

International Centre for Local Democracy - ICLD

ICLD Guidelines for Municipal Partnership

1. Municipal Partnership

Municipal Partnership is a form of cooperation financed by the Swedish International Development Cooperation Agency (Sida). This cooperation is designed to facilitate the development of municipal¹ operations in high-priority partnership countries, and in Sweden, for mutual benefit, and with a focus on results. This programme is based on the *Policy for Global Development* (PGU) adopted by the Swedish Government and the Swedish Parliament, which stresses the need for new participants and broad participation in Sweden's international development cooperation. PGU focuses on partnership – for example municipal partnerships – as a strategic means of utilising the Swedish resource-base and Swedish know-how to establish mutually beneficial relationships with other countries.

The first stage in a municipal partnership is that the executive bodies in the municipalities concerned draw up an overall agreement in which they undertake to cooperate for a specific period. This cooperation may take place in one or more municipal fields and should have clearly defined objectives. Cooperation projects may, for example, be designed to develop know-how and contingency planning at the municipal level to tackle climate change, to improve waste management processes, to enhance citizen-participation and give citizens greater influence in town planning issues, or to develop municipal social welfare operations. Partnership should improve the municipality's ability to find solutions for problems, and provide better services for local inhabitants. As with all other assistance initiatives, the overriding goal for municipal partnership is to alleviate and reduce poverty². Municipal partnership is also designed to strengthen local self-government and local democracy. In Europe, such partnerships aim, in particular, to facilitate EU integration, thus also reinforcing the implementation of reforms in countries in Sweden's immediate neighbourhood.

Support for decentralisation and the development of effective and democratic local authorities has become an increasingly important feature of Swedish development cooperation. Sweden has a long tradition of local self-government, and Swedish municipalities are responsible for a high proportion of social services. As a result, Swedish municipalities have valuable know-how and experience which they can share with municipalities in developing countries. Cooperation of this nature also gives the Swedish municipalities new tools and experience for the development of their own operations.

- 1 The Guidelines refer to *municipalities*. In the programme, this concept covers municipalities, county councils, regions and local authority associations.
- 2 In this context, *poverty* is defined as a lack of resources, influence, options and security.

2. Goals for Municipal Partnership

The programme's overriding goal is the reduction of poverty and the strengthening of local self-government and local democracy in the countries selected for municipal partnership cooperation.

The programme's objectives are:

- To facilitate contacts and result-oriented cooperation between municipalities in Sweden and the partnership countries selected.
- To establish long-term relationships between the public sector in Sweden and in partnership countries.
- To focus, in Europe, on the reinforcement of democracy, just and sustainable development, and harmonisation with the EU and its intrinsic values.

The Government's three thematic priorities for Swedish development cooperation which are to have a special emphasis in the programme are:

- democracy and human rights,
- the promotion of gender equality and the role of women in the development process,
- environmental and climate aspects.

3. Areas for cooperation

The programme covers projects in municipal areas of responsibility, such as:

- local democracy, governance and administration,
- technical municipal services (e.g. waste management, water and sewage, energy),
- sustainable urban development,
- environment/ climate,
- local economic development (industrial and commercial development, tourism, rural development),
- social welfare operations,
- education,
- health and medical care,
- cultural and leisure activities.

The municipalities involved must jointly identify and determine which areas and projects are suitable for mutually beneficial cooperation. It is important to ensure that the added

value that is expected to be achieved as a result of a partnership relationship is in line with the priorities of the municipalities participating in the programme.

The projects are designed to achieve exchanges of know-how and experience. They do not entail any form of supplies of assistance or investment.

4. Partnership countries

The following are currently potential municipal partnership countries:

- Europe: **Albania, Bosnia and Herzegovina, Georgia, Kosovo, Macedonia, Moldova, Serbia, Turkey, Ukraine and Belarus.**
- Asia: **India, Indonesia, China and Vietnam.**
- Africa: **Botswana, Kenya, Namibia, South Africa, Tanzania and Uganda.**

5. Who can apply for Municipal Partnership financing?

Members of the Swedish Association of Local Authorities and Swedish regional local-authority associations are entitled to submit applications, that is to say:

- Swedish municipalities,
- Swedish county councils,
- Swedish regions,
- Swedish regional local-authority associations.

A municipal department, a municipal company, or a similar organisation is not entitled to apply for financial support for a specific project, since all applications must be made by one of the above bodies. More than one Swedish and/or foreign municipalities may participate in the same project, providing that one of the Swedish participants is responsible for operations.

6. Who can participate?

Municipal partnership is a form of cooperation designed to achieve an exchange of know-how and experience between officials and politicians at the local and regional political levels in countries participating in the programme. As a result, the Swedish participants (listed in Section 5) must cooperate with the corresponding local or regional authority in the partner country concerned.

It may also be advantageous if non-municipal entities that are active in a particular municipality also participate in various ways within the framework of a municipal partnership. The municipalities must evaluate such participation, for example by local

business interests, academic institutions, associations and also representatives of central government functions (e.g. the local police or the higher education system).

Travel and living expenses (but not salaries) for representatives of non-municipal entities may be covered by the programme in certain cases, providing that the project is an integrated part of the overall municipal partnership, that the application indicates that alternative forms of funding have been investigated and that the entity concerned is a non-profit-making organisation.

7. Application procedure

Applications are to be prepared by the Swedish municipal applicant, in cooperation with its foreign partner. If applications are to be considered, they must comply with the application templates for municipal partnerships (see Attachments 2-4).

There will be three opportunities to submit applications every year, as announced in advance on the ICLD website.

8. Languages

Applications, reports and budget proposals may be submitted in Swedish or in English. The municipalities participating may decide which language is the most suitable. However, a summary of the application and the report must be submitted to ICLD in digital format, both in Swedish and in English.

9. Programme components

The programme is divided into various components, partly to ensure that municipal partnership agreements have the prerequisites for achieving fruitful and sustainable results that are mutually beneficial, and partly to link up the funding of individual projects with the overall municipal partnership agreements.

There are special application documents for each component, accompanied by detailed information concerning the contents required for subsequent processing of the application (see Attachments 2-4).

Component 1: Inception phase

The inception phase provides an introduction to the municipal partnership agreement. The financial contribution for this phase funds mutual visits to the two municipalities

concerned. The initial contacts between the potential partners have been already established at this stage, and an exchange of ideas about possible preparations for cooperation should have already taken place. The object of the inception phase is to establish a satisfactory working atmosphere and to achieve support for cooperation in the executive bodies of the two municipalities. Visits are normally planned for up to four persons – the person appointed to coordinate the partnership, and senior municipal officials and politicians (preferably representatives of both the political majority and the opposition).

During the inception phase, a partnership agreement is signed – if both parties agree – and a project plan is drawn up and a management and coordination function is established. It is essential to choose a form of work that facilitates the active participation of both parties in the drawing up of project plans, their targets and the results anticipated. If the parties consider it necessary, ICLD personnel can also participate in the preparatory phase. In this case, ICLD's participation will be funded separately.

Component 2: Management and coordination function

A coordinator is to be appointed in each municipality within the framework of management and coordination functions in each municipality. The coordinator has primary responsibility for partnership arrangements, maintains contacts with ICLD, monitors that the project is completed in accordance with the project plans, ensures backing and support for the partnership in the municipality concerned, conducts follow-up operations, prepares reports and disseminates the results in other quarters. If a Swedish municipality is cooperating with municipalities in more than one country, it is an advantage to have the same coordinator. This permits the transfer of know-how and experience between the various partnerships.

The management and coordination function calls for the establishment of a management committee, in addition to the appointment of a coordinator in each municipality concerned. The management committee supervises the work of the coordinators and the various project activities, and should comprise representatives of the political majority and the opposition (where possible), and also senior municipal officials. The management committee ensures backing and support for the partnership in the municipalities concerned and provides quality assurance, since the committee may participate in the assessment of project plans and implement project follow-ups.

The management and coordination function is mandatory while the project is in operation. Once cooperation has been established, the municipalities develop new projects within the management and coordination framework, and this means that funds must also cover journeys for the municipalities' specialists and experts.

All participants applying for partnership cooperation must enter into a “cooperation agreement” that extends at least one year beyond the actual project period. This gives the parties an assurance that a certain level of involvement, coordination and monitoring of results will continue beyond the project period.

Support for management and coordination activities is intended to compensate for the geographical distance between the participants by covering the cost of meetings for coordinators and management committees. The funds granted are to cover travel, food and accommodation expenses for both municipalities when visiting the other country, and also salary compensation for representatives of the Swedish municipality. Two meetings per year should take place, one in Sweden and one in the partner country. Minutes must be recorded during these meetings.

In certain exceptional cases, an application may be submitted for management and coordination activities for a six-month period – maximum contribution SEK 150,000. This may be relevant, for example, when a partnership has been inactive for some years and the municipalities involved in the project need to meet to prepare new plans for the resumption of cooperation, and to apply for funding for operations.

Component 3a: Bilateral projects

The inception phase leads to one or more project applications funded under a new heading, and separate from the management and coordination function. Project proposals are to be drawn up jointly by the parties and should be based on municipal operations, and designed to achieve an exchange of know-how and experience and produce concrete results. The programme allows for projects with a duration of one, two or three years.

Projects are to be based on a problem or a challenge faced in municipal operations. Although projects should primarily take the partner’s needs into account, it is also important that the Swedish municipality should benefit from cooperation. An action plan is prepared to achieve the results aimed for, based on what the participants intend to achieve in the project. When the project is subsequently reported in a situation report and/or final report, the focus must always be on the results achieved by the project in relation to the targets established, and how these results are to be sustained after conclusion of the project.

The partners may apply for financial support for several projects when they submit an application. There is, however, a natural limit on the number of projects approved, in the light of the budget framework for the Municipal Partnership programme.

The Municipal Partnership programme is not intended to be used to support student exchanges. In the case of certain projects involving education and school issues, however,

it may be possible to permit participation by a maximum of two pupils from each country.

Component 3b: Three-party cooperation

Three-party cooperation involves partnership between a Swedish municipality and two foreign municipalities in a joint project. The third country may function as a bridge between Sweden and the partner country, in terms of language, culture and municipal operations. One prerequisite is that there must be cooperation agreements between all three parties. The relevant countries for three-party cooperation in Central and Eastern Europe (the third party) are the new EU countries, namely: Estonia, Latvia, Lithuania, Poland, Slovakia, Slovenia, the Czech Republic, Hungary, Romania and Bulgaria. These countries may have relevant experience which may prove beneficial for countries that wish to become more closely associated with the EU. In special cases, the experience of Russian municipalities in municipal cooperation with Swedish municipalities may be useful in methodological terms to justify participation by a Russian municipality as a third party. Furthermore, applications for support for three-party cooperation may be submitted for cooperation between Swedish and South African municipalities, together with municipalities in Namibia or Botswana.

10. Financing partnerships

The funds approved are paid out to the Swedish partner in connection with presentation of final reports for one-year projects and, in the case of projects with a duration of more than one year, when annual reports or final reports are submitted. As a result, the Swedish partner is responsible for the allocation of funds between the parties and for financial reporting. No payments will be made for activities commenced or implemented before funds are approved. Fifty per cent of funds approved may be paid to the Swedish municipality in advance if the total amount exceeds SEK 1,000,000 per year.

Inception phase:

Europe: Maximum SEK 200,000

Africa/Asia: Maximum SEK 250,000

Inception phase - three-party cooperation:

Europe: Maximum SEK 250,000

Africa/Asia: Maximum SEK 300,000

Management and coordination activities:

Maximum SEK 300,000/year, of which maximum SEK 150,000 for work carried out

Bilateral project:

Europe: Maximum SEK 450,000/year
Africa/Asia: Maximum SEK 500,000/year

Project – three-party cooperation:

Europe: Maximum SEK 600,000/year
Africa/Asia: Maximum SEK 650,000/year

The budget is to comply with the budget instructions (Attachment 2) and must be prepared in accordance with the budget template (Attachment 5).

11. Reporting

Following completion of a inception phase or project and management and coordination activities, the Swedish participant that has received project funding must submit a result-oriented final report and a financial final report to ICLD. These reports must comply with the template for Municipal Partnership reports (Attachment 6).

In addition, in the case of projects extending over more than one year, a situation report and a financial report must be submitted after each year, in accordance with special instructions (see Attachment 6).

Reports on inception phases, projects and management and coordination activities must be accompanied by an annual audit report prepared by an external authorized public accountant.

Payment for actual costs up to the maximum amount determined will be made by ICLD, following receipt and approval of such reports.

The instructions for Municipal Partnership reports should be studied prior to commencement of the inception phase, management and coordination activities or projects in order to ensure familiarity with requirements in the form of monitoring of results, documentation, etc.

NB: Applications from municipalities that have failed to submit final reports for projects previously approved may only be considered if the municipality in question encloses a report indicating what progress has been made and what has been achieved in projects that have not yet been completed, and also when such projects are due to be completed and final reports submitted. In principle, no formal decision will be taken concerning the funding of activities covered by the new application until the relevant situation reports/final reports have been received and approved.

12. Assessment and decision-making process

Applications are processed as follows:

- In the first instance, the application is assessed by the ICLD's programme coordinators and programme officers in order to ensure compliance with all the formal requirements. If the application is incomplete, ICLD may require supplementary information before approving the application for the next stage.
- The contents of all satisfactorily completed applications are assessed by the ICLD partnership department, which prepares a document for decision that is presented, in the first instance, to the ICLD Partnership Council. The Partnership Council comprises four members, of whom two are appointed by ICLD (the chairman and one member) and two by the Swedish Association of Local Authorities and Regions (SKL/SALAR) (two members). This document focuses on key aspects of the partnership, with an emphasis on the following criteria:
 - *Relevance from a poverty perspective?*
 - *Does the project relate to a succinct problem area?*
 - *Implementation within the project period realistic and feasible?*
 - *Results linked to activities?*
 - *Concrete and lasting results (sustainability)?*
 - *Follow-up and dissemination?*
 - *Mutual benefits?*

Three perspectives:

- Democracy and human rights
 - Promotion of gender equality and the role of women in development
 - Environment and climate
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- The Partnership Council decides to recommend that Sida should approve or reject applications for financial support for preparatory phases, management and coordination and projects, with an explanation in each specific case.
 - ICLD submits its recommendations to Sida, on the basis of which Sida decides to approve or reject the applications received.
 - Sida informs ICLD of its decision, and ICLD informs coordinators in the Swedish municipalities that have submitted applications. These coordinators are subsequently responsible for information to their partners. When municipalities that have applied for financial support are informed of Sida's decision, copies of the decision accompanied by summaries of applications are despatched to the relevant Swedish embassies, for information purposes.

Queries concerning the application process – contact:

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Please send applications to:

ICLD

Att. Marie Wiktorsson

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N.B.: The following must also be despatched by e-mail to lise-lotte.noren@icld.se

Summary of each application in Swedish and in English

Budget in Excel format

Attachments:

- 1. Budget instructions**
- 2. Application form – inception phase**
- 3. Application form – management and coordination phase**
- 4. Application form – project**
- 5. Budget template**
- 6. Instructions and templates for reports**