

SEVILLA PLATFORM FOR ACTION INITIATIVE

Localizing finance to drive systemic impact for the achievement of the 2030 Agenda

Name of the initiative

Localizing finance to drive systemic impact for the achievement of the 2030 Agenda

Is it a new initiative or does it represent a significant scaling up of an existing successful effort?

It represents a significant scaling up of an existing successful effort.

Lead implementing countries/entities

Spain

UNHabitat, as Local2030 Secretariat

OECD

Endorsing countries/entities

Member States: Brazil, Colombia, Cabo Verde, Tanzania, Philippines, South Africa, Mauritania, Poland, Zimbabwe

International Financing Institutions: Development Bank of Latin America and the Caribbean (CAF), European Investment Bank (EIB tbc), African Development Bank (AfDB tbc), Asian Development Bank (ADB tbc), International Development Finance Club (IDFC), Finance in Common Summit (FiCS)

Local and Regional Governments/Decentralized cooperation: Global Task Force of Local and Regional Governments (including UCLG, ICLEI, Regions4, C40, etc.), City of Paris (France), Region of Emilia Romagna (Italy).

CSOs/Private Sector: FEMNET, Red ODS Brazil, BBK Foundation (Spain), Realdania, AGREA (Philippines), GAIN, World Food Forum, Catalyst 2030.

[Academia/Research centers](#): Deusto Business School, Mondragon University, Utah Valley University, Saint Louis University, Foundation Araucaria (Cátedra Desenvolvimento Territorial Sustentável - Eixo Capricornio), Zanzibar State University.

Description of the initiative

In line with the recommendations of the Local2030 Coalition policy brief “Local finance is development finance”, and building on the wide multistakeholder engagement in the FfD4 process led by the Local2030 Coalition, with 1000 participants in 30 workshops at all levels and in all regions of the World, this SPA will focus on: (1) providing knowledge and tools to help advocate for and create enabling environments globally, nationally, and locally for development finance to flow towards local impact; (2) strengthening capacities, especially at the local and regional level, and building partnerships for action and systemic change; (3) scaling up successful and transformative local financing solutions that can be replicated; and (4) promoting robust, multilevel indicators systems as well as standards of transparency and accountability.

This SPA also aims to create a multi-stakeholder Community of Practice to significantly scale up action for the localization of the Sustainable Development Goals (SDGs) through enhanced decentralized development cooperation (DDC). Recognizing that local and regional governments are key enablers of inclusive, resilient, and sustainable development, this initiative seeks to align financing, policy, and partnerships at all levels to empower cities and regions as drivers of transformation. By leveraging multi-stakeholder collaboration, strengthening institutional capacities of local governments, banks and investors, and fostering place-based investment strategies through decentralized development co-operation, the initiative reinforces the FfD4 call for strengthened domestic resource mobilization, inclusive governance, and context-responsive financing.

This SPA will not only channel more resources to the local level but also ensure that these resources are used in an efficient, participatory, and transformative manner, thereby accelerating the implementation of the FfD4 outcomes. It will make cities and regions more attractive and viable for receiving and generating investments in sustainable development, in line with local priorities. It will also foster access to finance for civil society, the private sector, and other local community-based actors through capacity building efforts with a focus on leaving no one – and no place – behind, including in crisis contexts.

The Local2030 Coalition, bringing together 14 UN entities, is one of the 12 High Impact Initiatives acknowledged as drivers within the UN System to accelerate the 2030 Agenda. As such, it will continue to support the FfD4 implementation phase and ultimately accelerating FFD impact by channelling development finance where it can make the most impact.

This SPA is submitted by Spain, UN Habitat, as the Secretariat of the Local2030 Coalition, and the OECD. Localization is a key means of implementation of UNHabitat's Strategic Plan 2026-2029, which puts housing, land, and basic services at its core, including the transformation of informal settlements. These priorities are at the heart of UN Habitat's mandate, and essential to advancing inclusive, safe, and sustainable urban development worldwide.

The SPA component on decentralised development co-operation (DDC) and city-to-city partnerships builds on OECD work that aims to support local, regional and national governments to increase the effectiveness, impact and monitoring of their DDC programmes. and Tuscany (Italy), among others. The OECD is currently developing a framework to assess the impact of DDC on the SDGs and federating a Global Community of Practice on DDC, with the support of Germany. By leveraging multi-stakeholder collaboration, strengthening institutional capacities of local governments, banks and investors, and fostering place-based investment strategies through decentralized development co-operation, the initiative reinforces the FfD4 call for strengthened domestic resource mobilization, inclusive governance, and context-responsive financing.

Specific actions

Highlighting the role of local development finance in the Global Fora: This SPA will ensure the continuous inclusion of local finance in global dialogues on financing for development, securing linkages with other sustainable processes to promote the articulation of global agendas with local needs, priorities and financing solutions, including in crisis contexts, until 2030.

Creating enabling environments for local finance: This SPA will contribute to cultivating conducive environments for FFD implementation at the local level, supporting robust multilevel collaborative governance, intergovernmental transfers, local and regional governments' own-source revenue generation and readiness for finance, local domestic private sector development, public private collaboration, due diligence, de-risking of local financial operations, innovation in local scale financial mechanisms, and/or blended finance, in at least 10 countries by 2030. This may include cultural aspects for democratic ownership, innovation in local public management, and local value chains, and in mobilizing the knowledge of civil society and the territory as a whole for the formulation of shared missions that guide shared strategies, policies and projects capable of generating confidence in citizens and financial actors.

Strengthening local institutional capacities: Institutional and human capacities will be strengthened in at least 20 countries to enhance innovative, impactful local policies and strategies through cohesive tools matched to local needs, knowledge exchange, training of trainers, and technical support to local development stakeholders, by 2030. Decentralized cooperation will play

a key role in this effort through horizontal knowledge exchange and technical and financial contribution.

Scaling up Innovative Financing: The Local2030 Coalition will deploy at least three knowledge products and three tools (Bilbao Blueprint, SDG Localization Marker 2.0, AI tool) by 2030 supporting financing instruments aligned with a shared territorial vision and catalyzing broader alliances for transformation, to support at least five international financial institutions, national development banks, private investors, and cooperation agencies (national and decentralized) to channel finance towards local impact.

Aligning Financial Planning with local planning for SDGs: By 2030, at least 40 Integrated Local Financing Frameworks (ILFFs) will be installed in different regions, and SDG-aligned tax and fiscal policy frameworks will have been supported at the subnational level in 10 countries, by 2030, to improve alignment between diverse source of funding from all levels and SDG-related priorities.

Promoting Transparency and Accountability: The Local2030 Coalition will coordinate among its UN member entities, including UN DESA as the UN Secretariat Department mandated to assess the implementation of international agreements on Financing for Development, on how to monitor FFD4 progress in local development finance, including potential indicators and data sources and tools to assess the local impact of financial operations on SDGs.

Integrating climate-resilient infrastructure asset management into local development strategies: This SPA will promote tailored diagnostics, capacity-building workshops, and practical tools such as the UN Infrastructure Asset Management (IAM) Toolkit and relevant global standards to support local and national governments in identifying, financing, prioritizing, and managing public infrastructure assets more effectively.

Enhancing dialogue through a Community of Practice on decentralised development co-operation: The Community of Practice will bring together regions, cities and their associations, bilateral donors (e.g. Germany, Spain, European Union), public development banks (Finance in Common network), private philanthropies (NetFWD) and international organisations with the aim to reduce fragmentation in the provision of DDC and highlight its contribution to the SDGs localisation agenda. The first annual meeting of the Community of Practice will be held in 2026.

Harmonising standards through guidance for decentralised development cooperation: This SPA will develop guidance on decentralised development co-operation to reduce fragmentation, better assess and report on the impact of SDGs, for example through standards related to monitoring and evaluation. This will also help to enhance transparency, accountability, and

sustainability, including through capacity building for national and sub-national governments. The OECD is also developing light guidelines on locally led development.

Mobilising resources for investments in sustainable cities through DDC: The International Development Finance Club (IDFC) , through the National development banks Urban Climate Action (NUCA) programme, and the OECD will strengthen institutional capacities for sustainable urban development, mobilise resources and expertise from decentralised development co-operation providers in OECD countries.

FFD action area

A. Domestic public resources; B. Domestic and international private sector; C. International Cooperation

Geographic focus

Global

SDGs addressed

SDGs 1, 2, 5, 8, 10, 11, 13, 16, 17.

Please indicate your interest in launching the initiative during FFD4

Yes

Proposed line up for a press-facing launch at FFD4

- ✓ Mr. José Manuel Albares, Minister for Foreign Affairs, European Union and Cooperation, Spain
- ✓ Mrs. Anaclaudia Roszbach, Undersecretary General of the United Nations, Executive Director of UN Habitat, co-chair of the Local2030 Coalition
- ✓ Mrs. Marie Beth Goodman, Deputy Secretary General of the OECD
- ✓ Mrs. Fatematou Abdel Malik, Mayor of Nouakchott, Co-Chair of the Global Task Force of Local and Regional Governments
- ✓ Mr. Rémy Rioux, Chairman of International Development Finance Club (IDFC) and Finance in Common initiative (FICS)

Focal Point

- ✓ Mr. Sergio Colina, Director-General for Sustainable Development Policies, Ministry of Foreign Affairs, EU and Cooperation, Spain

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- ✓ Mr. Sébastien Vauzelle, Head of Secretariat, UN Local2030 Coalition
- ✓ Mr. Stefano Marta, Head of Unit, Smart and Sustainable Cities, Centre for Entrepreneurship, SMEs, Regions and Cities, OECD and Mr. Olivier Cattaneo, Head of the Policy Analysis and Strategy Unit, Development Co-operation Directorate, OECD

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