Sharing Responsibilities and Resources among Levels of Governments: Localizing the Sustainable Development Goals

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1. **Introduction: The importance of localizing the SDGs**

The adoption of the Sustainable Development Goals (SDGs) in September 2015 is evidence of global commitment to sustainable development and provides a platform for action. Much of the attention thus far has been at the policy level. Now the focus is necessarily turning to how the SDGs will be implemented and which actors should be involved.

The UN Secretary General's 2014 Synthesis Report states that “many of the investments to achieve the sustainable development goals will take place at the subnational level and be led by local authorities.”¹ The High Level Panel on the Post-2015 Agenda specifically claimed that the battle for sustainable development will be lost or won in cities. Despite general recognition of the subnational dimension of the SDGs, the specific roles that subnational governments can and should play and the capacities and resources they require have received limited consideration.

There are several reasons why subnational governments must be primary players in sustainable development.² First, wealthier countries – and increasingly developing countries – rely on them for many important public functions and investments. Subnational governments account for about a third of public spending and up to 70% of public investment in Organization for Economic Co-operation and Development (OECD) countries.³ Public sector decentralization has been less consistent and more recent in low and middle-income countries. Subnational governments in these places often account for only 10-15% of public spending, but the variation is enormous, with shares sometimes even lower or much higher.

Second, many countries suffer from substantial deficiencies in essential public services and basic infrastructure that bear directly on sustainable development and poverty reduction. Additional demands will emerge as population growth and urbanization proceed.⁴ Addressing these deficits will require enormous planning and investment in the coming decades, much of it in sectors for which subnational governments do or could have substantial responsibility.

Third, many of the SDGs encompass multiple components that must be acted on in combination in specific territorial jurisdictions, as partly recognized in the 11th SDG on sustainable cities and communities. Subnational governments are closer to the ground and are directly linked to local residents, so they have greater potential and incentives to think holistically about integrated territorial development than central agencies, which tend to be

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¹ UN General Assembly (2014), p. 22, par. 94.
² See the discussion in UCLG (2015).
³ The relatively smaller roles of subnational governments in low income countries is discussed in UCLG (2010) and Frank and Martinez Vazquez (2016).
structured in silos and focused on specific services for which they have national policy responsibility.\(^5\) The key role of national actors is undisputed, but subnational governments must be key players in formulating and executing integrated sustainable development plans in particular jurisdictions and meeting priority needs of their constituents, including women and underrepresented groups.

Fourth, many of the SDGs focus on addressing high-profile and consequential global resource challenges and constraints -- climate change, energy shortages, health crises, food insecurity, financial instability, etc. Although international and national government action and support are critical, subnational governments have already taken steps to address these challenges and are well placed to mount further innovative responses -- through, for example, climate adaptation policies, green growth strategies, and local resource mobilization, among others.\(^6\)

Finally, available evidence confirms that subnational governments are able to make significant contributions to development, not only meeting local needs but also helping to support national objectives.\(^7\) For this to happen, however, national governments have to develop and adopt intergovernmental frameworks that adequately empower, fund, incentivize and support subnational governments and citizens.

All local governments can play a role in the SDGs, but urban areas will be particularly critical as their number, size, importance and challenges multiply. Cities are drivers of economic growth, and metropolitan areas often account for a quarter or more of GDP in both OECD and developing countries. About half of the planet's residents already live in urban areas. Global population growth -- from around 7 to more than 9 billion people by 2050, will be largely absorbed by urban areas, with urbanization approaching 85% in industrialized and 64% in developing countries. Megacities (\(>10\) million) already account for about 10% of the global urban population, and many other large urban areas will emerge, mostly in developing countries.\(^8\) The performance of urban areas in job creation, service delivery and sustainability, however, varies substantially, and those in low income countries face particular challenges that need to be addressed.\(^9\)

If localizing the SDGs is critical, a core issue is how to structure intergovernmental systems. Conventional principles as outlined below are valuable, but they do not provide a universal solution. They must be applied in a way that accounts for considerable variations in goals, structures, functions, capacities and performance across and within countries.\(^10\) Appropriate systems and reforms for established, capacitated, and economically dynamic state, provincial or local governments in a more advanced economy, for example, may have little immediate relevance for a least developed country where the institutional landscape is dominated by

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\(^5\) See the discussion of subnational government roles in Romeo (2013), Romeo and Smoke (2016), and Eaton, et.al. (2011).
\(^6\) See, for example, UCLG (2014).
\(^7\) The evidence is reviewed in Local Development International (2013).
\(^8\) Details are provided in UNDESA (2015).
\(^9\) See, for example, McGranahan and Satterthwaite (2014) and Nixon et al. (2015).
\(^10\) Diversity is a theme throughout the decentralization literature. An overview and details, including some regional assessments, are provided in UCLG (2010).
recently created local governments, many of which may be rural, with weak capacity, limited experience in modern governance and few resources.

The next section considers conventional wisdom about how to shape the role of subnational governments in managing public functions and promoting economic and social well-being. The discussion then turns to the question of why subnational government roles and performance have not closely followed the standard prescriptions and lived up to their anticipated potential - i.e. why practice often diverges from theory and why outcomes tend to lag expectations. Finally, the paper outlines opportunities and the basic contours of a strategic approach to empower and support subnational governments to contribute to the SDGs.

2. **Standard approaches to power sharing in an intergovernmental system**

There is a lengthy tradition of theory and principles about how to share public functions among levels of government. These are widely known and used in public sector reform circles.¹¹ This framework is useful because most countries have multiple tiers of government, and they need to determine if and how to empower various levels. In unitary states, the central government drives these decisions, but in federal systems intermediate tiers can wield power in defining the roles of lower tiers. Subnational levels may be largely administrative divisions of the center (deconcentration) or more independent entities governed to various degrees by elected councils under a national framework (devolution). Devolution has come to be seen as the most desirable form of decentralization because it establishes direct accountability of local governments to their constituents, although there are situations in which it is unlikely to work well.

The theory behind decentralization and policies to strengthen subnational governments posits several benefits.¹² Reform is framed as a means to improve governance and delivery of public functions, ultimately enhancing accountability to citizens, economic development and poverty reduction, and/or government stability/credibility in fragmented or post-conflict environments, among others. Broadly speaking, decentralization is expected to improve public resource use and outcomes because decisions are made closer to the staff managing public functions and to the citizens being served. Particularly under devolution, residents in each jurisdiction can help to influence the mix of public services and revenues that best meets their needs.

Thus, many types of services, except those more efficiently provided at a larger scale or those that have effects beyond the decision-making jurisdiction are considered to be appropriate subnational functions.¹³ Many countries generally follow this basic logic – known as the principle of subsidiarity – at least in developing their formal intergovernmental frameworks. At the same time, there is often some ambiguity in functional assignment laws/regulations and considerable disparity in their application. Furthermore, there is also growing understanding that decentralization is fundamentally a political process that will be pursued meaningfully only

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¹¹ Useful summaries are provided in UCLG (2010) and Bahl, Linn and Wetzel (2013).
¹² Literature on this topic is reviewed in Connerley, et. al. (2010) and Eaton, et. al. (2011).
if consistent with prevailing political incentives. These may or may not coincide with normative developmental and state-building justifications (more on this below).

There is broad agreement that subnational governments should raise a reasonable share of the resources they spend.\(^\text{14}\) This reduces demands on national budgets and creates a fiscal linkage between benefits that citizens receive and contributions they make to the costs of local public services. Revenue decentralization principles are also well defined: sources should be relatively immobile and not compete with central bases, among others. Many countries again follow the principles and allow various own-source revenues (property taxes, user charges, licenses and fees, etc.), but challenges from excessive central control and uneven implementation persist.

Although revenue decentralization is valued, there is universal consensus that central governments have an inherent advantage in generating revenues, while subnational governments have inherent advantages in providing many types of public services. Accordingly, there is consistently some imbalance between the appropriate expenditure role and the viable revenue role of subnational governments, almost invariably necessitating significant intergovernmental transfers. As with functional and revenue assignments, there are well-defined principles for structuring transfers, which again are followed unevenly.\(^\text{15}\)

The standard theory places the assignment of functions to subnational government at the core of the decentralization process. Finance is expected to follow function, both the authority to raise resources locally (through revenue instruments and access to private development funding where viable) and the legal right to a share of resources raised at the national level. This neat sequencing, however, is infrequently followed, and decisions about resources often occur independently of (or in advance of) functional assignments, or directives to provide certain services are made without provision for adequate resources (unfunded mandates).

Another critical consideration is that various elements of the intergovernmental and local government system (administrative, fiscal, political) must work together to be effective. For example, functional powers lack force if local governments do not have access to sufficient financial and human resources, or if adequate administrative and accountability mechanisms are not in place. Similarly, robust fiscal powers are unlikely to be used well if not subject to the discipline of administrative and political mechanisms. Failure to recognize and incorporate these interdependencies into policy frameworks can weaken the intergovernmental system.

Beyond basic intergovernmental relations, effective use of subnational powers depends on a broader national legal framework and enabling environment and the means for implementation and enforcement.\(^\text{16}\) Property rights, for example, offer a basis for service delivery and land and property tax policy/administration. Similarly, provisions for local governance (elections/other instruments) and human/civil rights (to assembly, information, etc.) create legal and political space for citizen engagement to discipline subnational

\(^{14}\) Bahl and Bird (2008) and Smoke (2014) critically review local revenue generation principles and empirical literature.
\(^{15}\) Intergovernmental transfers are reviewed in: Bird and Smart (2002), Schroeder and Smoke (2003) and Shah (2013).
\(^{16}\) This topic is discussed, for example, in Litvack, et. al. (1998); Smoke (2007), Boex and Yilmaz (2010).
government behavior.\textsuperscript{17} Such policies are often treated independently, but they influence the extent to which subnational governments are likely to be accountable to constituents in how they raise and spend public resources. In this sense, subnational governance depends significantly on broader issues in governance.

3. \textbf{What explains the observed gap between theory and practice?}

As noted above, countries pursuing decentralization and intergovernmental reform often try to follow many of the basic principles outlined earlier in defining their formal frameworks and systems. Yet there is commonly a substantial gap between theory and practice, and good performance is far from guaranteed even where the normative principles seem to be followed. This suggests that the standard approach, while generally useful, provides an incomplete agenda for thinking about how to share public functions among levels of government so as to best support sustainable development.\textsuperscript{18} The mainstream approach in fact underemphasizes or neglects a number of factors and issues that are critical in assessing current intergovernmental relations and in designing new multi-level and multi-actor systems.

\textbf{3.1. Intergovernmental systems vary in fundamental ways that are not always sufficiently recognized}

The diversity of existing intergovernmental systems complicates the application of the basic intergovernmental relations/decentralization principles, which are largely framed in terms of a "central versus local" policy space. Countries, however, are rarely that simple -- they have varying levels of government with considerable differences in authority and importance. The starting point for thinking about reform is to document and understand which levels exist and how they are currently empowered.

Kenya, for example, has only one subnational level of government, but most countries have more. Indonesia and South Africa devolve many powers, while Cambodia and Egypt devolve few.\textsuperscript{19} Ethiopia and Pakistan prioritize regional government empowerment, while Indonesia and the Philippines privilege local governments. Uganda has only local (no active regional) governments (albeit five nested tiers), while Ghana has administrative regions but elected local governments. The various levels may be relatively independent or hierarchical, and in federal countries state governments may have more control over local government empowerment and behavior than the center. Whether such diverse power sharing arrangements are compatible with mainstream principles or not, they exist for (often resilient) historical and political economy reasons (more on this below).

Another key type of diversity is the degree of intergovernmental institutional development. Some countries already have functioning subnational governments, and the current policy concern is to improve their performance. Others are transferring centrally managed

\textsuperscript{17} Yilmaz, et. al.(2010) summarize subnational accountability requirements.
\textsuperscript{18} The discussion in this section is partially based on Smoke (2015).
\textsuperscript{19} More information on these countries and other examples are provided in Smoke (2013).
(deconcentrated) local systems (and staff) to newly elected local governments. In still other cases, often poor and/or post-conflict countries, entirely new local governments and related systems and procedures are being created. These reform processes may occur in widely varying national policy and institutional contexts. Such differences in the starting point also need to be taken into account in considering how to approach reform.

3.2. Differences in intergovernmental systems reflect historical factors and current goals are driven by political forces

The structure of intergovernmental systems and the role of different actors, as noted above, must be understood in terms of historical factors and current national priorities. The existing levels and roles of governments can reflect traditional arrangements, external/colonial influences, and ethnic or religious divisions, among other factors. When reform is being contemplated, these factors, as well as specific motives for reform and their consistency with the prescriptions of mainstream principles and developmental goals, must come into play.20

Decentralization can be adopted, for example, primarily to nurture political credibility and state legitimacy, especially in countries undergoing a major political transition. In post-conflict environments, core normative objectives, such as improved services and governance, are likely to be considered less urgent than – or seen through the lens of their impact on – peace and security. In countries in democratic transition, local democracy may be particularly valued, and in highly centralized systems that have performed below expectations, visibly improving public service delivery outcomes may be the principal goal.

Many of these goals can be connected. Improved services, for example, can foster political credibility, promote stability, facilitate development, and alleviate inequity. Similarly, stronger democratic engagement can bolster political standing and create a foundation for improved service delivery and development. Although there is not a stark tradeoff, different goals may be prioritized at certain stages. In the final analysis, many countries ultimately seek the normative goals of economic development and social well-being through decentralization, but their immediate importance and the path to attaining them can vary.

Intergovernmental reform efforts in some countries have been a response to acute political or economic crises that generate unusual pressures or openings for major change. In the urgency of a crisis, there may not be time (or intent) to nurture more than superficial consensus on reform. Thus, there may be inadequate attention to developing well-conceived policies and means to operationalize them. There may also be indifference or obstruction during implementation from key actors – especially in national agencies (more on this below) – who come to see decentralization as a danger to their powers only after formal reforms have been adopted.

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20 Overviews of these goals and related literature reviews are provided in Connerley et.al. (2010), United Cities and Local Governments (2007 and 2010), Brinkerhoff (2011), and Bahl et. al. (2013).
The mainstream literature largely treats the political forces underlying decentralization rather lightly, highlighting the need for (often vaguely defined) “political will” to pursue reforms derivative of normative principles. The core motives for reform, as noted above, depend on the nature and strength of incentives faced by national politicians to pursue reforms that relinquish powers to and require central government support. Even (apparently) robust political will is no guarantee that reforms will flourish. Some countries that adopt strong constitutional and/or legal frameworks – commonly considered a signal of political will – have not fully designed and implemented these systems or have diluted their role and effectiveness in practice.

Once a decision to rebalance intergovernmental relations is made, national politics influence which functions and resources are decentralized and to which level, the degree of genuine autonomy at each level, and the processes that enable subnational governments to assume new roles. Reluctance to decentralize may reflect a simple attempt to retain power, but pro-forma or contradictory reforms may also result from political clashes at the center. More genuine efforts to empower subnational governments may be strategic moves to gain support or consolidate power. In countries with politically influential subnational governments, they may take advantage of a crisis or an unstable political situation to demand greater powers.

Conditions and political influences that seem similar can result in different reforms. Ethiopia and Indonesia, for example, both pursued decentralization in response to domestic crises precipitated by the attainment of independence by, respectively, Eritrea and East Timor, but the response was different. Ethiopia constitutionally empowered ethnically identified regional states in an effort to preserve the union, while Indonesia quickly passed laws empowering local governments and weakening the middle tier in the hope of building credibility without risking secession by newly powerful provinces. In federal countries, states may block devolution to local governments and control the flow of federal resources to them. India adopted constitutional amendments to strengthen local governments that were only weakly embraced by state governments, while Brazil’s new constitution formally allowed direct transfers from the federal government to municipalities, bypassing the states.

Many other examples could be given, but the key point is that historical factors as well as national and intergovernmental political dynamics heavily influence the shape and strength of subnational government structures and powers. Normative principles may lead to the conclusion that a service should be provided at the regional rather than local level, but this may not be accepted. Moreover, some conditions can change rapidly. Powers and resources can be de- or recentralized if, for example, a national opposition party takes control or a crisis creates incentives to change or appear to change course. Policymakers must be aware of the relevant historical factors and political dynamics in considering how to develop realistic and productive reforms and to try to respond to shifts as they occur.

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22 Relevant literature is reviewed in Smoke et.al. (2006), and Eaton et.al. (2011).
3.3. National bureaucratic dynamics also shape the design and implementation of intergovernmental systems

Although national politics determine key parameters of intergovernmental systems, the charge for detailed design and implementation of frameworks is assumed primarily by central government administrators operating in complex and fragmented bureaucratic settings. National agencies are often mandated to develop and/or manage some aspect of reform. These include ministries tasked with local government oversight (e.g. local government, home affairs, interior), with a broad mandate in general functions (e.g. planning, finance, civil service) or with primary responsibility for specific services (e.g. education, health, water, etc.)

Although there may be national political consensus for reform, individual agencies often have different views of the system and their role in designing/managing it. Weak coordination is common. If related policies are framed independently or contradict formal policies due to neglect or competition, the resulting policy incoherence may constrain the development, operation and outcomes of the subnational system. Examples of such behavior abound: incongruous fiscal decentralization initiatives from local government and finance ministries; excessive control of local government decisions by civil service commissions, sectoral ministries or special purpose bodies; mismatches between subnational spending authority and revenues; fiscal transfers that undermine incentives for local revenue collection, etc.

Even well designed and consistent national policies, systems and procedures can be offset by other factors. Low civil service salaries, weak accountability in central bureaucracies, political interference in ministerial operations, and traditions of clientelistic and patrimonial behavior, for example, can create incentives that undermine formal systems. Such phenomena can be difficult to properly diagnose and can be highly resistant to reform.

Central governments, of course, have a legitimate role in the regulation and oversight of subnational governments. Most countries adopt national systems and standards for financial and human resource management, transparency, accountability, service delivery, etc. If, however, these are inconsistent, excessive or arbitrarily applied, they can create problems and weaken trust in the system. Getting the right balance between central regulation and local autonomy can be challenging, so it is important to be aware of potential tensions and trade-offs and to look for approaches that promote sufficient coordination and policy consistency.

Finally, international development agencies have influenced intergovernmental policy formulation and implementation, particularly in low-income/aid-dependent countries. The development community has made great contributions to countries pursuing decentralization and local governance reform, but many aid agencies long supported relatively formulaic or “best practice” approaches to reform and do not always deeply consider political and

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23 See, for example, Smoke and Lewis (1996); Tendler (1997); Litvack, et.al. (1998); Smoke (2007), and Eaton et. al. (2011).
24 See the review of public financial management in Malawi (Rakner 2004) and revenue in Uganda (Fjeldstad 2005).
institutional feasibility and sustainability. This dynamic can result in incentives to favor the appearance of formal reforms over more deeply embedded change. Perhaps most consequentially, despite the high-profile agreements in Paris, Accra and Busan, development partners continue to compete with each other, and may contribute to policy incoherence by reinforcing the above-noted inconsistencies in measures taken by competing/uncoordinated government agencies.

3.4. Local socioeconomic conditions and political dynamics influence how subnational governments perform

Even if formal policies meet conventional principles and with national political and bureaucratic commitment to reform, challenges can emerge at local levels, which often exhibit socioeconomic diversity and challenges. How subnational governments use authority depends on the contours of political power and incentives that local officials face. Economic elites, ethnic/religious groups, patronage networks, political parties, labor unions, civil society movements, and other actors can be major players. Intergovernmental reforms can increase accountability and trust in local governments and improve performance, but power imbalances may allow certain actors to capture the system. Good outcomes are possible, but they are far from guaranteed.

Elections are seen as the cornerstone of local governance, but their impact depends on the larger framework and local context. Electoral rules, customs, ethnic loyalties, and the structure/behavior of political parties, among others, help to determine if elections improve accountability or are overcome by anti-democratic behaviors. Even where elections function well, they only allow citizens to express their preferences on a relatively vague block of public policies and only once every few years. In recent decades, there has been a proliferation of more focused and more frequently accessible supplementary accountability mechanisms, such as participatory budgeting, town meetings, oversight boards, user committees, complaint bureaus, citizen report cards, and social audits.

Non-electoral accountability can facilitate better public knowledge about local government behavior and promote civic engagement, but it is no magic formula. What matters is who participates, how fairly procedures are applied, and how the results of consultations are used: if participation is symbolic, non-inclusive and weakly influential, it serves little purpose. Equally fundamental is whether citizens are aware of mechanisms, understand how to use them, and feel empowered to do so. If people see no value or are deterred from participating by real or imagined constraints, then such innovations are essentially hollow practices.

27 Altunbas and Thornton (2012), Bjedov, et. al. (2010).
28 A review of literature on local elections is provided in Bland (2010).
29 See, for example, Blair (2006), Platteau (2006), Manor (2007), and Brinkerhoff and Azfar (2010).
Horizontal accountability (between elected and appointed officials) is a neglected feature of the local government landscape. Particularly in historically centralized countries, staff transferred from the center to newly empowered subnational governments may maintain strong upward links to former employers. This may constrain local councils from exerting enough control over local staff to respond to the demands of their constituents.

A final critical concern is the challenges posed by of multiple local accountability channels. Subnational governments often exist in parallel with deconcentrated administrations, and such dual subordination or lack of clarity over accountability and functional relationships is a common feature of newly decentralizing systems in the developing world. There may be uncertainty about the operational boundaries between these administrative agencies, and deconcentrated agencies may have superior funding. Some countries have constituency funds that allow national parliamentarians to fund facilities and services that may be legally local government responsibilities. Community driven development efforts and nongovernmental organizations may also in effect compete with local governments in certain sectors.

Such ambiguities can emerge over time as new service delivery mechanisms are added to evolving systems without measures to coordinate with or remove existing mechanisms, as in Indonesia, Kenya, and the Philippines. They can also result from rapidly implemented transitional decentralization, as in Cambodia, Afghanistan and Myanmar. If such channels for service delivery were coordinated, they could promote local development, especially in poorer countries. But empowering multiple lines of funding and accountability without clarity on their specific functions and how they might cooperate in the public interest may confuse citizens and result in gaps, duplication of effort and inequities in service provision.

3.5. Insufficient capacity at all levels often hinders the effective use of powers decentralized to subnational governments

The importance of building subnational capacity during public sector reforms is widely acknowledged, but it is often framed in limited ways. In a system where the role of local actors is expanding, there is rarely sufficient focus on developing the new capacities needed for central actors to assume altered roles and support local actors as they take on new functions. Although central agencies may retain, as noted above, important regulatory and oversight functions, they must learn to transition from a focus on control and supervision of subnational governments to providing strategic coordination, facilitation and support.

At the subnational level, capacity building typically centers on the mechanics of new systems and procedures and related technical and managerial skills. There is rarely much attention to improving the nature and quality of relations among government levels and subnational actors

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30 General issues and examples are discussed in Eaton, et. al. (2011) and Romeo and Smoke (2016).
31 On Cambodia see Pak Kimchoeun (2011) and Niazi (2011); on Afghanistan see Lister and Nixon (2006), Nixon and Boex (2010) and on Myanmar see Nixon et al. (2013).
32 There are s number of useful treatments of capacity, including Green (2005) and UNCDF (2006).
(elected officials, local staff and citizens) – who need to collaborate if empowered local
governments are to make progress in meeting the new expectations placed on them.

A further concern is that traditional capacity building often primarily involves orthodox “supply
driven” classroom training promoted by the central government and commonly executed by
national institutes. In reforming environments where considerable changes in procedures and
behaviors is occurring, more attention may be needed to contextually tailored “demand driven”
and on-the-job/on-site capacity development activities that facilitate the ability of beneficiaries
to adopt and sustain new skills in their specific work environments.

3.6. Design of intergovernmental reforms often receives much more attention than the
even more challenging task of implementation

Even with strong national commitment and careful design of reforms, implementation is often
inadequately considered. Since such reforms are often demanding and require substantial
operational and behavioral changes, there is growing recognition that more attention to how
and over what time frame new systems and processes are rolled out can influence the quality
and sustainability of outcomes.33

National aspects of implementation are critical. Without attention to sequencing and
coordination, implementation may proceed in the ad hoc and disjointed ways outlined above.
The core question is how to frame the strategy. In the conventional view, the center issues a
policy and expects each ministry and subnational government to comply with its provisions: the
“sink or swim” approach. At the other extreme, the center – an assumed benevolent overseer –
pursues a highly managed process to adopt reforms gradually based on central decisions: a
“paternalistic” approach. The former assumes that all actors—central and local—can and will
comply with reforms. The latter assumes that the center will responsibly and fairly use its
management control to advance reform.

There are possibilities between extremes. A compromise “developmental” approach could
involve systematic (criteria-based) asymmetric treatment of diverse local governments as they
move at varied paces towards assuming new roles. Under this approach, more capable local
governments would receive powers more rapidly, while the less capacitated could advance
gradually in conjunction with tailored technical assistance and capacity building.
Decentralization purists will object to withholding legal powers to some local governments, but
moving too quickly without basic capacity is likely to result in poor performance. Local
governments can be made more genuine partners in this approach by allowing them to
negotiate their steps in the reform process, which places greater responsibility on them to
comply with what they agreed to (relative to doing what they were told to do by the central
government).

33 See, for example: Shah and Thompson (2004), Falleti (2005), Bahl and Martinez-Vazquez (2006), Smoke (2007), World Bank
(2008), Smoke (2010), and Eaton et. al. (2011).
This approach requires a transparent process and a clear path to greater empowerment as local
governments meet capacity and performance conditions. Although challenging, the center can
leverage its access to powers, funds and technical assistance to encourage local governments to
adopt needed reforms progressively. There are risks that such an approach could become
politicized or arbitrary, or that local governments could learn to game the system. Thus, the
developmental approach is no sure bet, but it seems worth trying given the important role of
subnational governments in achieving the SDGs and the often lacklustre results of reform
efforts to date. More generally, this approach is consistent with the increasing general interest
in incremental, problem-driven and iterative approaches to public sector reform.34

Subnational governments also face important implementation decisions when undertaking
reforms to accept new responsibilities and improve performance. Even capable local
governments need to be adequately strategic in sequencing reforms that require operational
modifications, new skills and changes in behavior. If, for example, local governments with new
revenue powers attempt to adopt them too rapidly, they may face opposition from taxpayers.
A more strategic alternative would be to increase revenue collections gradually, perhaps linking
them to specific and visible improvements in service delivery.

Subnational governments pursuing reform can also adopt strategies to better connect to their
constituents. Improving civic education, meaningful avenues for participation and oversight
may enhance public awareness, generate valuable input for decision makers and managers and
improve public trust. The dangers of mechanical reforms were outlined above, but determined
local governments can use participatory planning/budgeting, citizen report cards,
complaint/appeals boards, etc. to begin a gradual improvement in downward accountability.

4. A way forward?

Regional and local governments will clearly have to play a central role if the SDGs are to be
achieved. Their ability to contribute will depend on developing effective intergovernmental
systems and stronger capacities for all actors involved. Over the past few decades, many
countries have taken steps to strengthen the roles and capacities of subnational governments,
but the results have been very mixed. As outlined in part 2 above, there is a well-developed
analytical framework for considering intergovernmental relations and subnational government
empowerment. However, the largely technical and relatively simplified analytical approaches
embodied in the framework do not adequately reflect reality or offer sufficiently pragmatic
solutions.

Political imperatives and historical precedents, the political economy of reform, bureaucratic
interests and dynamics, and local conditions and capacities all shape the way decentralization
processes emerge and proceed. These factors tend to be more influential than normatively
driven policy approaches, but they are rarely considered sufficiently in designing and
supporting reforms. Moreover, the various elements of the system that must work together are

often treated independently, leading to selective reforms based on limited technical concerns or narrowly defined politics.

If sustainable reforms are to be crafted, these neglected factors need to be considered, and the elements of reform that must function synergistically require more integrated treatment. Beyond better policies, the often-demanding nature of reforms (and the experiences of some countries) suggest that not everything can happen quickly. Thus, implementation strategies should identify locally viable entry points for suitably sequenced reforms that proceed at a realistic pace. This type of approach will help ensure that reforms are politically feasible, technically possible, and more likely to result in sustainable changes to behavior and institutions.

In this sense, the historical experience of decentralization reforms reflects the current challenge facing the SDGs: while there is some consensus around where reformers wish to go and the benefits at stake, a huge “implementation challenge” lies ahead. This final section of the paper considers that challenge, outlining a preliminary approach to linking achievement of the SDGs with empowered and effective subnational governments and the enabling systems and national coordinating institutions that must support them in meeting these ambitious goals.

4.1. What are the parameters of an overall approach?

The ambition of the SDGs suggests that widespread improvements in the functioning of subnational governments and the systems that support them will be needed in many countries to realize the SDGs. A few general principles could guide this process.

- First, each country will have to determine its own SDG priorities, which should be respected and supported.
- Second, many countries need more robust national frameworks to improve working relationships across government levels and among nongovernmental actors.
- Third, many countries need stronger subnational governments with greater capacity to contribute to sustainable development.
- Fourth, subnational reforms could be linked to the SDGs, which encompass virtually all of the features and goals of an effective intergovernmental system.

International experience suggests that decentralization is best built around broad-based country consensus. The emerging focus on how to attain the SDGs has the potential to provide an avenue for advancing that consensus. Although there is a common set of SDGs, individual countries’ deficits in respect to those goals, the way they prioritize them, and the potential for existing systems to contribute to realizing them is certain to vary greatly. Accordingly, the design and implementation of any overall reform program will be country specific, considering the context, politics, capacity and other relevant factors discussed above.

Given this reality, it follows that a set of contextualized – not standardized – institutions will be essential to implement the SDGs and shape the role of subnational levels in doing so. In some
cases, existing agencies and mechanisms can help, but new entities may be needed to address the political and bureaucratic constraints outlined above. Each country could develop a process to connect the SDGs to a reshaping of intergovernmental structures, functions, resources and relations. This process can also take the lead in identify productive reform strategies and guide implementation.

Although individual countries will need to drive the approach to the SDGs and the related intergovernmental reform process, there is also a clear need to identify institutional means at the international level to provide assistance. This does not mean that a uniform international institutional support mechanism is required; on the contrary, there will be a need for a set of flexible support structures in the international community.

4.2. What are the requirements for a more effective subnational government system?

If subnational governments are to be meaningful players in helping to achieve the SDGs, several critical steps to advance reform must generally be taken. These involve empowerment and the development of necessary systems and capacities.

4.2.1 Empower local governments as stronger partners in development

Subnational governments typically need more robust powers to act more autonomously, but as players in a multi-actor team. There are two principal dimensions to this process. The first – consistent with mainstream principles – is the need to assign at some specific functions to subnational governments along with developing the structures and procedures to support their implementation.

The other – an emerging perspective – focuses on vesting subnational governments not only with centrally assigned functions, but also with a general mandate to provide for the development of their territories and the welfare of their constituents. This latter approach gives local governments greater authority and incentives to pursue integrated development strategies in a way consistent with the logic underlying the SDGs, transcending the “functional silo” tendency associated with traditional decentralization and the MDGs. Such an approach requires flexibility to tailor plans, policies and programs to local needs.

4.2.2 Provide subnational governments with access to adequate funding

Subnational governments need sufficient resources to carry out their functions. As noted above, central governments have inherent revenue advantages and must maintain overall macro-economic stability, so they require some control over the total volume of public funds. Thus, shared taxes and transfers are always vital, but how they are funded and distributed will affect the ability and incentives of subnational governments to meet the SDGs. The common

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35 See, for example, UCLG (2015).
36 Commonwealth Local Government Forum (2013) and Romeo (2013) elaborate this perspective.
reluctance of central governments to allow strong subnational revenue powers often results in more dependence on transfers than is warranted. This typically means that richer local governments receive central resources they do not need (reducing options for redistribution to disadvantaged areas). In addition, payment of local revenues by residents is considered critical to help foster subnational accountability.

4.2.3 Improve subnational accountability mechanisms and performance incentives

Subnational governments need to face incentives to operate transparently and accountably. Public information on local decisions and actions helps citizens to influence subnational government behavior through elections and other means discussed above. It also allows central agencies to ensure that subnational actors comply with procedural and reporting requirements and service standards. As noted above, finding an appropriate balance between upward and downward accountability – and ensuring adequate horizontal accountability between elected representatives and local staff – is a critical challenge in developing reform and localizing the SDGs. The approach can evolve as subnational governments develop and become better able to manage functions more independently.

4.2.4 Develop better means to enhance national and subnational capacity

Subnational governments require capacity to function effectively and to act developmentally. A recent review of selected SDG targets indicates that attaining the goals will require substantial increases in institutional capacities ranging from reforms to outright reversals of current trends.37

As noted above, capacity building often targets technical and managerial staff and the mechanics of new systems/procedures. Less attention is given to other actors, such as higher-level officials whose roles change under decentralization, and citizens, who are essential in holding local governments accountable. Moreover, capacity building often relies on classroom training (rather than on the job/on-site support) that insufficiently prepares recipients for using new skills on the ground to support development. Paying more attention to neglected aspects of local capacity and tying capacity building to pursuit of the SDGs and development of stronger intergovernmental systems are essential aspects of strategic reform.

Annex I outlines indicative capacities that will be required at national, intergovernmental and subnational levels to support each SDG. The list is not exhaustive, but illustrates that the goals require a combination of robust sectoral capacities in some respects and holistic territorial development planning capacities in others. For some of the SDGs, particularly in cities, stronger combinations of both types of capacity will be required.

37 Nicolai et al. (2015)
4.3. What type of strategic process is needed to move forward?

Although each country would identify or develop a suitable entity to take the lead and to determine a process for pursuing the SDGs, some suggestions can be offered on the types of diagnostics needed. The overarching premise is that there is value added in bringing together both plans to advance the SDGs and efforts to determine appropriate roles for subnational governments and the structure of intergovernmental relations. A simplified overview of the required process is presented in figure 1, and more discussion of the various steps follows.

Figure 1: A Strategic Process for Localizing the SDGs

4.3.1 Document the current intergovernmental system

An initial step is to document the current situation in a particular country, including the prevailing intergovernmental relationships and contextual conditions that could support or hinder the greater empowerment of subnational governments. For example, different countries
may be thinking about possibilities for strengthening existing regional and/or local governments, decentralizing new powers and responsibilities, or creating new institutions. How to approach these decisions will depend on the basic principles and neglected considerations outlined above and could be at least partly shaped to contribute to SDG needs.

4.3.2 Assess SDG deficits and the implications for subnational empowerment

A second part of the effort involves analysis of the “subnational SDG deficits”: those areas in which there is the biggest gap between the current situation and SDG requirements. The various SDGs can be divided among those that imply a subnational role mainly around single issues, such as a particular service, and other goals that are more holistic, such as economic growth, conflict management, inequality and resilience. The SDG deficits can be used as one key input to inform required improvements in intergovernmental and subnational government systems and processes.

Identified changes will have both "optimal" dimensions (which level/actor should ideally – based on normative principles – provide a certain function) and practical dimensions (e.g. if the ideal entity does not currently have the capacity, an alternative arrangement may be necessary, at least as a transitional measure while relevant capacity is developed). The key is to bring together – cross-reference – a nationally-owned SDG analysis with the assessment of existing intergovernmental conditions to produce tailored objectives and strategies for meeting the most urgent improvements to the subnational and intergovernmental systems.

The identified deficits and resultant objectives should help countries to clarify four broad sets of questions.

• First, what levels (existing or new) need to be empowered to deal with specific objectives?
• Second, what kinds of roles, powers, and resources might each level need? For example, depending on the SDG profile of a given country, some goals may call for more emphasis on integrated territorial development functions and greater autonomy of local governments. while others may require improved guidelines and capacity for specific sectoral functions.
• Third, what are the best ways to achieve accountability for these new functions? Some clarity for specific responsibilities and basic transparency mechanisms will always be required, and a suitable balance among upward, downward and horizontal accountability mechanisms needs to be established (and can evolve over time).
• Finally, and crucially, how will reform be managed? Empowerment of regional or local governments cannot occur effectively without national policies and systems to support them, but there is a wide range of approaches to managing decentralization reforms, all of which have been shown to have both advantages and challenges.38

38 See the discussion of coordination of decentralization reforms in Eaton, et. al. (2011).
4.3.3 Develop incremental and adaptive reform strategies

Once a set of objectives is clarified, the third part of the process is to develop reform strategies that recognize the likely need to phase in reforms and adjust them along the way. Given prevailing conditions and realities, what types of reform processes and implementation strategies could be pursued to allow movement towards a stronger role for local governments? The keys to any reform strategy are issues of entry, sequence, and pace.

Identifying sensible entry points is a first step in recognizing that realistic and politically informed strategies may differ from comprehensive “best practice” or purely technical solutions that often fail. Finding effective entry points involves a shared process of problem-identification to ensure that initial reforms address locally salient issues. Attending to issues valued by national stakeholders and that also relate to SDG needs of subnational governments may facilitate the formation of unusual reform coalitions, or produce demonstration effects or islands of excellence that can help unblock political economy factors standing in the way of productive and sustainable change. Such approaches are consistent with a wider and growing public sector reform literature that emphasizes concepts like “politically savvy” approaches and “working with the grain.”

A realistic reform strategy also may need to go beyond conventional thinking. It is now widely recognized that the "best practice" sequence of assigning functions first and then developing local revenues followed by transfer systems is rarely, if ever, observed in practice -- some analysts question whether it is universally desirable approach and how political decentralization fits into the sequence. In reality, which elements are addressed and when is significantly a function of politics, bureaucratic forces, and other factors highlighted above. Reforms may be boosted by a new transfer or revenue sharing agreement as often as with a reasoned realignment of expenditure assignments. In many cases, the most successful reforms probably proceed modestly and synergistically along each of these dimensions in a series of iterated and adaptable steps. Crucially, as well, is the possibility that a realistic strategy may not proceed in exactly the same way for subnational governments at different points in their development or capacity, raising the increasingly recognized value of asymmetric reforms in a given country.

Feasible and sustainable reform strategies will also involve different paces to adapt to dissimilar circumstances. This may vary between the extremes of the so-called “big bang” approach that introduces dramatic changes (commonly during crisis) with a minimum of reform strategy (although some changes may not be implemented as quickly or fully as legal instruments suggest), and highly paternalistic approaches that rely on centrally managed incremental steps that are often quite slow. Each possible approach has weaknesses, and there is no single best pace for reforms. What is needed is a locally appropriate, politically informed “developmental” model that adapts according to transparent processes and criteria as progress occurs, and that involves subnational governments directly in prioritizing steps and managing implementation.

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40 See for example the discussion of implementation strategy in Smoke (2010).
4.3.4 Determine and operationalize support needed to facilitate reform

The fourth part of a strategic process involves determining the support (capacity building, technical assistance) that national, regional and local governments would need to be able to assume new functions to support the SDGs and implement the planned reform strategies. In this regard, a number of lessons from experience alluded to above are relevant. The emphasis should, in the first instance, be on domestically owned capacity development grounded in national institutions and processes, although countries may request international support.

As noted with respect to entry points, there is an opportunity to use the SDGs to prompt the identification of locally grounded problems and solutions, rather than to transfer with inadequate adaptation a standard set of normative ambitions and global best practices. Working to these issues implies forms of capacity development support that are tailored and coordinated, and don’t rely primarily or exclusively on conventional modes, such as short-term technical assistance or classroom and workshop delivery. Instead, more long-term, embedded, and flexible forms of support have the potential to be more effective and produce more sustainable transformation.

A final, but equally important aspect of the strategic process is monitoring the results of reforms. This process should not just gauge progress against a standardized benchmarks; instead, the benchmarks could be negotiated with subnational governments and the results used to inform adjustments to objectives and to the strategy itself as lessons emerge from experience. In this sense, monitoring mechanisms must work continuously and also be aligned with the institutions coordinating and managing reforms and the strategies adopted. While there are few documented examples of this kind of learning and adaptation focused on the monitoring and evaluation of decentralization, there is a growing body of diverse case studies of public sector reforms that use monitoring to seek viable entry points, exploit opportunities, and adjust course.41

4.4. What role can the international community play?

Although the SDGs can only be realized through broad based, concerted and innovative multi-actor efforts at the country and subnational levels, international actors will, as noted above, have an important facilitation role. First, the international community can signal commitment through the formulation of agreements and programs for enhanced regional and local government capacity in integrated territorial development, a role that is consistent with the more holistic approach of the SDGs as compared to previous development frameworks.

41 For example, reformers in the Philippines have used “entrepreneurial” approaches to test incentives and form coalitions to achieve dramatic land titling and excise tax reforms. In Nepal, a 13 year program continually sought changing entry points for promoting political inclusion, Working with leadership to identify and facilitate work on a small set of strategic goals in Rwanda led to developmental improvements in agricultural market access and public-private contracting. For more detail see Booth and Unsworth (2014), Faustino and Booth (2014), and Cummings (2015).
Second, as the process outlined above is centered on a synthetic multi-step contextualized diagnostic, the international community can provide technical, financial and logistical support requested by countries to enable them to develop and carry out such assessments. This support requires considerable sensitivity in approach, in design and in implementation, as externally driven and implemented diagnostics are highly unlikely to result in the properly contextualized and realistic reform strategies needed.\footnote{Reviews of, for example, the New Deal for Fragile States and the Extractive Industries Transparency Initiative may be useful here to illustrate the challenges of creating locally owned and tailored diagnostics.}

Third, attention and support will be required for much more flexible, demand driven, and coordinated (across domestic actors and international development partners) capacity development support facilities. This support should draw on the lessons drawn from the mixed record of international assistance to decentralization reforms and strategies, including insufficiently robust efforts – recognizing the nontrivial and challenging tradeoffs involved – to honor more fully the commitments made during the Paris, Accra and Busan deliberations on aid effectiveness. Due attention should also be given to emerging lessons on public sector reform more generally, including the need to think and work politically, learn through implementation, and be prepared to make adjustments.

Particular consideration should be given to specialized means of support for places where the SDG “deficits” may be the greatest or most concentrated: low income urban areas, intermediate cities, and fragile and conflict affected states where institutionalization is weakest. Such means might echo aspects of relatively successful multi-stakeholder initiatives, such as the Extractive Industry Transparency Initiative (EITI)\footnote{See \url{https://eiti.org}.} or Forest Law Enforcement, Governance and Trade (FLEGT),\footnote{See \url{http://www.euflegt.efi.int/home/}.} though with considerable adaptations. Other possibilities not yet widely explored might center on support to SDG-related fiscal transfers or creditworthiness, perhaps echoing aspects of climate finance initiatives or multi-stakeholder health initiatives, such as the Vaccine Alliance (GAVI).\footnote{See \url{http://www.gavi.org}.} In addition, the New Deal for Engagement in Fragile States presents considerable lessons (both positive and negative) for improving the contextualization of support to fragile and conflict-affected states.\footnote{See \url{http://www.pbsdialogue.org/en/new-deal/about-new-deal/}.}

5. **Concluding statement: key issues, further study, and next steps**

This paper makes the case that subnational governments – particularly urban jurisdictions in a rapidly urbanizing world – will be vital actors in attaining the SDGs. They already play strong developmental roles in OECD countries and increasingly, if unevenly, in middle- and low-income countries. Many SDG deficits depend on functions that are or could be substantially subnational responsibilities. Given their proximity to citizens and grasp of conditions and relationships on the ground, subnational governments are well placed to make the connections and forge the partnerships needed to pursue the integrated developmental aspirations of the SDGs. Finally,
subnational governments have contributed to and can further advance solutions to pressing global resource challenges, such as climate change, energy shortages, health crises, food insecurity, and financial instability, among others.

If localizing the SDGs is a valuable goal, how should intergovernmental systems be structured? The conventional approach outlined above embodies well-developed principles for considering this question, but they have not been universally applied, and they have too often not been used carefully in country context. Perhaps most critically, these principles do not explicitly consider a number of important factors that affect subnational government effectiveness – critical linkages among key aspects of the system, influential political and bureaucratic dynamics, and consequential local conditions on the ground, among others. The standard approach also tends to focus too much on norm-based design and inadequately accounts for the considerable practical challenges of implementation and capacity development.

If the SDGs are to be meaningfully localized, it will necessary to document specific SDG gaps and needs. Since the SDGs are more multidimensional and integrative than the MDGs, significant challenges are involved in quantifying them. Ongoing work on this front has been making solid progress, but the data deficiencies need to be more fully documented, interpreted and bridged. Improved data can also help to illuminate the detailed implications of pursuing specific goals, feeding into the process of prioritization that will inevitably be required because not all of the SDGs can be pursued with equal effort simultaneously in any country.

Although obviously a necessary starting point, measuring the SDG gaps is only part of the process of understanding how to realize results. Because of the integrated nature of many of the goals, the component functions and services required to meet each goal need to be carefully disaggregated and defined. This information could be used to help determine which elements can best be undertaken by national or subnational actors, and which will require joint provision by multiple levels and nongovernmental actors. As illustrated in Annex I, understanding how to deal with the diversity and breadth of the SDGs also necessitates a detailed analysis of individual countries’ current capacities at national and subnational levels across a broad range of sectoral and integrated development functions. This analysis will help to shape a contextualized strategy for pursuing reforms and developing support efforts related to achieving the goals.

The contextualized implementation strategies needed to pursue intergovernmental reforms and the SDGs will depend on considerable information and careful discussion among relevant stakeholders. The key task is to identify locally viable entry points and outline well-sequenced reforms that are programmed to proceed at a realistic pace and to leave sufficient room for flexibility and adaptation. Deciding what to monitor and how to do this is essential for tracking progress with reforms, documenting the advancement of the SDGs, and understanding if changes need to be made in any part of the process. Following such a strategic and adaptable

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approach will help to ensure that the reforms pursued are politically tenable, technically sound, and likely to result in sustainable institutional changes and development outcomes.

Pursuing the recommended reform path requires the development and application of a robust and integrated diagnostic tool that goes beyond the traditional thinking about intergovernmental sharing of powers and that is both aspirational and pragmatic with respect to the SDGs and system reform. Determining the best means to support such locally owned and contextualized diagnostic processes and reform strategies, to develop these processes and strategies, to create mechanisms for coordinating relevant actors and initiatives, and to mobilize and harmonize support from the international community are among the key tasks facing the UNDESA expert group and other SDG stakeholders moving forward.

A particularly critical challenge will be to craft appropriate coordination mechanisms for defining, advancing, monitoring and adapting reforms and SDG actions. Many different types of coordination mechanisms have been used for national development initiatives (PRSPs, MDGs, etc.), and there have been a range of country mechanisms for coordinating decentralization and local governance policies. In addition, various approaches have been used to coordinate development assistance. The process needed for the SDGs involves bridging all of these roles, and it is imperative to balance the complexity involved and the need for viable concrete action. For this to occur, all partners expected to play a role must be given a seat at the table and feel engaged in the process. Given what is at stake, the international community and individual countries have much work to do if localizing the SDGs is to become a productive reality.
### Annex I: Indicative National, Intergovernmental and Subnational Capacities for the SDGs

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<tr>
<th>Goal</th>
<th>Key national &amp; intergovernmental capacities</th>
<th>Key subnational &amp; urban capacities</th>
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| 1. No poverty                             | • Social protection policies  
• Basic service standards  
• Effective and equitable finance for social protection and services | • Implementation of social protection & basic services  
• Integrated urban poverty strategies  
• Monitoring                                                                 |
| 2. Zero hunger                             | • Social protection policies  
• Investment in food security, productivity & infrastructure | • Support to local value chains & markets including infrastructure  
• Effective rural-urban linkages  
• Monitoring                                                                 |
| 3. Good health & well-being               | • Basic service standards and policies  
• Effective & equitable finances for health services | • Implementation of health services  
• Monitoring                                                                 |
| 4. Quality education                       | • Basic service standards and policies  
• Effective & equitable finances for education services | • Implementation of education services  
• Monitoring                                                                 |
| 5. Gender equality                         | • National policies & regulation | • Integrated local strategies  
• Monitoring                                                                 |
| 6. Clean water & sanitation                | • Basic service standards and policies  
• Effective/ equitable finances for WASH | • Implementation of WASH services  
• Monitoring                                                                 |
| 7. Affordable & clean energy              | • National policies & incentive structures  
• National infrastructure | • Integrated local energy strategies  
• Small scale energy production/infrastructure                                                                 |
| 8. Decent work & economic growth           | • Growth & employment policies  
• Economic management | • Integrated growth & employment strategies                                                                 |
| 9. Industry, innovation & infrastructure   | • Industrial policy  
• Economic management  
• National infrastructure | • Integrated growth & employment strategies  
• Infrastructure  
• Access to finance                                                                 |
| 10. Reduced inequalities                   | • Social protection policies  
• Effective & equitable finance for social protection & equalization | • Local tax policy & implementation  
• Implementation of social protection programs                                                                 |
| 11. Sustainable cities & communities       | • Adequate finance for cities | • Integrated territorial development/resilience  
• Slum upgrading  
• Infrastructure  
• Waste management  
• Access to finance                                                                 |
| 12. Responsible consumption & production  | • National policies & incentives | • Implementation & enforcement  
• Waste management                                                                 |
| 13. Climate action                         | • National policies & incentives  
• International cooperation | • Enforcement  
• Integrated local climate planning & regulation  
• Monitoring                                                                 |
| 14. Life below water                        | • National policies & incentives including protection  
• International cooperation | • Enforcement  
• Local regulation  
• Monitoring                                                                 |
| 15. Life on land                           | • National policies & incentives including protection  
• International cooperation | • Enforcement  
• Local regulation  
• Monitoring                                                                 |
| 16. Peace, justice & strong institutions   | • Stable & inclusive system of territorial administration & decentralization | • Participatory accountable local institutions able to manage conflict  
• Implementation of justice services  
• Integrated strategies for safe cities                                                                 |
| 17. Partnerships for the goals             | • National & international development cooperation processes inclusive of subnational stakeholders | • Access to finance/partnership at local levels  
• Effective subnational & multi-stakeholder partnerships & networks                                                                 |
References


