

**REGIONAL SEMINAR ON ‘TERRITORIAL APPROACHES TO LOCAL DEVELOPMENT’  
IN LATIN AND CENTRAL AMERICA  
(Bogotá, 1-3 June 2015)**

Over the past year, DEVCO has sought to promote a series of exchanges on the new thinking about decentralisation (as an instrument to foster better development outcomes and governance) as well as on the concept of *‘territorial approaches to local development’* (TALD), introduced as a priority in the 2013 Communication on local authorities. In April 2015, a seminar brought sixty policy-makers, practitioners and experts from across the world together in Brussels to uncover what it means to adopt a TALD. Building on this, different regional seminars are planned in the remainder of 2015 with a view to further explore ways and means to engage in TALD processes. The first regional gathering took place in Bogotá (Colombia) with EU Delegations from Latin America and Central America/the Caribbean and various experts from the region. It led to three intensive days of debate on (i) the rationale for promoting TALD in the region; (ii) the constituent elements or ‘DNA’ of a TALD (compared to traditional ‘local development’ approaches); (iii) the challenges involved in operationalizing TALD processes and (iv) the conditions to make it work, also on the side of donor agencies/EU.

***The ongoing relevance of territorial development***

The concept of TALD is not new to Latin America. Yet in recent years it has received growing attention as a result of processes of rapid urbanization; the high social and political costs associated with uneven development; as well as the limits of centralised, top-down approaches to (sector) development. Unleashing the economic, social and cultural potential and competitiveness of *‘territories’* is seen as a means to fight rampant inequalities, build social cohesion and promote local responses to global challenges. A territorial focus should also help to rethink the way in which (central) institutions seek to deliver development outcomes by building on existing local dynamics and trying to reinforce these with adequate national policies.

These are also the reasons why the EU has moved beyond a focus on decentralisation (as a process of state reform aimed at transferring competences and resources to subnational levels)<sup>1</sup> to embracing the concept of territorial approaches to development (which sees territories and related subnational authorities as active agents of their own development). This shift should make it possible to reconnect decentralisation and development. Past experiences and lessons learnt with donor (EU) support have clearly indicated that decentralisation reforms are essentially political in nature. Elites engaging in decentralisation are not primarily concerned with development objectives but with extending their control and legitimizing their power. This also explains why decentralisation processes generally do not lead to the existence of strong local authorities enjoying meaningful levels of autonomy to act as a political body representing the interests of local constituencies and elaborating local public policies. In order to promote *‘development-friendly’ decentralisation* processes it is imperative to empower local authorities and ensure that adequate national policies are in place to support the efforts of local actors (public and private) to mobilise the full potential of their territory.

***What are the distinctive features of a TALD?***

Much discussion went into what TALD actually means. This is not a luxury, because as one resource person observed during the seminar: *“If you ask this question to 50 persons, you might get 50 different answers”*. The debate helped to differentiate *‘local development’* (as supported for decades in the region, including by donors and international NGOs) from *‘territorial development’* (as pushed forward now). While the former concept is characterized by its endogenous nature and incremental approach, the latter notion of ‘territorial’ development adds two critical

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<sup>1</sup> In June 2013 the EC also brought together EU Delegations and experts in an exchange seminar. The main topic then was the state of affairs of decentralization processes in the region and the developmental role of local authorities.

dimensions: (i) the integrated nature of development (to overcome sectoral fragmentation of development interventions promoted by the central government); (ii) the need for multi-level governance arrangements (to avoid hyper localism, disconnected from national policies).

In practice, it proves to be an uphill struggle to incorporate these two critical dimensions of a genuine TALD. Sector ministries tend to resist the idea of a territorialisation of public policies. Politicians and central government actors often primarily concerned with '*localising*' national policies, instead of accepting the idea that local authorities are political entities with a general mandate to elaborate *local* public policies where appropriate. Donors as well (including the EU) still have a highly centralised approach to policy-making, dialogue and development cooperation, focusing mainly on national actors and processes. This is reflected in the use of sector budget support, which has generally been conceived and managed 'from the centre' and without taking into account the local dimensions and roles and responsibilities of local public sector actors.

In order to distinguish genuine 'territorial approaches' from other types of interventions at local level, participants agreed on a number of key ingredients –or 'DNA elements' of a TALD.

- ✓ *Protagonist role of local actors.* While central governments can take policy initiatives to foster TALD, these are not likely to flourish without a strong local protagonist role of key public and private actors in the territory. A TALD requires inclusive approaches and joint action -based on reconciling possibly diverging interests and pooling of resources.
- ✓ *Territories do not necessarily coincide with jurisdictions.* Another key ingredient is that a TALD should not be equated with the political and administrative jurisdictions (e.g. a region, province, district, etc.). Participants rather insisted on the notion of '*open territories*' responding to recognisable historical trajectories, identities, economic realities or the existence of social capital linking people to a territory.
- ✓ *Territorial development requires a strong economic foundation.* The whole concept of TALD is linked to the globalisation process and the need to ensure that territories can be integrated in global, regional and national markets. Economic development and competitiveness are therefore the key foundations of a TALD.
- ✓ *Wider development and governance outcomes.* While TALD primarily seek to mobilise the economic potential and competitiveness of territories, other development outcomes are equally crucial (e.g. social cohesion, environmental protection, integrated food production, promotion of the local culture). It can also be used as a laboratory to test out local responses to global challenges as well as innovative governance practices.
- ✓ *Constructing a local public sector.* There was much debate on who should be the ideal '*chief of orchestra*' of territorial development. While the impulse for a TALD can come from various sources (e.g. private sector operators), there was agreement that local authorities have a key role to play in such processes as they are uniquely placed to ensure that the *necessary public sector arrangements* are in place at local level to underpin, support and ensure the sustainability of TALD dynamics.
- ✓ *Linkages with national policies.* This distinguishes a TALD from traditional local development approaches. It is also here that the issue of decentralisation comes in. A development-friendly decentralisation process –which provides local authorities with the necessary autonomy and accountability to function as a change agent- accompanied by a set of supportive national policies (e.g. for local development, urban and rural development) is critical to nurture the full potential of a TALD. Without such a supportive national framework the risk is real that the TALD remains a marginal local endeavour instead of a transformative force.

***Putting a TALD into practice: use navigation tools rather than models***

It was stressed throughout the seminar that a TALD should not be seen as a new model or development fashion. Territorial dynamics exist –independently of interventions by central governments or donors. In order to unleash the potential of territories it is critically important to have the necessary analytical tools to understand what is

happening on the ground, to assess the potential for a TALD and to identify the various building blocks that need to be strengthened in order to achieve results. Several ‘navigation tools’ were thus presented that should help EU Delegations to orient themselves in a given context and to identify possible response strategies.

A first analytical tool (see Figure 1) helps to visualize the different building blocks of a TALD in terms of actors involved and levels of governance to be aligned. It also provides EUD with a menu of possible entry points for TALD support measures, depending on the specific context and the concrete local level dynamics.



Using different forms of analysis, including political economy analysis, EU Delegations can identify the most relevant TALD ingredients from the above scheme to be activated in their support programmes. The choice of adequate entry points into a TALD will also depend on the work done by other actors. In specific contexts, the situation may prevail that different support programmes are already in place aimed at supporting the management systems for local/territorial development (the upper building block of Figure 1) but that other, equally critical fields such as supportive national policies (the building block below on the left) or active citizenship (the building block below on the right) have attracted much less attention.

The seminar also provided an opportunity to sharing experiences on a new generation of EU programmes related to local/territorial development, using both bilateral and thematic instruments (and their complementary measures). Various experiences from EU Delegations Colombia, Perú, Ecuador, Brazil and Dominican Republic were presented. They tend to adopt different ‘entry points’ and implementation approaches (as exemplified in Figure 1) yet converge in their focus on fostering ‘development from below’ by (i) mobilising the various public and private actors in a given

territory; (ii) emphasizing the catalyst role of autonomous and accountable local authorities in such bottom-up processes and (iii) ensuring linkages with *national* policy processes and systems.

### ***Conditions for TALD processes to succeed***

A broad consensus emerged on some of the preconditions for effective TALD support such as:

- ✓ Adequate knowledge on the territory and broader environment (through political economy analysis, mappings, etc.). This should help to identify promising territorial dynamics in a given country or in a trans-border context.
- ✓ Flexible 'process approaches' to implementation which recognize the non-linear nature of TALD, integrate elements of uncertainty and risk and adopt a medium to long-term perspective.
- ✓ Incentives for collective action among public and private sector actors within the territory. In this context, participants warned against the idea of '*throwing money*' from the centre or from donors. The mobilisation of local resources should remain the central objective.
- ✓ Adequate facilitation services by resource persons with knowledge of the logic behind TALD and with a capacity to act as mediators in reconciling diverging interests and forging compromises between local actors.
- ✓ Intelligent monitoring and evaluation systems that allow to measure the progress of TALD (as a long-term process of political and social change)
- ✓ Adapted donor approaches and tools (beyond traditional '*project approaches*' in the short term).