

LOCAL GOVERNMENT'S ROLE IN ENVIRONMENT, NATURAL RESOURE MANAGEMENT AND CLIMATE CHANGE

UNCDF, UNDP and UNEP Asia Pacific Region
Lesson learning workshop on 5-6, October 2009,
Amari Watergate Hotel, Bangkok

Concept note and draft agenda

1. Summary

Several countries in the Asia Pacific region are strengthening the role and capacity of local government often with UN support. An area of growing concern is the impacts and role of local government with respect to environment, natural resources and climate change. The workshop would be aimed at local governments in the region, UN colleagues and other development agencies to learn lessons from ongoing experience and improve support. Discussions would focus around three main themes: role of local government in terms of expenditure, revenues and planning/regulatory/management functions. The discussions would help expand analytical and programme based work between the UNCDF, UNDP and UNEP on these issues.

2. Background

A number of countries in the region are receiving UN support on local governance including Bangladesh, Bhutan, Cambodia, Lao PDR, Nepal, Thailand and Timor Leste. An area of growing interest is the role of local government in environment, natural resources management and climate change where there is also UN support through the Poverty Environment Initiative (PEI), Global Environment Facility (GEF) and other programmes. UNCDF, UNDP and UNEP at a corporate level are also interested in exploring the links between local governance and environment, natural resources and climate. However to date there has been limited work to really operationalise these linkages at a programme level through closer working between UN agencies working on governance and environment.

3. Review of local government in environment, natural resources and climate

To identify the operational implications of local government systems and institutions (LGS/I) and environment, natural resources and climate, UNCDF and the UNDP and UNEP Poverty Environment Initiative (PEI) are developing a short guidance note on these issues. The approach will focus on the following dimensions of the LGS/I and environment interface, using country case studies and examples wherever possible and appropriate:

- (i) **Local public expenditure and the environment:** this will entail analyzing the ways in which LGS/I budgeting and expenditure processes can be or are undertaken with a view towards either avoiding (or mitigating) negative environmental impacts or actively contributing towards positive environmental outcomes.
- (ii) **Local government revenues and the environment:** this will require an analysis of the ways in which local government own-source (or shared) taxes, fees and charges can be or are structured and levied so as to provide

incentives for pro-poor, sustainable environmental and natural resource management, as well as for dealing with climate change mitigation & adaptation – or, at the very least, to provide incentives for avoiding negative outcomes in these areas.

- (iii) **Local government planning/regulatory and management frameworks:** this implies the need to examine the ways in which LGS/Is – within the limits of their legally mandated functions and powers – can and do establish pro-poor, local-level planning, regulatory and institutional frameworks that either encourage sound environmental and natural resource management or contribute to climate change mitigation/adaptation. This will also include suggesting new functions that may be usefully carried out by local governments as climate change becomes a bigger issue. Exploring this dimension will also require looking at the broad jurisdictional and institutional framework and ways in which local governments interact with or are involved in decentralized or community-based natural resource and environmental management.

Thematically the debate on the role of local governments in environmental / climate matters is loosely divided into three areas:

- 1) Local Government and Natural Resource Management. UNCDF has institutional memory in this and some early Local Development Funds had an ‘ecodevelopment’ focus.
- 2) Local Government and Climate Change Adaptation. This involves the role of local governments in ‘climate proofing’ for example developing a programme to limit the potential damage of sea level rises. It also involves their role in coordinating responses to climate related natural disasters.
- 3) Finally there is the role of local governments in Climate Change Mitigation. This involves potential initiatives such as the monitoring of deforestation by local governments as part of a REDD certification exercise.

Whilst these three areas are conceived separately – the practical implications for local governments may overlap. The workshop will focus on the practicalities of Local Government involvement in these issues. Therefore the workshop will aim to identify key issues for local governments using the following matrix.

Potential area of local government action	Role of local government	Typology of environment / climate change work		
		Natural resource management	Climate change adaptation	Climate change mitigation
<i>Coastal protection block grants?</i>	Expenditure	X	X	
<i>REDD?</i>	Revenue	X		X
<i>Forestry licensing?</i>	Regulation	X		X?

The above is a rough example: The workshop will aim to add issues to the first column and examine the practical and constructive role that local governments could play.

4. Country and Programmatic work

The following countries have UN supported local government support programmes which are already being developed to include environment and climate issues, or provide the potential to do this in the future:

- Bangladesh: Limited local government spending has included basic sanitation and water supply, but the natural resource role of local government, for example in water management is under-developed
- Bhutan: Local government (Dzongkhags and gewogs) focus on farm roads and other infrastructure, but preliminary local level planning has highlighted importance of natural resource value addition and sharing economic benefits
- Cambodia: Communes are receiving larger block grants and donors have supported environment block grant for forestry, rural development etc
- Lao PDR: Provinces have significant powers especially to approve private investment much of which is in natural resources such as plantations.
- Nepal: District Development Committee and Village Development Committees are seeking ways to raise revenues often from natural resources and how to work with groups of natural resource users
- Thailand: Reforms to promote integrated provincial planning may offer ways for communities to voice concerns over commercial use of natural resources.
- Timor Leste is developing district governments who will have a role in development based on natural resources.

5. Workshop

The workshop will be to inform the guidance note and improve programmatic work. The workshop would be jointly organized by UNCDF and UNDP and UNEP PEI in consultation with selected UN County teams.

UNDP (through PEI) will pay for the tickets (return economy) and per diems of government participants. Participation of selected UN colleagues will be paid by the organisers. Please contact paul.steele@undp.org for further information.

DRAFT AGENDA

Monday, October 5th

8.30 Registration

9.00 Introduction and Review of local government system and institutions and environment and climate in Asia Pacific

Presentation: Mike Winter?

Panel discussion: selected local governments

10.30 Tea/coffee

11.00 Local government expenditure and the environment

(typical local government expenditure patterns and infrastructure focus, environmental implications and climate “risks” of current spending, potential for more environment related spending, potential for environment “block grant”, how to climate “proof” local government spending)

Presentation: David Jackson (UNCDF)

Panel discussion: selected local governments

12.30 Lunch

1.30 Local government revenues and the environment

(typical local government revenue sources, environment implications, fiscal powers and potential for incentivising environment positive behaviour)

Presentation: SANDEE?

Panel discussion: selected local governments

5.30 Break out groups: local government expenditure and local government revenue

Tuesday October 6th

8.30 Report back

9.15 Local government planning, regulatory and management role

(local government planning and natural resources, local government powers and functions and environment implications, links between natural resource based user groups and local government)

Presentation: PEI?

Panel discussion: selected local governments

10.30 Tea/coffee

11.00 Break out groups on strengthening country level programmes on local government to cover environment, natural resources and climate change

12.30 Lunch

1.30 Country presentations

2.30 Next steps and way forward

3.30 Close