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The New Role of Municipalities

To ensure further successful development, cities and regions, as engines of growth, require stability, equality, and peace

Just a couple of decades ago, the sole purpose of municipalities was managing local infrastructure and budgets, as well as handling various tasks ranging from urban improvement to social services for the population.
Today, their role has expanded significantly. They are becoming prominent actors in international relations, a domain that has traditionally remained the exclusive prerogative of national governments and international organizations.

Urban Diplomacy

These changes stem from the fact that in modern realities, cities are becoming not just centers of economic activity, but active participants in international dialogue. Paradiplomacy – cooperation between cities and regions – plays a growing stabilizing role in the development of global relations.

"Rapidly developing municipalities like Moscow, Kuala Lumpur, Delhi, or Beijing, as well as an increasing number of cities in Latin America, Africa, and Asia, can no longer develop in a vacuum within their own regions and countries," says Alexey Ivanov, State Secretary of the Ministry of Foreign Affairs of the Russian Federation. "They require maximum external ties, exchange of experience, and cooperation in various fields, which is only possible under conditions of compliance with international law, peace, and stability".

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Municipalities, the diplomat noted, possess a certain flexibility and do not have to follow the rigid protocols of central governments. After all, cooperation developed by municipalities helps attract investment, introduce innovations into urban infrastructure, and improve people's quality of life – which is a direct and vital responsibility of municipal authorities.

"This is precisely why the municipal level of interaction has become a powerful tool of 'soft power,' and international municipal cooperation has emerged as the most resilient branch of diplomacy, the least dependent on opportunistic and political shifts. Megacities adapt faster to global challenges and are more willing to share successful solutions," the diplomat stated.

"The term 'urban diplomacy' reflects the processes of internationalizing municipal resources and capabilities. Unlike classic state diplomacy, urban diplomacy is characterized by flexibility, agility, and a deep immersion into the daily issues of residents. This allows municipalities to adapt more easily to changing conditions and find unconventional solutions," stated Ilsur Metshin, Mayor of Kazan (Russia). "In conditions of global turbulence, cities become islands of stability and practical interaction, while their ability to build strong, pragmatic, and multi-vector ties makes foreign policy more multidimensional and resilient".

"The ties established between cities do not replace traditional diplomacy, but rather help pave the way for interaction at the municipal and regional levels," believes Alexander Komendant, First Deputy Chairman of the Minsk City Executive Committee of the Republic of Belarus. "When city mayors shake hands, business receives a signal: 'It is safe here, these are our people'".

A Demand for Partnerships

Municipal cooperation is a unique tool for exchanging experience and best practices in the management of megacities and regions. For Moscow, cooperation with foreign cities and municipalities has always been an important endeavor. Today, as cities become centers of economic, scientific, technological, and social development, this cooperation must match that level and break free from constraints.

The key development trend in Moscow's economy in recent years has been the growth of high-tech sectors. In 2025, their share in the total revenue of industrial enterprises reached 38%.

The Russian capital ranks first in Russia in terms of revenue in fields such as radioelectronics (with a growth rate of 35% last year), electric vehicle manufacturing (which expanded nearly tenfold), the aviation industry (7%), and the aerospace sector

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(11%). The pharmaceutical and medical industries also saw growth rates of 11% and 15%, respectively.

Since 2019, the share of Moscow's creative economy has nearly doubled – rising from 5.7% to 11% – and has caught up with manufacturing industries.

In terms of the contribution of creative industries to the gross regional product (GRP), Moscow has surpassed Shenzhen (China) and is almost on par with Beijing, London, and Tokyo.

According to forecasts, by 2030, practically half of everything produced by companies operating in the Russian capital will be directly linked to innovation and advanced technologies, while the volume of investments in the manufacturing industry is projected to nearly double.

150 Cooperation Programs

To maintain such high growth rates, modern cities require an appropriate level of cooperation.

"For Moscow, partner ties with cities and regions in other countries have always been extremely important, and today this is especially true. To date, the capital of Russia has concluded more than 150 cooperation programs with foreign municipalities," stated Sergey Cheremin, Minister of the Moscow Government and Head of the Department for External Economic and International Relations of the City of Moscow. "Mutually beneficial partnerships across various fields are developing at an especially rapid pace with regions and cities in the Maghreb and the Middle East, Central, Eastern, and Southeastern Asia, Africa, and Latin America. Active interaction and experience sharing are underway in the areas of transport infrastructure, IT, municipal administration, and the development of smart cities".

Moscow entrepreneurs, for instance, supply Thailand with monitoring devices for cable lines as well as equipment for confectionery production.

Thailand is particularly interested in developing its subway network, ground transport, intelligent transportation systems, and digital solutions, such as facial recognition systems. This technology helps maintain a high level of security across the city.

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In recent years, Malaysia has become one of Moscow’s most important partners, with bilateral trade turnover approaching $1.5 billion. In November of last year, the Government of Moscow and the City Hall of Kuala Lumpur signed a new joint statement on cooperation.

The priority areas of interaction between Moscow and Malaysia include transport infrastructure development, the technological modernization of megacities, and the implementation of digital solutions in municipal governance systems. Both sides intend to establish joint innovation clusters.

In Laos, Moscow-based companies are sharing their expertise in cultural heritage preservation, ecology, as well as urban and industrial development.

The plans include an exchange of experience in upgrading urban infrastructure, particularly in creating eco-friendly transport systems.

Consequently, developing relations between the cities and regions of various nations based on the principles of mutual respect for national interests, sovereignty, security, and equal, mutually beneficial partnership takes on a special significance in modern conditions.

"The diversification of cooperation, alongside the alignment of national and regional development programs, is becoming increasingly critical," says Ekaterina Koldunova, Director of the ASEAN Centre at MGIMO University under the Ministry of Foreign Affairs of Russia. "This requires the institutionalization of a significant number of dialogue channels that contribute to the maximum convergence of the parties' positions on the desired world order and regional setup".

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