The Phnom Penh Communiqué for The Future

Following the constructive discussions involving UCLG ASPAC, DELGOSEA, KAS and other representatives in the Region, it is proposed that the parties will continue their dialogue, including the ASEAN Secretariat, to work towards common objectives in improving local governance and people-orientated activities and regional integration.

This communiqué was approved at the Phnom Penh Regional Conference on Strengthening Decentralization and Local Governance in ASEAN Countries.

May 4th 2012

The Phnom Penh Record of Principles on Strengthening Decentralization and Local Governance 3-4 May 2012

The regional conference on "Strengthening Decentralization and Local Governance in ASEAN Countries Through a Multi-Stakeholder Approach" jointly organized by local governments and civil society, with the support of two European Union funded projects "Supporting Decentralization in Developing Countries" (led by United Cities and Local Governments – Asia Pacific, (UCLG ASPAC)) and the "Partnership for Democratic Local Governance in Southeast Asia" (DELGOSEA) (led by Konrad-Adenauer-Stiftung (KAS)) recognizes that:

- 1. National and Sub-national Governments, including Local Governments' need to work in partnership to achieve the over-riding needs and aspirations of their shared citizens and electors;
- 2. Compacts, dialogue, constant exchange of ideas and co-operation, between local, national, and regional actors (ASEAN, UCLG ASPAC, DELGOSEA) will promote a sustainable way to local development and to implement reforms and action programmes, as well as developing the capacity of all spheres of Government;
- 3. Increased citizen participation in the democratic processes and their component at the Regional, National and Local Level is essential as is increased transparency and accountability in all spheres of government;
- 4. Decentralization provides a road to local development and should be understood as a process and not as a goal in itself; it is a fundamental tool for achieving a reduction in poverty, democratic governance and human development;
- There should be a direct exchange between cities and other local governments and local government associations across and within countries; inter-municipal co-operation should be institutionalized and promoted sub-nationally, nationally and regionally throughout ASEAN and internationally;
- Experiences with models and innovation on people's participatory practices; environmental preservation and enhancement; disaster mitigation and risk management; co-operation and coordination in the utilization of sea resources should be exchanged and promoted;
- 7. Challenges in each local government must be responded to through empowering local government to, create transparency, achieve social cohesion and promote innovation;

- 8. Appropriate and sustainable arrangements need to be made for financing local government to ensure social, economic and infrastructure development as well as their other mandated responsibilities;
- Legal frameworks with observatories and mutual learning on decentralization and local finance, periodic monitoring and evaluation of country decentralization programmes, and the development of performance measurements for local governments should be encouraged;
- 10. Continuing capacity building and knowledge sharing for local government elected members and administrators should be strengthened, in particular through closer links between local governments, the academic institutions and civil society;
- 11. The Local Government Associations, civil societies and international alliances and networks should be strengthened.

We call for a greater collaboration within the ASEAN framework that embraces National and Local Governments and broader civil society and establishes an ongoing Forum that addresses:

- 1. Poverty and growing inequality, and risks including disasters and climate change;
- 2. Weak governance, lack of transparency resulting in inefficient use of resources, the weakening of government legitimacy and social inequalities;
- A compact between central and local governments in pursuing national objectives through complementary local development in a stable and devolved decentralized structure;
- 4. The sharing of experiences through genuine cross border initiatives within the ASEAN community;
- 5. Horizontal and vertical cooperation mechanisms between national, regional and local governments, civil society, academia and research, the media and the private sector.

Such a Forum needs to consider the best and culturally relevant opportunities for people empowerment and involvement in a model of decentralization that is relevant to the cultural needs of South East Asia, and builds on the Asian values and political structures.

The Forum must consolidate the principle of PARTNERSHIP between National, Regional and Local Institutions that provides for opportunities, not threats, to their respective integrity with devolved and funded mandates in a decentralized framework based on which area of governance is best placed to deliver most effectively and cost efficiently to their shared constituents – the people.

Decentralization and democratic ideals for the ASEAN region should be built on people empowerment and participation, and the promotion of a legislative framework to support the reform process, including fiscal mechanisms to improve capacity and motivation of local governments in playing their role in local development.

We acknowledge support of the European Union funded projects in the work undertaken to date and call for their ongoing support to continue this process. In addition we call on other international organizations, such as the UN agencies, the Asian Development Bank and other actors, to join in supporting this process and to share their ideas and strategies to realize these objectives.

This Record of Principles reflected discussions in Phnom Penh and adopted on 4th May 2012.