

Company Profile **VNG International**

International
Cooperation Agency
of the Association of
Netherlands Municipalities



Committed to strengthening democratic local government worldwide

The key task of VNG International is strengthening democratic local government. VNG International is a dynamic company annually managing some 60+ projects and programmes with a focus on decentralisation and capacity-building. VNG International supports local governments, their associations and training institutions in developing countries and countries in transition.

VNG International was founded in 1993 to exploit the experience of local governments in the Netherlands and their association, VNG. The parent organisation, VNG, was established in 1912 and is now one of the world's oldest and strongest local government associations with 300 staff members and a vast resource of experiences.

VNG International is located in VNG's headquarters and has easy access to all its know-how, experience and facilities. It has 49 staff members in The Hague and a further 14 in international project offices. In addition, VNG International mobilises local government expertise through a large network of professionals both in the Netherlands and abroad.

VNG International's work is part-financed by the Netherlands' Ministries of Foreign Affairs and of Home Affairs, the European Union, the World Bank and various United Nations agencies.

VNG International's approach

VNG International approaches all its assignments by first listening carefully. It seeks to understand the beneficiary's needs before proposing a structure and approach for the assignment. Partner ownership is naturally crucial at all stages of project design and implementation. For VNG International, strengthening democratic local government means working on three interrelated levels:

- the individual level – training and motivating municipal staff and elected representatives;
- the organisation level – advising local authorities on their organisational structures and working methods;
- the institution level – adapting financial relationships, laws and institutional arrangements.

An important focus in VNG International's projects is that of strengthening the support structures of local government, such as associations of municipalities and training institutions. This helps ensure that solid local structures are left behind after projects are completed, thereby not only improving the sustainability of project results but also encouraging the project's replication in other local authorities.

Our projects are designed to be flexible and usually provide short-term process incentives through technical assistance, training, study tours and financial support.

The VNG International approach builds on:

- Colleague-to-colleague cooperation
- Institutional linking

› COLLEAGUE-TO-COLLEAGUE COOPERATION

Colleague-to-colleague cooperation involves short-term advisers – typically high-level municipal staff members and elected representatives – working together with their counterparts abroad who have similar tasks and responsibilities. It enables them to explore and implement solutions to identified needs within the beneficiary institutions. Partners adopting this colleague-to-colleague approach invest in people and instil confidence.

With its strong roots in local government, VNG International has easy access to the specialised technical know-how of municipal staff and to the political experiences of mayors, councillors and municipal directors. This mix of technical and political experience is often a key requisite for strengthening local governments.



› INSTITUTIONAL LINKING

Institutional linking, or 'twinning', is another important aspect of VNG International's work. The long-term nature of a twinning relationship enables colleague-to-colleague cooperation to deepen. As the two sides get to know each other better, trust and reciprocity are generated, thereby increasing effectiveness.

VNG International uses the institutional linking approach with many other associations of local authorities and training institutions. It also runs several programmes to support the institutional twinning of Dutch municipalities with counterparts in developing and transition countries. More than 60 % of all municipalities in the Netherlands are active in international cooperation activities through 170 links with developing countries and a further 240 with countries in Central and Eastern Europe.

VNG International's expertise

VNG International's support work focuses on eight core fields:

- Decentralisation & Intergovernmental Relations
- Municipal Management & Finance
- Municipal Infrastructure & Services
- Democratisation & Governance
- Association Capacity Building
- Municipal International Cooperation
- Conflict Prevention, Peace Building & Post-Conflict Reconstruction
- European Subsidies & Project Development

› DECENTRALISATION & INTERGOVERNMENTAL RELATIONS

Decentralisation involves the transfer of authority, responsibilities and resources from central to local governments. It gradually alters the system of governance, both intergovernmental relations and the relationships that local governments have with society. VNG is at the heart of almost 100 years of decentralisation in the Netherlands. From this experience, as well as through our international work, we know that important success factors in decentralisation are a sustained political will at the level of central government and an integrated development policy based on locally owned initiatives.

Our approach is based on the wealth of experience that we have amassed on intergovernmental interfaces, intergovernmental financial relations, local government legislation and regulations, capacity-building of local government staff, councillor training and on the many factors that contribute to a smooth implementation of decentralisation processes.

Recent achievements include:

- Advising the central government of Costa Rica on a participative decentralised institutional framework, and on working procedures and methodologies to enable the real transfer of competences and resources to local governments *through the analysis of actual legitimate rules, and judicial and administrative jurisdiction corresponding to the municipal sector and, further, through consideration of all legal, economic, institutional and administrative requirements for the transfer of competences and resources from the central government to local governments.*
- The development of an accountable and transparent municipal planning framework in 38 municipalities in Kosovo, with improved service delivery as a result, *through a number of interrelated activities, such as research, advice and training, simultaneously targeting the municipal planning practice and strengthening a participatory approach towards the citizens.*

› MUNICIPAL MANAGEMENT & FINANCE

Local governments face considerable challenges in meeting the pressures created by rapid urbanisation, advancing decentralisation, financing local infrastructure and facilitating local economic development. This requires a good understanding of the distinct roles and responsibilities of municipal employees and elected representatives, sound structures and solid systems for planning, budgeting and financial management. Adequate human resource policies need to be developed and implemented in order to use the existing talent at the local level and to increase capacity.

VNG International assists in setting up systems (financial management, treasury, local taxes) and developing human resources through on-the-job coaching, training and providing exposure. Very often capacities are present, but need to be enhanced or stimulated.

Recent achievements include:

- Contributing to enhancing the capacity of local authorities in the fields of financial management and participatory planning through the EU-financed Poverty Reduction and Local Government Support Programme in Kenya by, among other things, *conducting research and providing training in Financial Management Information Systems to 31 local authorities.*
- Assisting the Special Provincial Administration of Mersin in Turkey in implementing EU policy guidelines and practices related to local public administration, which will contribute to Turkey's accession to the European Union in the longer run *by providing training in financial management, human resource management, strategic planning and communication; and by organising study visits to the Netherlands and by organising expert meetings between the Ministries of the Interior of Turkey and of the Netherlands.*
- Improved capacity of municipalities in North East Serbia in handling their local finances, including a significant progress in the local tax collection of 29 municipalities, *through a tax administration and collection programme.*

› MUNICIPAL INFRASTRUCTURE & SERVICES

Providing services to the citizens is the key to good local government. Services that respond to the needs of the citizens will enhance the trust that people have in their local governments. These services include social services such as safe drinking water, clean streets, health and education, but also productive services, such as markets and electricity, that will stimulate local businesses to expand, thereby creating employment and economic growth.

VNG International's experience in boosting municipal service delivery concentrates on typical local government functions such as waste and water management, sanitation, housing, municipal responses to HIV/AIDS, civil registries and local economic development.

Recent achievements include:

- The formulation and implementation of an urban management policy in the main cities of Ghana to improve local living conditions *by developing a manual of procedures, by supporting the Ministry of Local Government and the four pilot cities with the monitoring of urban, organisational and financial audits undertaken by local audit firms and by developing a new concept of municipal contracting.*
- Strengthened capacity to design and implement infrastructure projects at municipal level in North-East Serbia and implementation, under our supervision, of four major infrastructure projects for a total value of €13.5 million, *through a selection process (with initially 54 projects), pre-feasibility studies, the development of a comprehensive data base and the creation of a project pipeline of potential new infrastructure projects.*

› DEMOCRATISATION & GOVERNANCE

Local governments are more than utility companies. Local councils are also a place for participation, decision-making and accountability. The performance of local governments is therefore also defined by how they balance the sometimes opposing interests of stakeholders and by how they encourage people to take responsibility for their own lives and their own

environment. In this context, integrity is an important quality, and this is more than just a matter of an individual's attitude and behaviour. It also relates to procedures and control mechanisms, and, more fundamentally, to the perception of what it is to be a civil servant or an elected representative.

VNG International works with local politicians and council staff, and with citizens and their organisations. The colleague-to-colleague approach has proven to be especially effective in this sensitive policy area. For officials to see their citizens as 'clients' requires a profound change in attitude in many cases. VNG International has supported many local governments with tailor-made approaches in becoming more focused on the needs of their citizens and in stimulating their participation.

Recent achievements include:

- Training and education of councillors in several developing countries, which has led to an increase in theoretical and practical knowledge of public participation. National and international networks of young councillors have also been set up in Ghana, Sri Lanka, Tanzania, Uganda, the Netherlands and Sweden. In these, the young councillors advocate the importance of local government approaches in achieving the Millennium Development Goals *by developing work-plans and organising seminars, training and exchange activities.*
- Substantial project proposals have been formulated to strengthen municipal accountability in Tanzania and South Africa, as the first steps of the domestic accountability network and action-research initiative, *through the establishment of a pool of Dutch experts in this field, by financing their inputs, and the provision of seed money.*

› ASSOCIATION CAPACITY BUILDING

Local government associations are typically intermediate structures that are important for the functioning of local government and for good communication and productive relations between central and local governments. A local government association will normally perform three roles: lobby for local government interests at central government level, provide services to its members and offer a platform for exchange and learning.

VNG International is a world leader in association capacity building. Over the past decade, VNG International has supported local government associations in more than 40 countries, each time with a tailor-made approach. Support areas include the strategic planning of an association, strengthening the governance structure, improving the internal organisation and HRM, the financial sustainability, lobbying, advocacy and communication skills, and the development of paid services.

Recent achievements include:

- Providing expertise based on the requirements of the Rwandese Local Government Authorities. This has resulted in the development of a lobbying strategy, the subsequent training of staff and board members on effective lobbying strategies, a business plan for RALGA Consult, a training needs analysis for local governments in Rwanda and coaching on strategic planning *by adopting a strategy of having experienced VNG staff assisting RALGA in on-the-job coaching, distance learning and counselling.*
- The establishment of local government associations in countries where such organisations did not yet exist, such as Palestine, Rwanda, Albania, Bosnia, Burundi and Cambodia *by establishing operating offices, training staff, developing policy structures, writing by-laws, elaborating strategic plans, etc.*

› **MUNICIPAL INTERNATIONAL COOPERATION**

The value added by municipal international cooperation is nowadays much more recognised than it was some years ago. Learning from colleagues through north-south, north-north or south-south cooperation with sister cities, or in knowledge networks, or in temporary partnerships for a specific project, has become a common phenomenon in local government.

Over the years, many hundreds of local governments from Europe, Africa, Asia and Latin America have participated in the programmes for international municipal cooperation managed by VNG International with funding from the EU and the Dutch government. Together with the participating local governments, we have improved the methodology of the programmes and increased the professionalism. Nevertheless, the underlying approach has remained the same: very practical, peer-to-peer exchange of experience. The aim has also remained unchanged: to build effective and democratic local government by tackling the problems of local government staff and politicians.

Recent achievements include:

- In the past fifteen years, more than a hundred local authorities in south-east Europe and in developing countries have established twinning relationships with Dutch municipalities. More than 60% of municipalities in the Netherlands are now active internationally through these twinning relationships with foreign municipalities through VNG International initiating co-financing programmes for municipalities to cooperate with south-east European and developing countries, and by it providing a consistent flow of information on this policy field to Dutch municipalities.
- Enhancing the self-confidence and belief in good governance of hundreds of local government officials and politicians by co-financing exchanges between Dutch municipalities and their partners and by organising various forms of training and exchange programmes covering a wide range of subjects.
- The launch of the Millennium Municipality Campaign in 2007, which more than 120 Dutch municipalities have joined. In so doing, they have committed themselves to supporting the United Nations Millennium Development Goals through projects, programmes and activities ranging from technical knowledge exchange to awareness raising. VNG International has assisted by organising seminars, congresses and activities, by launching the website www.millenniumgemeente.nl, by providing advice, etc.

› **CONFLICT PREVENTION, PEACE BUILDING & POST-CONFLICT RECONSTRUCTION**

Wherever they occur, conflicts and the ensuing lack of stability ruin the homes and hopes of men, women and children in the streets of our cities and villages. Given this local dimension, local governments have an important role to play in promoting dialogue, in building mutual trust and in reducing tensions. The role of local governments cannot replace, but they do complement, the efforts of national governments, international organisations and civil society.

Both in the Netherlands and at the global level, VNG International takes an active role in developing knowledge on the role local governments can play in this area through research, collecting and analysing best practices, and through the management of pilot projects.

Recent achievements include:

- Increased understanding and recognition of the role that local governments can play in conflict resolution, peace-building and post-conflict reconstruction have been achieved by organising the 'First World Conference on City Diplomacy', in June 2008 in the Peace Palace in The Hague, attended by 300 local government representatives from 70 countries, including most of the present conflict areas, and by publishing the book 'City Diplomacy'.
- Stimulating Palestinian and Israeli municipalities to cooperate and creating greater mutual understanding among Palestinian and Israeli citizens through the Municipal Alliance for Peace project (MAP) that improved municipal services. The focus on professional municipal dialogue has contributed positively to fostering confidence and trust, and this has been encouraged by organising Israeli-Palestinian visits to Dutch cities, on-the-job training, capacity building, seminars, data collection, investments in equipment and monitoring visits by the MAP secretariat to the municipalities involved.
- The support given to the Iraqi Local Government Association (ILGA) assisted in a successful transition from its first to its second board in July 2009. The ILGA is one of the few Iraqi organisations that are able to regularly get elected politicians from all parts of Iraq together. VNG International has assisted by advising the ILGA board and secretariat, providing access to relevant examples from elsewhere, and by using our knowledge of donor policies (European, American and multilateral) in fragile states and environments.

› EUROPEAN SUBSIDIES & PROJECT DEVELOPMENT

The ongoing development of the European Union provides both opportunities and challenges for Dutch and other European local authorities. VNG International offers a range of client-friendly services that especially open up European opportunities for local governments.

The focus of our work is threefold:

- guiding municipalities to the relevant European instruments;
- assisting them in successfully implementing these instruments;
- increasing the awareness of the added value of 'Europe' for local government practices.

Our services include news bulletins, a handbook on how to successfully apply for subsidies, online databases on European networks and best practices, seminars, workshops, study tours and consultancy services on European project development and project management.

Recent achievements include:

- Several Dutch municipalities have successfully applied for various European funds with the support of VNG's Service Bureau Europe which assisted by giving tailor-made advice to municipalities about European funding possibilities and by providing support in the drafting of the project proposal.
- The publication of the European Subsidy Guide 2009 with an overview of all the relevant European programmes for local governments.
- The launch of an online database by VNG's Service Bureau Europe with example best practices of projects implemented by Dutch municipalities funded through European subsidies to inform and inspire Dutch municipalities about European funding possibilities.

The organisation

VNG International is wholly owned by the VNG Holding B.V. which, in turn, is wholly owned by VNG, the Association of Netherlands Municipalities. Although a separate legal entity, VNG International cherishes its close ties with the Association. Located in the same building, VNG International has easy access to the knowledge and experience of the VNG staff and to the VNG membership.

At the same time, VNG International is developing a regional presence, closer to the beneficiaries of our work, with daughter companies in the Czech Republic, South Africa, Ukraine and Mexico. These were established in close cooperation with the national associations in these countries in order to create synergies and avoid parallel structures. VNG International also has field offices related to projects and programmes in various countries.

Human resources

VNG International has a broad mix of staff based in The Hague, project staff based in recipient countries, and calls on national and international experts selected on a case-by-case basis according to project requirements.

The internal organisation is designed to make the best use of the talents of the personnel and to stimulate their initiatives. Our project staff are highly educated and are granted a large degree of autonomy in the development and implementation of projects. This system is backed up with a quality management system that defines a number of internal monitoring mechanisms.

Most of the specialised expertise needed for a project is mobilised from a large network of senior advisers, who have extensive practical experience in working for or with local government. A core group within this network have an especially close commitment to VNG International and its mission. Members of this core group develop new products, contribute to writing project proposals and often speak publicly on behalf of VNG International.

Quality Care

VNG International strives to maintain a high quality in all aspects of its work. Since 1999, VNG International has maintained an ISO 9001 certified quality management system for all important work processes. Systematically measuring client satisfaction is part of this, with client feedback seen as an important basis for further improving our performance.

As part of its care for the environment, VNG International uses paper certified by the Forest Stewardship Council (FSC). The CO₂ emissions from all air travel made on VNG International's own budget is compensated for and, whenever the client accepts, this also applies for air travel charged to the budgets of projects and programmes.

VNG International statistics (2009)

Staff in The Hague office	49
Staff in daughter companies	12
Staff in project offices	14
Core group of experts	11
Total of affiliated experts	1484
Average annual turn-over (2008)	€ 16.5 mln.

› **CONTACT**

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