary sessions and workshops are:

• **Debate** at this Forum has highlighted the need to valorise the strategic potential of territories by involving the community more in development processes and meeting the challenge of articulating those processes with national strategies and global dynamics in order to design more sustainable, environmentally-sound strategies which improve the opportunities and quality of life of women and men.

• **The** relationships between decentralisation, governance, economic and territorial processes are characterised by the complexity and diversity of the context in each different country. Coherent action between the territorial dimension and national strategies requires multilevel articulation of the public and private institutions and actors in the territory.

• **Reflection** is needed to rethink and readdress what we are doing, to evaluate the progress and results and, from this new perspective, to project and design the issues that will be central to the future actions that we take to address these complexities. And we accept these challenges in the conviction that we must share rather than compete, that is, generate alliances and networks that strengthen the role of territories facing national and global challenges.

3. A world context is complex and uncertain, in the midst of an economic, financial, food, environmental and energy crisis which brings with it an increase in migration and forced displacement, and unchecked train of debt, increased social and territorial inequality and, with them, increasing difficulties of Democratic governments to maintain and consolidate development objectives.

• **Local** Economic Development Agencies have proved in the different countries of Europe, Asia, Africa and Latin America that they are a reference point which, by encouraging public-private dialogue and agreement, have brought about effective progress in developing the economic potential of territories, the establishment and consolidation of local innovation and learning networks and promoted new local investment as mechanisms to generate wealth, create jobs and improve the quality of life of the population. An analysis of how the different LEDAS have achieved these results shows that their strength lies in diversity, in not being a "one-size-fits-all" agency. They are, on the contrary, a flexible tool that can respond to the particular combination of conditions in the territory, evolution over time, leadership, tools serving the territory and the public and private actors who participate in governance in strategic planning processes.

• **International** cooperation affords very significant support for the issues that have brought us together at this Forum. We must increase its efficacy and, to that end, the crucial elements are: ensuring support for the continuity and quality of interventions, improving harmonisation between the different actors operating locally in response to the demand of the territories, and facilitating and reinforcing coherence between the different tiers (local, intermediate, national and international) in local development processes.

• **At** the forthcoming HLF in Busan, a side event organised by the UCLG, FOGAR and the UNDP is to present positive experiences from the ART initiative which have been widely mentioned at this Forum.

• **Financial** organisations are key actors in this process, which needs instruments to support the launch of local economic development initiatives with a territorial focus. Some instruments have already been put into practice but this is perhaps the moment to do so more resolutely and forcefully, promoting lines of funding and credits that are not limited to micro-finance, but also to the "meso" dimension, and which are more closely articulated with local territorial development.

• **Likewise**, states should strengthen the coherence of national local development policies, but not as a one-off alternative to divert responsibility at a time of crisis, but as a structural alternative for a new sustainable development model. They must produce policies to decentralise competences and resources, to train human resources, to promote the green economy, equality, job creation and the social economy, as well as financial and fiscal policy and policies for the internationalisation of small and medium-sized enterprises and for social inclusion. That is, the raft of measures that make local development a national, sustainable policy based on the management and programming capacity of the territory and an expression of the

democracy represented by the citizens and their administration.

- **“Think global, act local”** is today joined by the need to act global. In this sense, it is important to valorise complementarity with multilateral organisations, which must accept the importance of recognising the complexity and challenge represented by local development and decentralisation policies. The new multilateralism can valorise the tools available to promote a space for reflection by states, infra-state governments, international networks, civil society, universities, research centres and private actors.

6. From the wealth of experiences presented over these days of debate and reflection, the Forum proposes to continue its work, interacting with different networks and actors to stimulate and exchange innovations.

7. The objective is to generate new, open, plural strategies, innovative new pathways that will facilitate the production and exchange of knowledge, which generate more and better relationships between all of the agents involved, as well as new tools to build skills for new competences. All of this must be based on joint, consensual work which is open to the participation of all the stakeholders, on all continents.

8. The Forum calls on international, multilateral and international cooperation organisations and all of the tiers of state government to work together to incorporate policies and programmes that promote Local Development and instruments such as Local Economic Development Agencies, with a perspective that implies:

- **A** vision of endogenous development.
  - **The** establishment of participation mechanisms that involve the different public and private actors and associations, and that these be laid down in territorial pacts.
  - **The** articulation of the capacities and competences of different tiers of government in the territory.
  - **That** mechanisms be created for the social and economic inclusion of the actors who have traditionally been excluded.
  - **That** local institutions be strengthened and democratic governance promoted.
  - **That** economic, job-creation and business dynamics be created, which are inclusive and socially and environmentally responsible.
  - **That** the development of a territorial enterprise culture be encouraged, with criteria of complementarity and coordination instead of competitiveness.
9. The organisations that have called this First World Forum, the Andalusian Regional Government, FAMSÍ and the UNDP, and the collaborating organisations, the Seville Provincial Council and the Seville City Council, wish to express their thanks to all of the institutions, bodies and persons who have made the organisation of this Forum possible, and to all of the delegates who have taken part, demonstrating the vitality of their experiences, of the debates and reflections, which allow us to progress in the construction of another possible world, a world that is both necessary and urgent.



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## OPENING PANEL

Crisis, Local Development  
and Territory: New viewpoints  
for times of change



**The global crisis has had a very high economic and social impact on the territories, and so the local scale is a key element in the design of development strategies and activities to promote and activate elements that will help to find a way out of the crisis. This involves legal, institutional and management challenges and the financial perspectives of states and local authorities are under great pressure in this negative, restrictive context. Without this effort, it will not be possible to take advantage of opportunities for innovation and transformation that will promote inclusive development at and for the local level.**

**Local** economic development as a public necessity, that is, as part of public policy in government agendas. This view of development implies a territorial focus, based on endogenous resources and obeying environmental sustainability criteria. In turn, this view requires that local development must be constructed through public participation, it must strengthen decentralisation and it must involve an integrated vision of the territory, through participatory territorial planning. There is no doubt that this new vision addresses the challenge of social inclusion and gender equity.

**Local** economic development is one of the pillars which are necessary in order to address more profoundly the processes of decentralisation and regionalisation and local/regional development agencies are the appropriate instruments for participatory strategic planning and coordination in the territories. Multilateral cooperation frameworks can facilitate these multilevel articulation and coordination processes on the ground. In this regard, the ART Initiative of the UNDP is an example of a coordination framework which has allowed the participation of civil society and of the diversity of key players in local development.

**I**t must be underlined that it is necessary to capitalise on past work and experience of decentralised cooperation in local development, highlighting successful entrepreneurial practices and the local management instruments which have valorised endogenous potential and human resources.

**The** key issues proposed for debate in the Forum are:

- **One** of the challenges of these new visions is the funding of local economic development. This challenge is a global responsibility (transnational taxes on financial transactions)
- **The** capacity and effectiveness of local-regional development agencies as mechanisms to stimulate and ensure the execution and facilitation of local development strategies.
- **The** need to include intermunicipal cooperation and the structuring of decentralised cooperation as logical, potential elements in support of local development.
- **Discussion** on forms of participation as an essential element of development, with emphasis on the role of women and of civil society in the definition of and participation in territorial economic and social development.
- **The** need to change the relationships between states and regions, which will require the modification of the management of government, its instruments, regulations and the means of reaching agreements.
- **Promotion** of innovation in order to widen the transversality and territorial development instruments as a means of enhancing sustainability in territorial development.
- **The** search for ways to socialise the knowledge about local development that is gathered in the world in order to have a more efficient and effective impact on this challenge.
- **The** strengthening and promotion of networks of local development agencies as drivers and as technical instruments for economic development.

**Between** the international agenda which challenges us at this World Forum and the post-Forum process, a stand-out event is the Busán meeting on the efficiency of aid and, especially, the Rio +20 Summit which will go beyond questions of the environment; it will be a summit to think of an alternative development model to address this multifaceted crisis.

**Issues** proposed by the participants for DEBATE include:

- **Limitations** of the concept of Economic Growth
- **The** need to promote alternative (local) governments as models to channel local development in these times of crisis
- **The** limits of municipalism as the area for the determination and activation of local development
- **When** we speak of local development, we do not specify where from or for whom. Widen the debate on the connection between local development and democracy
- **There** is a need to revisit the discussion on democracy, the nature of the current crisis and the role of states
- **The** position of global and multilateral organisations in the promotion of strategies and programmes to palliate the crisis, with emphasis on the local scale
- **The** current concept and practice of civilisation is exhausted. There is a need to apply new scientific concepts (both natural and social) such as cellular biology, among others, as ways to overcome the current crisis
- **There** is a need to overcome the concept of human work, going beyond the economic vision that has predominated, changing it for one which includes a strong social focus.



### Summary:

**The** global crisis is an opportune moment to re-think and to restructure the role of the state and of local and regional public authorities as a means of activating a response to the crisis and thereby promoting local development under sustainable, participatory criteria between the government, civil society and private stakeholders. This would mean developing an effective means of democratising the development process with a territorial focus. We recognise that there has been relevant experience in local development, generated especially by Local Development Agencies, but the results have not been adequately socialised and we recognise that the effective progress of local development is related to innovation, knowledge management and national-local articulation for the reinforcement of good governability.

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# WORKSHOP 1

Public Policies for  
Territorial  
Development

## Context

**The** process of globalisation cannot be seen as something unconnected with the identity of the territories because Efficient Public Policies for Territorial Development increasingly depend on the density and quality of relationships and cooperation. Territorial Development, therefore, is a different, effective way of interpreting and acting on a local level in the current context of globalisation, which requires us to work on a dimension of Local Development focused on political, social and economic participation, articulation and consensus.

**Public** Policies for the promotion of Territorial Development must include a series of short, medium and long-term actions whose objective is to develop competitive systems for territorial promotion, generate jobs and income and an equitable economy in its area of influence through integrated cross-sectoral actions at different levels of government. It is necessary to intensify Territorial Decentralisation in the design of public policies and Institutional Coordination between the different territorial levels of public administrations (central, regional, provincial and municipal), and Public-Private Cooperation between all of the key territorial stakeholders and in the generation of areas of collaboration and synergies, which make it possible to create common knowledge about the future of the territory and the challenges to be met.

## Conclusions

**The** promotion of national policies to facilitate a favourable framework for local development requires a new dialogue and a mechanism for articulation between territories and national policy, in a situation of balance between the demand for services, territorial potential and the institutional offer of the public sector.

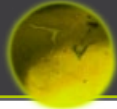

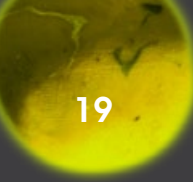
**With** particular regard to the current situation of world crisis, local governments become even more important players in the promotion of territorial development and the definition of strategic priorities for the development of the territory is the ideal opportunity to consolidate the participation of public and private stakeholders in the decision-making process. Territorial development options must be oriented towards national policies which valorise promotion and investment in the endogenous territorial potential and the development of equitable social and economic options, for which local government must accept responsibilities.

**Decentralisation** is a key issue in local development and it is necessary to update the governability agenda, and analyse whether the existing institutional system as it is applied

at territorial level really responds to the social and economic processes of the territory.

**National** policies must consider the different specific realities of the territories and the territories must organise themselves on the basis of their economic potential and social priorities. New institutional entities (micro-regional and regional municipal associations, alternative territorial dimensions, permanent mechanisms for social participation in local governance, Local Economic Development Agencies) which make it possible to take advantage of economies of scale and resources, must consider the endogenous economic and environmental potential and stimulate public participation, especially among those groups which are generally excluded from the decision-making process.






## Summary for the resolution

**In** this context of world crisis, in which the state is incapable of solving the problems caused by an economic system based on deregulated capitalism which is highly competitive and in which the financial factor carries a greater weighting than the real economy, the local dimension acquires a relevant role in the promotion of development, cooperation and knowledge, making it the lead player in a global world, as an agent that can contribute to constructing a new world governance.

**I**t must now be asked whether the institutional configuration of the territory which is still based on the model of the past is still useful today and whether it has the capacity to respond validly to the problems which arise in the different processes of decentralisation, the competences of local administrations and their relationship with territorial development strategies, for the appropriate redistribution of income and wealth and equitable access to goods and services.

**I**n this regard, we must go out to “find the territory” not so much in terms of the administrative or geographical boundaries, but in terms of the cultural, traditional and social aspects which strengthen circular, rather than vertical, relationships, between the different public powers, social stakeholders and the citizens themselves, based on consensus and development strategies which can trigger innovative processes that generate an economy to distribute goods and services that are really important to society, thereby contributing not only to the creation of opportunities for progress but also to multilevel governance.

**Cooperation** relationships, the circulation of knowledge generated by the different experiences and the need for continuous communication for learning and innovation are all fundamental elements in order to move towards a global territorial development strategy which, applied to the different realities, effectively becomes a real alternative on a global scale.



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## WORKSHOP 2

Social,  
democratic,  
solidary  
Economy



**The** workshop began by addressing the idea of analysing different realities that would allow us to propose tools and strategies for the social economy that would produce equitable, inclusive human development that is focused on people. One of the key tools to achieve this is networking.

**There** was debate about the need to analyse the particular nature of micro-funding in different realities, as there is doubt about whether it really is an instrument that generates growth, especially in the medium term. Examples were given of the collapse of national micro-credit systems in Bolivia, Nicaragua and Bosnia.

**The** excessive focus on micro-credits has, in some cases, diverted resources from a key player in local developments, SMEs, towards excessively micro initiatives, whose impact on development is insufficient. (The missing middle).

**The** problem of the allocation of resources was highlighted, since resources must be concentrated on players with a capacity to generate human development.

**The** role of public players: the territories have a direct impact on development in those cases in which their local governments take a proactive role in local human development policies. (Local Developmental States).

**One** of the outstanding instruments which could be preferential objectives of public policy are cooperatives (efficient, effective, equitable, etc.) and the social and solidary economy.

**The** contributions highlighted the importance of responsible corporate procurement to the social, democratic, solidary economy. The relationship between procurement and poverty and the importance of the power of consumers in the act of consuming was also highlighted. An important good practice, and a challenge still to be met in many cases, is for the public administrations to be fair trade consumers.

**Some** participants underlined that a reduction of the public role (bureaucracy) would lead to growth in the private economic sector and would have a repercussion on development.

**One** of the contributions from the panel also highlighted the social inequality seen in some countries, pointing out the conflict between economic development and equity and the important role of legislation, offering legal security as a pillar protected by public policies.

**The** role of LEDAs was also mentioned, acting and influencing public policy and undertaking the role of lobbyist in order finally to influence a different kind of development.

**It** should be noted that the different players in the different dimensions (public, private, social-community), all have an essential role in development.

**The** importance of the Millennium Development Goals was highlighted as a minimum essential commitment by all.

**The** contributions included key ideas, such as:

- **The** need to catalogue different social economy practices so that there is a useful instrument available to people and communities.
- **The** importance of continuity in these spaces, and we propose to take networking as a way of continuing this debate in which the social economy, a driver of human development, takes a leading role.
- **In** a reflection on what we can do together and how to consolidate public development policies to promote the social economy, there arose a proposal to take advantage of the capacities of the Forum and to promote the creation of a world alliance or platform to share know-how and knowledge and which could act as a lever for real transformation.
- **Multiple** players (partnerships) working together (synergy) for and in Local Development.
- **The** need to codify the concept of the social and solidary economy was recognised.
- **We** live in very different realities and the success of LEDAs can reside precisely there, in the particular circumstances of each one, since none must necessarily be the same as any other.
- **Highlight** the importance of affecting public policies in favour of development.

## Final summary

**In** view of the evidence that the Social, Democratic, Solidary Economy reflects a wide variety of experiences and practices in all of the continents, it is necessary to recognise, specify and codify it and to define the principles, values and practices which characterise and which differentiate it. The above will contribute to the generation of processes and shared working agendas that will affect public policy and support and promote this type of socio-economic practice, which is more inclusive, equitable and innovative and which meets the vital, economic and social needs of many communities and territories.

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# **WORKSHOP 3**

**Governance,  
inclusion,  
cohesion  
and equity**



# Governance

refers to the different ways of coordinating between the agents and activities which participate in the process, from the production to the distribution of goods and services, and also the process of generation, dissemination and use of knowledge and innovation.

- **There** are different forms of governance and hierarchies in productive systems and arrangements, representing different forms of power in the decision-making process (centralised and decentralised, more or less formalised). These systems can be managed by an external technical team or by a group of participating entrepreneurs designated by the participants.
- **Social Capital** is the capacity for cooperation in society, the formation of networks, the capacity to regulate problems democratically, that is, by the community itself, and **Human Capital** is that which creates and stimulates entrepreneurship, as a capacity to transform and innovate.

- **“Social capital** is the accumulation of social commitments constructed by social interactions in a given place. This type of capital is expressed through the trust, rules and chains of social relationships and, unlike conventional physical capital, which is private, social capital is a public good”.
  - **The** main aspect of social capital is the trust, constructed socially through continuous interactions between people.
  - **Interdependence:** This is a key concept since nothing and no-one can solve problems on their own, which is why networking is so important.
  - **Local** Economic Development must attend to all of its dimensions. It is a complex approach since it is multi-dimensional and interdependent.
  - **Local** Economic Development rests on a complex system of relationships and so the systemic view must never be forgotten since, as well as governance, it must also be seen as a system for the management of interdependence in order to achieve its objectives.
  - **The** problem of leadership is one of the difficulties in these new ways of governing and networking.
- There** were presentations of the AGI ART Gold Indonesia Programme, the South Tunisia Development Office and the ART GOLD 2 Albania Programme.

Conclusions:

**Local** Economic Development Agencies are areas of governance which contribute to wider democratisation and include many stakeholders in the decision-making process. They are public policy instruments but they are also a network which must be strengthened, and the First World Forum of Local Development Agencies is the ideal stage for reinforcing this network. There are no solutions and so this must be seen as a process that will progress towards the rediscovery of a new vision. It is, therefore, important to work on the meaning of this crisis in order to find solutions while generating opportunities for development.

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## **WORKSHOP 4**

**Technological  
innovation /  
Social  
innovation**

- 
- **What** is a social innovator? "A person with a profound knowledge of the society and territory in which he or she lives, who take initiatives and seeks solutions in order to improve the situation".
  - **Information** and Communication Technology is a tool that allows us to:
    - Meet the great challenges facing our society, such as climate change and social inclusion.
    - Improve the territory, promote local development, competitiveness and access to knowledge.
    - Favour and promote company incubators.
    - Make cities more attractive.
  - **There** is a debate currently under way about whether we are evolving towards more heterodox development proposals, recovering the value of politics, or whether we are moving more deeply into the concept of development as macro and financial domination.
  - **There** is an unquestionable relationship between innovation and the development model. The conclusion is that the current development model does not lead to social inclusion.
  - **The** territory is not a place bereft of interests. Innovation generates profits, roles, interests, leadership. Depending on how this leadership is established, we will progress towards one type of state or another, towards a type of public policies which, in the final analysis, will be those that characterise the territory. In this regard, we must ask: Who benefits from innovation? Why should we innovate?
  - **Innovation** is no longer a concept related only to technological innovation. It should, rather, serve to strengthen individual and collective knowledge. It should occur through networking in order to allow the circulation of knowledge. Innovation is collective knowledge. It is one of the raw materials of territorial development. It is related to a process of change from a perspective of development as an educational process.

- **The** incorporation of IT into the business system has not brought about a change in the development of the territory. Why not? Real change is brought about by persons. For this reason, there has been an error in the definition of policies. For there to be innovation, it is essential that persons and organisations are involved in the adaptation and use of the results.
- **Innovation** often generates resistance.
- **There** is a need to valorise a new way of governing which generates flows, complementarities, relationship engineering with a powerful multiplier effect. All of this together will make a more inclusive society.
- **Why** innovate? It is not a question of innovating for the sake of innovating; it is a question growing in order to equalise, equalising in order to grow. It is a question of valorising life and all of the processes that make it possible (talent, cohesion, coexistence, law, care, change and sustainability).
- **Social** innovation is the construction of networks, deconstructing systems and resisting.
- **Innovation:** In what context? In the context of the "globalisation of hearts"; we must seek and foster local, totally interconnected, cross-cultural environments.
- **Who** are the key subjects of innovation? All of society and each one of the groups that make it up, in contrast to the traditional player, the trained university expert who offers to give assistance.
- **Why** is it so difficult to implement social innovation?
  - Exclusion of the key players involved in Local Development.
  - There is a perception of the world which is seen from a mental, emotional, cultural and organisational construct based on a dichotomic paradigm.
- **Where** does this lead? It leads to great difficulty in generating positive synergies in institutional action. Innovating inwards is fundamental in order to innovate in the territory.
- **Is** local development and territorial innovation possible without public policies? Today, especially in the so-called developing countries, there is a new vision of social innovation. A local development strategy is possible with the presence of private capital but social innovation cannot be understood without the leadership of public policies as the backbone. Moreover, when social innovation is applied from the territory, it should become public policy.



- **There** also exists, in parallel, a new vision of Corporate Social Responsibility in private companies, from the moment in which the private sector opts for a new, more humane and more social development model. What is clear is that the private sector is, today, a fundamental player in the promotion of social innovation and local development.
  - **Local** development requires sustainability and stability, public policies with a long-term vision. The stability and success of local development strategy and social innovation strategy lie in the achievement of the ideal scenario of a public-private partnership.
  - **There** can be no social innovation without synergy, articulation and coordination. The way in which the players interrelate in order to achieve development must be redefined.
  - **Separating** innovation from the development and territorial model is an error.
  - **The** participation of the public sphere in local development and innovation has been late and impersonal, and has often tended to deepen divisions and erode solidarity.
  - **Innovation** has not, to date, generated wealth or well-being. It has generally accentuated divisions and the existing power structure.
  - **It** is necessary to change ideas about development, innovation and territory. It is necessary to avoid and put an end to sectoral reality and the divisions within the concepts when we speak of the current development models (for-profit/not-for-profit; tradition/innovation; public/private; wealth/poverty, etc). It is necessary to break down dichotomies and the traditional established categories.
  - **Social** innovation, above all else, is a learning process which very often brings failure.
- In** conclusion, local development must be backed up by a philosophy for action. "What do we want in order to be happy?" If there is no educational action in which each subject plays an active role it will be impossible to change our view of the world. Social innovation does not mean technological innovation. It is, on the contrary, a learning process, of new public-private scenarios and, above all, it must involve the people. Separating innovation from the development model and from the territory almost always leads to failure, to the appearance of divisions and inequalities which are ever deeper, and to social exclusion.

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# LOCAL DEVELOPMENT AND ECONOMY PANEL:

The role of  
international  
cooperation

**The** role of international cooperation must be to support and promote processes of democratisation, the creation of spaces for understanding between local and regional players, the struggle against extreme poverty and the quest for solutions to the basic needs of the population. These concerted interventions are mechanisms to generate peace in the territory.

It is the dialogue between all of the players in the territory and the participation of social, political and business stakeholders that should create the shared strategy for the development of the territory. These strategies must guide the international cooperation interventions that are undertaken, respecting and complementing the local economy in conditions of social and institutional equality. It is also understood that the territory is not simply a delimited geographic area but a historic entity which encompasses a common culture, complementary social groups and, in short, a series of interrelated and binding interests.

Local development and international cooperation must function on two levels of coordination; horizontally, to integrate all of the stakeholders and agents of the territory, and vertically, to support the common strategy of the different levels of government from local to national.



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**Local** development and its durability over time must be understood and accepted as a common policy of the territory which must be left unaffected by political changes. It is, therefore, necessary to institutionalise a “way of doing things” in order to perpetuate this type of development which brings value to the local level, promotes human development and, overall, improves the quality of life of the population while respecting individuals, their means of production and their customs. In the same way, the institutionalisation of these policies requires the integration of production, innovation, the valorisation of comparative advantages and the promotion of and support for small and medium-sized enterprises. It is in this sphere, too, where cooperation must concentrate its efforts and cede the leading role.

**There** can be no local economic development without training and skill-building for the local players: from local and regional politicians to public servants, civil society and the private sector and entrepreneurs. The culture of dialogue and participation are the ideal field for intervention where international cooperation can make a contribution on the basis of its experience, wealth of knowledge and know-how.

**Finally**, it is agreed that local economic development is closely related to administrative deconcentration and the decentralisation of competences as measures to guarantee a response that is closer to and which better meets the needs and demands of the citizens. It is also a reality that development cannot work without the inclusion of policies that respect equality of gender and opportunity and which, therefore, include women at all levels of decision-making, participation and production. In this regard, international cooperation must act as a mechanism for local, regional and national governments and for the territorial stakeholders and their common strategy, offering support for the development of policies to promote the role of women and the generation of decentralisation and deconcentration models adapted to local conditions.

**In** short, international cooperation must be an instrument serving the territory which offers not just financial resources but also knowledge and know-how based on prior experience. In other words, international cooperation must never be a problem or a mechanism that aggravates social and territorial differences as a result of its actions.



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## **DEBATE TABLE:**

**Local Development  
Strategies:  
the territorial vision**



**The** debate on “Local Development Strategies: the territorial vision” was held at the First World Forum of Local Development Agencies on 6 October 2011 in Seville. The participants in the debate were **Alfredo Lazarte, Director of the ILO Programme on Crisis Response and Reconstruction, Rodolfo Games, National Director of Regional Development at the Argentinean Ministry of Industry, Rita Casisi representing UN-Women and Carles Llorens, Director General of Cooperation of the Catalanian Regional Government, from Spain.** The debate was chaired by **Babacar Mbengue, Deputy Mayor of the city of Dakar, Senegal.** From their contributions and the subsequent debate with the public, the following central ideas emerged:

- **Local** development has economic, social, human and sustainability components, though there is no single, specific definition of it. Seen in this way, local development is the fruit not so much of plans as of processes which apply different tools to the different situations addressed. In this respect, the capacity to generate participation, agreement and articulation becomes more important.
- **On** the local scale, participatory processes are promoted in order to involve the local population in public policies, reaffirming the democratic nature of the decisions taken and reinforcing the exercise of citizenship. Participatory budgets, participatory strategic planning, actions agreed with the economic and social stakeholders... All of these are instruments which help to define development priorities, identify problems and reach a consensual common focus.

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- **A** focus on endogenous development stimulates the local economy. Initiatives which take local potential (human, natural, cultural, etc) into account and involve it in economic activity has a greater chance of success.
- **Local** development must respect the cultural identity of the territory and ensure the inclusion of at-risk sectors of the population. Special attention to the role of women must be a priority, fostering specific promotion and information structures.
- **Decentralisation**, understood as the devolution of political power to the territories, bringing public administration closer to the citizen, has been shown to be a useful method for democratic social and economic development.
- **The** formal decision to decentralise is not always accompanied by the budgetary measures and the skill-building which is necessary for its implementation. At the same time, the weight of public demand on the first level of government (local government) means that territories must undertake tasks for which they are not prepared. Decentralisation policies and development models must offer support to local governability capacity.

- **The** affirmation of LEDAs as essential elements when meeting the challenges of development. LEDAs are organisations comprising persons and channels of communication which act as links between the stakeholders and the reality in the territory, facilitating the coordination of processes and plans.
- **The** current challenges require growing efforts to articulate the local level with all of the other levels. Articulation on the ground with the social and economic stakeholders, articulation and alignment with the central administration and articulation with international networks which strengthen and allow common learning from diverse experience.
- **In** line with the above, the experience of the preparation and celebration of this First World Forum of LEDAs has been very positively valued, and the organisers have been explicitly recognised: the Regional Government of Andalusia, the UNDP and FAMSÍ. This experience should ideally continue into the future, moving forwards towards a stable networked relationship.
- **International** networks and multilateral organisations have valued and promoted the work done by and with the LEDAs. The UNDP, through the ART Initiative, and UN-Women, with the MyDEL Programme, are two significant examples.
- **Decentralised** cooperation comes into its own when it undertakes collaboration in the field of local development. Cooperation between territories opens up a whole range of possibilities related to the shared characteristics of the stakeholders.
- **Times** of crisis bring new opportunities. In the face of the impossibility of continuing with what existed previously, we are obliged to reflect and think of new paths forward in development. This potential has frequently been detected in post-conflict situations or in natural disasters. Likewise, the current economic crisis brings new opportunities which must be addressed at territorial level. However, not all of the territories enjoy the same range of opportunities, finding themselves in situations of permanent conflict which suffocate their economic fabric.

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## **WORKSHOP 5**

**Employment  
policies and  
local development**

## Context

**The** workshop focused on employment policies and their relationship with development strategies, through the strengthening of productive structures and the support of active employment policies, within the framework of the generation of wealth for the people, through employment which leads to access to goods and services.

**The** role of the public authorities in the field of employment in order to guarantee integrated sustainable development.

**Many** experiences and visions were offered, from the ancestral cosmovision of original peoples, the experiences of large enterprises with the mission to develop the territory within the framework of the green economy, Local Economic Development Agencies focused on the exploitation of endogenous resources and national and regional employment strategies and policies.

## Summary of the power-ideas expressed

**There is a need for national regulatory frameworks that will guarantee social and territorial cohesion and that will create the appropriate conditions for the management of employment policies adapted to the specific conditions of the territory.**

In order to improve the efficiency of the design, management and execution of employment policies and to integrate them into territorial development strategies, it will be necessary to:

- **Construct** them on the basis of the needs of the public-private agents in the territory, facilitating the articulation, dialogue, participation, cooperation and coordination of territorial players in consensual local development strategies.
- **Institutionalise** processes by means of organisations or spaces which represent local players (public-private partnerships, Territorial Forum, Development Agreements, Development Agencies, etc.), which will sustain and drive development strategies.
- **Robust** continuous monitoring and evaluation systems in order to improve efficiency, facilitate decision-making and propose corrective measures where necessary.
- **Improve** institutional coordination and complementarity with other policies, avoiding labour market segmentation, overlaps and/or the reduction of the foreseen impacts.
- **Facilitate** and promote productive policies for the creation of companies as drivers of employment, in preference even to possible interventions in the labour market.
- **Employment** policy must be oriented towards the creation of jobs which generate an economy and which are sustainable.
- **Make** rigorous participatory diagnoses to support policies, strategies and actions.
- **Employment** policy should not be disassociated from productive policies. Active employment policies should be cross-sectoral with respect to all territorial development strategies.

Regarding proposals:

**There** are many practices and realities in the field of employment, and this shows us that we are dealing with a complex reality, and so it is necessary to recognise, catalogue, systemise and disseminate all of those experiences which can be rapidly transferred, as well as facilitating access to this information.

**The** importance of the continuity of the Forum was stressed, since this would provide a permanent space for dialogue and for the exchange of knowledge, so that we might continue to work on solid, permanent alliances and construct convergence and learning among all of the territories of the world as well as reaching consensus on reference frameworks and relationships under a set of consensual values.

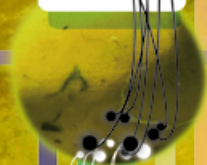
**The** essential link between employment and productive policies which, in the final analysis, are those which generate employment, through development strategies with a territorial focus and robust monitoring and evaluation systems that will allow rapid decision-making and will systemise learning.

Final Summary

**The** many different realities and contexts which exist today, as well as global interrelationships, make it desirable to create permanent working spaces and instruments for dialogue and the exchange of learning which are accessible to all, and that will allow the planning of employment and productive policies adapted to territorial needs under the national legal framework that will guarantee social and territorial cohesion under criteria of efficiency. All this is supported with rigorous participatory diagnoses and solid monitoring and evaluation systems.



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## **WORKSHOP 6**

**Local development,  
decentralisation  
and governability:  
the role of international  
cooperation**



**In** summary, the workshop on “Local development, decentralisation and governability: the role of international cooperation” expressed the following ideas:



- **We** are living at a key moment in history which, in general terms, has three characteristic factors:

- Powerful technological development that unites the world.
- Economic and financial integration in the age of globalisation.
- Inability of states to hear and to solve the problems of their citizens.

**As** this historical moment, a new space is opening up that can offer new solutions: local power.

- **The** European Union and the European Commission recognise the role of Local Entities (LEs) as the first level of territorial democracy.

- **Since** 2008, the local dimension of development has become more important to the EU, since it recognised LEs as players in international cooperation. Specifically, in the "Agenda for change", a new perspective of cooperation is offered in which Democracy and Good Governance form part of the priority pillars; in fact, one of the two large programmes which define it is based on Civil Society, Local Authorities and Good Governance.

- **The** support offered by international cooperation to decentralisation is unarticulated; this is due to the different concepts which are held of decentralisation and to the conflicting interests of the different donors. For this reason, the Informal Group of Donors for Local Governance and Decentralisation met with three objectives:

- The harmonisation of aid destined for decentralisation.
- To share experiences in decentralisation and the effectiveness of aid.
- To strengthen the capacities that affect local development.

- **The** objectives of international cooperation in the field of local development are not always achieved, due to the following realities:
  - Projects have become so technical that they do not always match local interests because they do not always coincide with the interests of the donors (Paradox of Power).
  - Reforms in a state and progress on decentralisation cannot be achieved in the short term; moreover, institutional reforms involve political changes, economic crises, etc., and cooperation has to adapt to these cycles while giving a commitment to accompany the process.
  - Cooperation programmes are not integrated into the processes of reformation of the state. International cooperation sometimes affects just one sector, or just one single institutional level, with no strategic planning of the process of administrative, political and economic reform; these programmes which are not integrated can have negative effects on the overall process.
  - Donors need to distinguish and position themselves and, sometimes, they may implement parallel mechanisms which ignore the general processes.
  - The donors sometimes implement a single concept of development in all the countries in which they work, without taking into account the differences between the territories.
  - It is very difficult to measure the impact of a decentralisation process and monitoring and follow-up systems are very weak; decentralisation is a very political process to which many factors contribute and, therefore, it is very difficult to establish the effects of a single project.
  - The imposition of the agenda and issues by the donors plays a very important role in local disarticulation.
- **For** all of these reasons, LEs play a fundamental role in local development, since they have the capacity to articulate the different agents which act in the same territory, as well as in the field of accountability, since they are the institutions which are closest to the citizen.
- **International** cooperation is fragmented in the territories because there is no integrated plan to organise interventions. CORPODET, in Ecuador, offers the experience of the design of the Local Programming Cycle which conditions international cooperation actions to the needs established in the Territorial Priority Identification Plan. On the basis of this document, alliances are established with cooperation agencies, clearly laying down that those international players which do not support the territorial strategy will not have any space for action in the territory.

A debate was then held with the public, with the following being the main points brought out:

- **One** of the most generalised weaknesses in the decentralisation process is that the LEs undertake responsibilities without the transfer of sufficient resources. The role of international cooperation is important in this process, offering the capacity to create local, regional, national and international networks.
- **It** is difficult to ensure that financial resources are really devoted to the territory and to local development. How can local development be truly put on the agenda of the states?
- **There** is a lack of coordination between multilevel actors (both among donors and recipients of aid); in many cases, the leading players in cooperation projects are the states, but they do not take into account local reality and, apart from this, the articulation in the territory is not always in harmony with the guidelines established at national level. How can these development policies be articulated?
- **The** scope of international cooperation is very limited. We must be humble and realistic in the objectives we establish for our cooperation; the solution to a situation of poverty can only come through the initiative of the people who inhabit the territory.
- **When** working in the field of cooperation, we must not forget the concept of national sovereignty, otherwise, we run the risk of confronting the civil authorities of the territory with the institutional authorities. There are an increasing number of examples of international agencies which come together to put their resources at the disposal of national or local governments.
- **Local** development must be on the agenda of international cooperation, but the players in cooperation cannot replace the states.
- **Decentralised** cooperation has advantages in local development since it must deal with the same everyday situations; however, it must also find coordination mechanisms that do not undermine the processes of institutional reform in the countries where it operates.

- **Cooperation** has generated a particularly harmful vice: it has generated projects when there are funds to support them. The territories should generate plans and it should be the cooperation that adapts itself to those plans; it is better to refuse co-operation funds when they are ill applied than to invest them badly. But, especially in these times, we must apply other types of resources which contribute to development (technology transfer, experience of decentralisation, etc.)
- **There** is a good level of consensus regarding the continuation and intensification of endeavours to strengthen local government. To this end, it has been demonstrated that decentralised cooperation is more consistent and less cyclical than bilateral cooperation.
- **It** is necessary to advance down the road of simplification, harmonisation and coordination of international cooperation (at both central and local levels).
- **Reinforcement** of South-South cooperation.

## Conclusions:

**We** are living in times of de-institutionalisation and local development has an important role in the re-institutionalisation of territories, with the mission to strengthen the structures which can articulate the different players involved in territorial development. International cooperation must endeavour to coordinate its policies at the different institutional levels and to align them with the policies of the countries where they operate, taking on board the needs and the structures of the territory.

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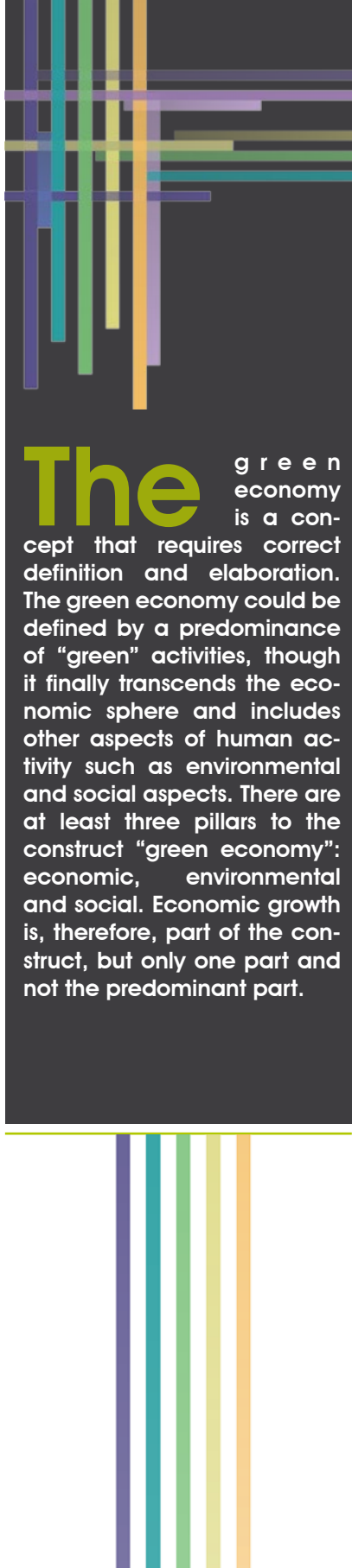
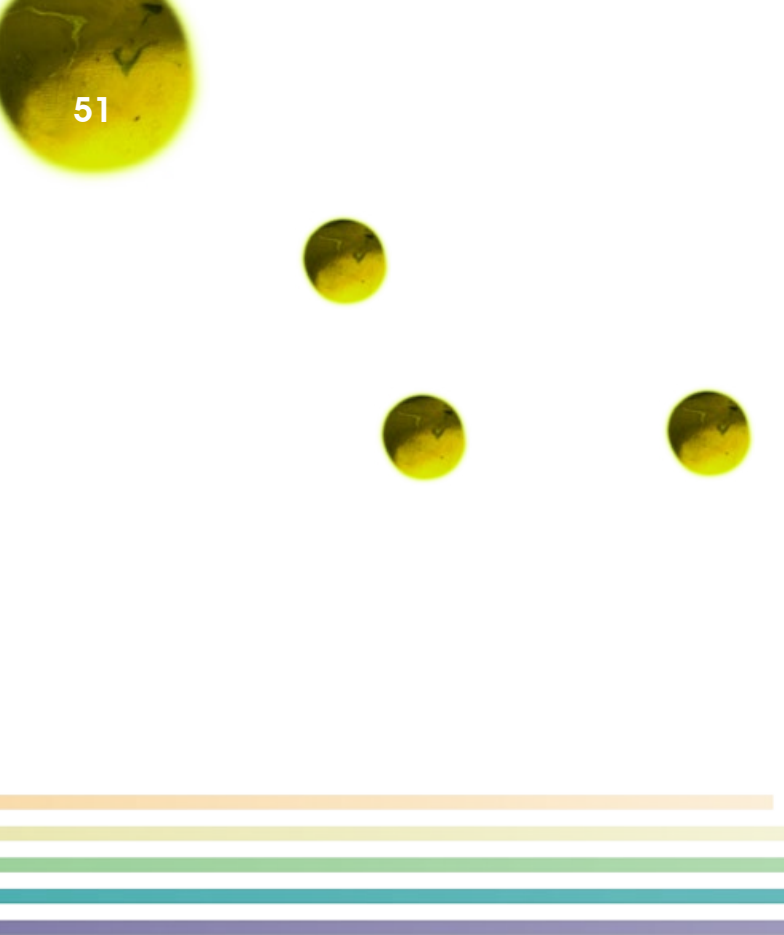
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# WORKSHOP 7

Green  
economy:  
development  
and sustainability





**The** green economy is a concept that requires correct definition and elaboration. The green economy could be defined by a predominance of “green” activities, though it finally transcends the economic sphere and includes other aspects of human activity such as environmental and social aspects. There are at least three pillars to the construct “green economy”: economic, environmental and social. Economic growth is, therefore, part of the construct, but only one part and not the predominant part.

**And** so the construction of a green economy is not limited to the promotion of actions to improve the environment. It requires the identification of the problems that exist within a given territory, how these are affected by the inadequate use of existing or potential resources (human, cultural, social, economic, environmental resources, etc.) and how the appropriate management of this flow of resources could resolve many of the problems in the territory. The correct prioritisation of problems and the use of the most adequate instruments for that specific reality constitute the real application of the concept of a "green economy". The environmental and social contexts do not conflict with economic growth in this process but, rather, they become a driver of economic growth. Their integration makes it possible to go beyond "conservation" or "protection" policies or initiatives and to open the way for full participation in this growth.

**There** are specific examples of public policies and private initiatives which have applied the principles of the green economy, such as the launch of planning processes and strategic implementation at regional level for those who have actively involved all of the stakeholders of the territory in the definition and execution of a plan for the promotion, enhancement and facilitation of the "green economy" as a new social and economic model of both production and consumption.

**They** are, furthermore, a manifestation and particularisation of the general principles and roadmaps proposed by Administrations and/or organisations at other levels, such as the United Nations Environment Programme, the European Union or the different states. In this process, local participation has played a key role, both in its administrative dimension and in terms of citizenship.

In this regard, the local level constitutes the foundations of the green economy. The involvement and commitment of public and private agents and civil society are the first step in the laying of those foundations. The actions of local governments not only generate direct effects in the areas mentioned above, but also signal and substantiate the will of the citizens to progress towards a new model of human development.

The existence of entrepreneurship, rooted in the territory and concerned about its surroundings (both environmental and social) and committed to the generation of opportunities and well-being in the community also contributes to this through research, development and innovation. There have been specific examples of the transformation of a paradigm of industrial and economic activity which has a high negative impact on the surroundings into more flexible models which are aware of the need to eliminate such negative effects and, on the contrary, which take advantage of the business opportunities thereby generated. The public sphere can promote, encourage and

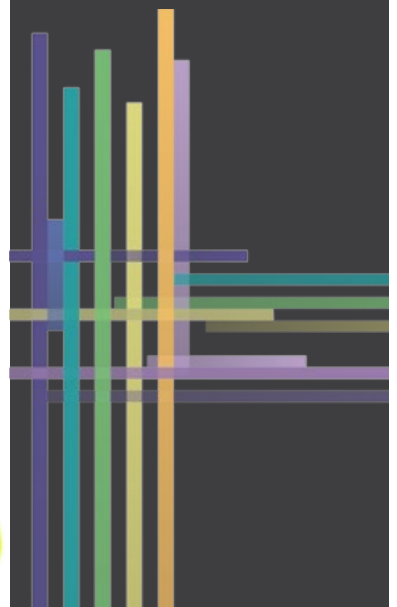
support these processes in many ways: funding, regulations, technical support, etc.

**Women** are an outstanding agent both for their role as transformers in areas such as rural territories and also for the weighting that equality of opportunity and the gender perspective should have in the new model of the "green economy".

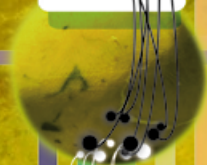
**There** are no simple recipes or standardised processes which are applicable to all territories and realities. There are transversal principles and power-ideas that can serve as frameworks or references in which to identify, construct and finally apply the most appropriate instruments for a specific territorial reality. A decisive contribution to this is made by the existence of platforms, spaces or contexts in which to exchange and feed these processes continuously. A space in which to express and visualise the initiatives, activities and learning accumulated in very varied realities.

## Summary

**The** green economy revolves around persons, the epicentre of a development model that transcends the merely economic dimension. It requires a transition towards a model in which, through public participation and involvement, the economic, social and environmental resources of society can be correctly applied in those areas of activity that will generate well-being, in terms not only of employment and economic growth but also in social inclusion, respect for the environment and full personal and cultural fulfilment.



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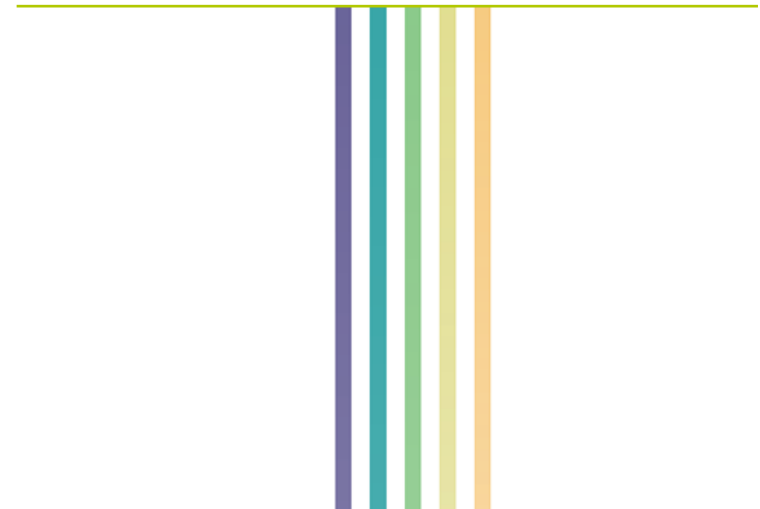
## **WORKSHOP 8**

**Local  
economic  
development  
and employment:  
public-private  
policies and  
instruments. The  
experiences of local  
development agencies**



**In** the implementation of territorial development policies, Local and Regional Development Agencies are very important instruments. We already have long, wide-ranging, rich experience of practices by Local Economic Development Agencies all over the world.

**We** can say that there is no single model of agency or model of global sustainability. Each territory is unique and, therefore, the territories have approached this instrument with different focuses and practices as regards governance, services and sustainability. This depends on the context, the framework of political debate, the process of decentralisation in the country, the composition of the partners, which may be public, private or a mixture of both, and on the origin and composition of the funding that establishes and develops the agencies, as well as the level of professionalisation of the human resources.



The study of the practical operation of LEDAs in the area of action of the United Nations and, especially, the ART-UNDP programme has detected a number of conditions or factors for success and has developed a system to evaluate their practices, including aspects such as institutional recognition, quality of relationships, the capacity to establish a vision with an integrated focus, the availability of human resources, etc.

But, especially, the critical point is to achieve balanced governance, a conception and exercise of power between the different players in the design and implementation of collective action taking into account the culture, political and democratic quality of the citizenship, the potential and the needs related to the specific historic moment in question, are just some of the factors. Undoubtedly, in order to attain this balance, it is essential to answer the question: whose problem is development? Is it a problem for the political class? The citizens? The business community?

Answering this question requires us to rethink the leadership in the territory and the role of agencies. The activity of the agencies has evolved over these years of practice, from supporting the system of creation, development and consolidation of the business fabric of the territory, especially SMEs and the implementation of policies within the territory to a moment in which the vision widens out to cover human development, territorial innovation systems, the social and solidary economy, the green economy, etc. The differential value of the proposal must also be in its contribution to the process of rethinking local development. What should local development be? In this regard, there is a need to participate in the conceptualisation of local development and time must be devoted to reflection on this matter in order to clarify the debate about development and to "scan the horizon". It is essential to generate and valorise knowledge in order to



achieve local development, to offer development strategies for public policies.

**But** we are living at a critical, unique moment, the ideal moment to rethink the economically, socially and environmentally unsustainable development model such as we have known it and applied it until now. We must think in terms of the territory to seek out new possible lines of thinking and practice in development. There can be no development in a vacuum; the territory is the key player.

**We** propose the generation of a global strategy for action regarding LEDAs, in which the local dimension is part of the solution, as an anti-cyclical strategy, as part of a model which opts for fairer and more sustainable development for people, communities and territories with a wide-ranging, creative vision.

**Local** and Regional Development Agencies have played a strategic role in the development of territories. There is no single model for agencies or a single model of sustainability; each territory is unique and, therefore, has approached this instrument with different focuses and practices in the areas of governance, services and sustainability.

**But** we are living at a critical, unique moment, the ideal moment to rethink the economically, socially and environmentally unsustainable development model such as we have known it and applied it until now. The challenge which faces us now is to rethink leadership in the territory, on the local level and, consequently, the role of the agencies.

**LEDAs** must participate in the conceptualisation of local development and time must be devoted to reflection in order to clarify the debate about development and to "scan the horizon". We must generate and valorise knowledge in order to achieve local development, to offer development strategies for public policies.

**We** propose the generation of a global strategy for action regarding LEDAs, in which the local dimension is part of the solution, as an anti-cyclical strategy, as part of a model which opts for fairer and more sustainable development for people, communities and territories with a wide-ranging, creative vision.

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# CONCLUSIONS

**The** promotion of national policies to facilitate a favourable framework for local development requires a new dialogue and a mechanism for articulation between territories and levels of government and national policies, matching demand for services with territorial potential and the institutional offer of the public and private sector.

In the current situation of world crisis, local governments become even more important players in the promotion of territorial development and the definition of strategic priorities. It is an opportunity to consolidate the participation of public and private players in the decision-making process. The challenge facing territorial development is a dual challenge: to respond to the social demands of the citizens and to interact closely with national policies so that they guide public investment towards endogenous territorial potential. Another challenge is to take advantage of opportunities at an international level in order to develop equitable social and economic options.

**National** policies must consider the diverse, specific territorial realities and the territories must organise themselves on the basis of their economic potential and social priorities, with new institutional organisations (micro-regional regional and global municipal associations, alternative territorial dimensions, permanent social participation mechanisms for local governance, Local Economic Development Agencies) that make it possible to take advantage of economies of scale and resources, and which take endogenous economic and environmental potential into account, which establish a dialogue with the global dynamics and with other territories, and which stimulate public participation, especially among those groups which have generally been excluded from decision-making processes.

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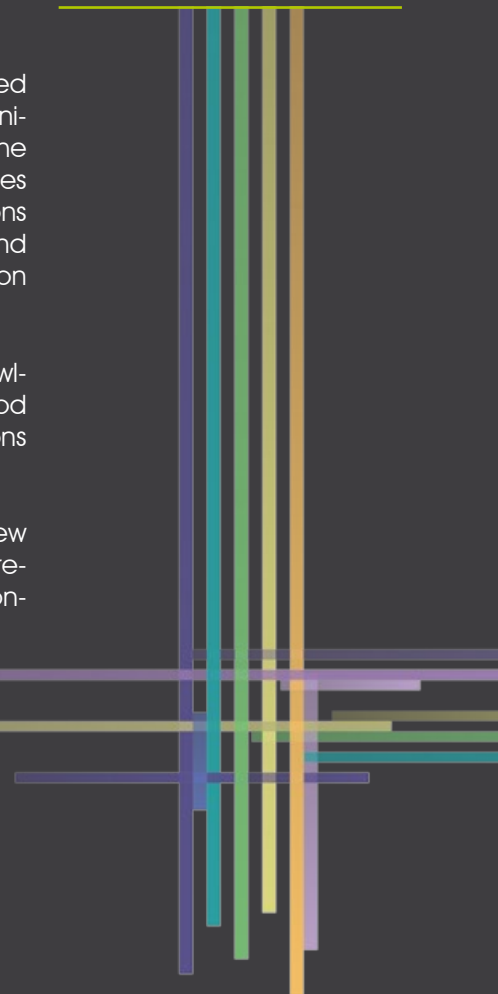
# A JOURNEY TO SEVILLE AND THE FUTURE

**As** part of the paradigm of Sustainable Human Development as a fundamental goal, FAMSI and the UNDP, through the ART Initiative, have supported a consultative process which has aimed to open up common spaces for encounter, reflection and debate. At several events guided and led by local players, an attempt has been made to position local economic development within a more structured context of social and environmental dynamics and of a local, national and global relationship that reflects the complexity and the many dimensions of these processes. The events have served to share a strategic reflection, experiences and results on the ground which have matured in different geographical, economic, political, cultural and social contexts.

**Among** the basic elements highlighted at the different events by different stakeholders from varied backgrounds, the following were of note:

- **Initiatives** at local level which seek to generate economic references and instruments which are more inclusive, equitable and participatory
- **Treat** the different challenges as an opportunity to formulate different alternatives
- **Strengthen** work based on processes and strategies, not on ad-hoc projects
- **Make** use of local resources and potential to generate opportunities for local and national growth
- **Integrate** the economic, social and environmental dimensions, empowering women and the excluded
- **Guarantee** the inclusion of different stakeholders in development processes, promoting the active participation of the organisations of civil society
- **Strengthen** public-private-civil alliances
- **Facilitate** networked mechanisms for technical cooperation and the exchange of experiences between different regions and using triangular and South-South cooperation models
- **Manage** existing knowledge and capture good practices and lessons learned
- **Include** the points of view of all of the regions to reflect the diversity of contexts and experiences.

**This** preparatory and consultative process led to the First Forum of Local Development Agencies in Seville and will also serve to continue stimulating debate on this issue.





### Towards a Network of LEDAs in South America - Uruguay, April 2010

**Following** the objective of ART-UNEP to strengthen local development agencies:

- **As** an instrument of territorial development
- **Spaces** for the exchange of good practices and experiences at local, regional and international level
- **Preparation** of agendas for action on important aspects of local development
- **Creation** of regional networks of agencies: South American LEDA Network (Uruguay, Argentina and Chile)



### Latin American LED Forum - Ecuador, June 2010

- **Creation** of the REMALDH - Mosaic Network of Latin American LEDAs for Human Development
- **Facilitated** exchange, mutual collaboration and work as part of regional and international networks
- **Meeting** of agencies from Central America, the Dominican Republic, Colombia, Ecuador, Brazil, Argentina and Chile
- **The** need to promote equality of gender and opportunity was emphasised





### Regional LED Workshop - Senegal, February 2011

**Exchange** between Latin America and Africa and between African countries, emphasising:

- **the** transfer and development of skills at local level
- **Inclusive** mechanisms for participation in the processes and planning of local development
- **Key** elements: local resources, social cohesion, governance, employment, environment, investment and gender
- **Awareness-raising** about the potential and strategies of territorial development
- **Exchange** of knowledge to promote a strategic vision of sustainable local development



### LED Workshop - Spain, March 2011

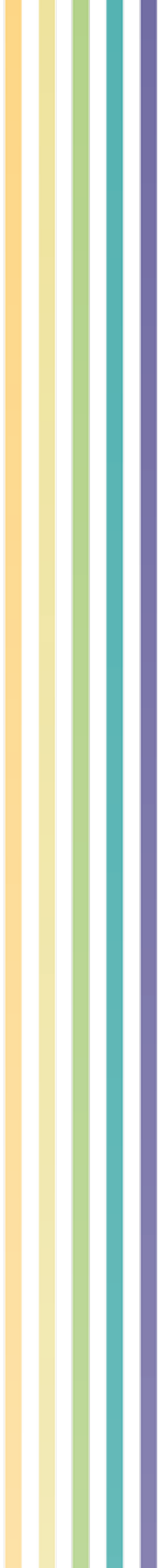
**Highlighting:**

- **LEDAs** as instruments for reaching public-private-civil agreements in support of local economic development and the achievement of the MDGs
- **LEDs** as tools for local development
- **The** financial crisis and globalisation as challenges and opportunities for local development
- **Exchange** of experiences generated in different regions and contexts
- **Preparatory** national and international events in Cuba, Sri Lanka and Lebanon



### Five years of Local Economic Development Agencies in Colombia – Medellín, April 2011

- **Emphasis** on the establishment of horizontal partnerships and with decentralised cooperation
- **The** need to promote cooperation between regional/national and international LEDA networks was mentioned
- **Territorial** Information Systems to increase productivity and competitiveness were highlighted





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