

## Building Financial Sustainability through Localization

Networking Event at the Twelfth Session of the World Urban Forum

*6 November 2024, 17:00-18:30 (GMT+3), Room 3*

### Concept Note

#### Background

Today's global development and humanitarian challenges are vast, demanding, and complex, and the achievement of the SDGs is behind track. While all the SDGs have targets directly related to local action, most of the resources have been concentrated at the national level, impacting local actors' abilities to promote integrated, inclusive and sustainable territorial development. The challenges facing the achievement of the SDGs are also inherently local, shaped by the unique histories, power dynamics, and other factors specific to each context in which they occur. This means that the SDGs can only be achieved if all relevant local actors fully participate in the agenda-setting, implementation, and monitoring of sustainable development projects and investments. Therefore the meaningful engagement of local actors in receiving and managing financing has become increasingly critical to accelerating SDG progress, and there has been rapid recognition of the need to channel development funding to the local level. However, this shift in financing requires new multi-level and multi-stakeholder approaches and solutions for the challenges preventing local action, including absorbing financing at the local level and building long-term local financial sustainability.

USAID has led the way in recognizing the importance of shifting donor funding to the local level and has set two key targets to guide its pursuit of locally led development: (1) 25% of funding will go to local impact by 2025; and (2) At least half of USAID programs will promote space for local actors to exercise leadership over priority setting, activity design, implementation, and defining and measuring results by 2030. USAID holds itself accountable to these targets through metrics measuring (1) progress against these targets by the percentage of funding that is channeled directly to local partners and (2) the percentage of programs that are locally led in ways that elevate local leadership. USAID's localization efforts include: (a) adapting policies and programs, (b) shifting power to local actors, (3) channeling a larger portion of funding directly to local partners, and (d) serving as a global advocate and thought leader.

The Local2030 Coalition is the UN System-wide platform and network for supporting and accelerating the localization of the 2030 Agenda for Sustainable Development. The Coalition brings together the UN system, local and regional governments and their

associations, national governments, businesses, community-based organizations, and other local actors to mobilize, empower and support local stakeholders in advancing the 2030 Agenda for Sustainable Development. The goal is to strengthen coordination within and beyond the UN system by enabling multi-level and multi-stakeholder collaboration, which is essential for coherent and effective actions on complex and interlocking challenges. To this end, the Local2030 Coalition facilitates a convening space to support partners in developing ideas and sharing tools and approaches to advance the 2030 Agenda everywhere.

Localizing development is a process of empowering all local stakeholders aimed at making sustainable development more responsive and, therefore, more relevant to local needs and aspirations. Improving and unlocking access to financing for local actors is critical to accelerating balanced sustainable development investments. Through the Local2030 Coalition, the UN System is unified around the need to understand and scale up localization action and financing.

This joint session of USAID and the Local2030 Coalition will explore approaches undertaken in directing resources to local partners and supporting domestic resource mobilization. The networking event will engage donor and financial institutions, the UN System, and local actors in a dialogue to better understand bottlenecks, challenges, and lessons and best practices on channeling finance to the local level achieve the SDGs. It will bring together theory and practice to consider effective responses to the 'asks' of local actors. The event aims to engage and encourage discussion and progress on better enabling local action through fiscal impact on the SDGs through local level financing to enable local action. The discussion will connect these issues with the Financing for Development process on the road to the Fourth International Conference on Financing for Development (FfD4) to take place in Spain.

The format will create a forum for frank conversations and interaction on the importance of putting the needs and priorities of local actors first and international donors and institutions are working to support and strengthen local actors' efforts to meet their needs and achieve the SDGs. Attendees will hear from practitioners who are advancing localization and have an opportunity to compare methods on how best to elevate local partners. With finance serving as a central pillar to local governments' ability to deliver public services that advance development outcomes, this session aims to shed meaningful light on the topic of how prepared local governments and partners can effectively utilize more resources and assets, creating long-term financial sustainability.

The panel will speak to approaches that enable local communities to invest in effective public financial management, ultimately ensuring local partners and communities will have the best opportunity for success. The first segment will provide an opportunity for exchange

and discussion on the critical questions challenges and bottlenecks that local actors face in building financial sustainability and accessing, absorbing, managing, and maintaining financing at the local level. In the second segment, panelists will reflect on good practices and recommendations for optimizing access to financing and efficiency at the local level to build financial sustainability. Each segment will invite engagement and insights from the audience through a Q&A period.

### Key Objectives

- Foster a space for discussion and exchange to engage and support funding and financing organizations to channel more financing towards local level to achieve the SDGs, demonstrating impact and highlighting the opportunities and positive downstream effects of local level financing (e.g. increased participation, stakeholder engagement and empowerment)
- Highlight how the shift towards local financing can be done in an effective way, avoiding pitfalls and providing the lessons learned, potential opportunities, and recommended ways to avoid and address challenges and traps so that international partners can iterate on these examples.
- To present key learnings and provide insights for institutions that have primarily worked with financial support to the national level to effectively support local-level action and implement local financial supports.
- To provide examples of how these concepts on how to work more directly and comprehensively with local partners have been deployed in practice.
- To collect and understand insights and input on the topics and approaches discussed, including challenges and lessons learned from local actors in accessing and building sustainability in local financing. This feedback and the concerns and questions raised by local actors will be integrated into a joint USAID and Local2030 Coalition publication compiling good practices and guidelines on access to financing for local actors to advance the SDGs.

### Supporters

- USAID
- Local2030 Coalition

### Format

The event will be in-person and web-streamed.

### Language

English, with interpretation available in Arabic.

## Programme and Speakers

<b>6 November 2024 – From 17:00-18:30 (GMT+3)</b>	
<b>Time</b>	<b>Session details</b>
<b>Master of Ceremony and Moderator:</b> Kevin Nelson, Urban Governance Lead, USAID	
<b>Opening Remarks (5 min)</b>	
17:00 – 17:05	<ul style="list-style-type: none"> <li>Kevin Nelson, Urban Governance Lead, USAID</li> </ul>
<b>Panel discussion: Topic 1: Challenges and bottlenecks local actors face in building financial sustainability and accessing financing to achieve the SDGs (20 min)</b>	
17:05 – 17:25	<ul style="list-style-type: none"> <li>Mr. Kristian Prieto, Director, BBK Kuna, BBK Foundation</li> <li>Mdm. Noraini Roslan, Mayor of Klang, Malaysia</li> <li>Mr. Matthew Courtad, Director, Office of Acquisition and Assistance, USAID/ Egypt</li> <li>Mr. Jordi Llopart, Senior Advisor, Strategic Alliances, UNDP &amp; Coordinator of UN Local2030 Coalition Working Group on Financing the Six SDG Transitions at the Local Level</li> <li>Dr. Kalpana Viswanath, Co-Founder &amp; CEO, Safetipin</li> </ul>
<b>Q&amp;A with the audience and summary (20 min)</b>	
17:25 – 17:40	<ul style="list-style-type: none"> <li>Moderated question and answer session between the audience and panelists on Topic 1 (15 min)</li> </ul>
17:40 – 17:42	<ul style="list-style-type: none"> <li>Summary of the discussion (2 min)</li> </ul>
<b>Panel discussion – Topic 2: Good practices and recommendations for optimizing access to financing and efficiency at the local level to build financial sustainability (20 min)</b>	
17:42 – 18:02	<ul style="list-style-type: none"> <li>Mr. Kristian Prieto, Director, BBK Kuna, BBK Foundation</li> <li>Mdm. Noraini Roslan, Mayor of Klang, Malaysia</li> <li>Mr. Matthew Courtad, Director, Office of Acquisition and Assistance, USAID/ Egypt</li> <li>Mr. Jordi Llopart, Senior Advisor, Strategic Alliances, UNDP &amp; Coordinator of UN Local2030 Coalition Working Group on Financing the Six SDG Transitions at the Local Level</li> <li>Dr. Kalpana Viswanath, Co-Founder &amp; CEO, Safetipin</li> </ul>
<b>Q&amp;A with the audience and summary (20 minutes)</b>	

18:03 – 18:18  18:18 – 18:20	<ul style="list-style-type: none"> <li>• Moderated question and answer session between the audience and panelists on Topic 2 (15 min)</li> <li>• Summary of the discussion (2 min)</li> </ul>
<b>Closing remarks (10 min)</b>	
18:20 – 18:30	<ul style="list-style-type: none"> <li>• Dr. Shipra Narang Suri, Chief, Urban Practices Branch and Senior Focal Point, Local Governments and SDG Localization, UN-Habitat</li> </ul>