



United Cities and Local Governments  
Cités et Gouvernements Locaux Unis  
Ciudades y Gobiernos Locales Unidos



# TOWARDS A LOCAL GOVERNANCE AND DEVELOPMENT AGENDA: LESSONS AND CHALLENGES

DGP-NET E-DISCUSSION 27 AUGUST – 16 OCTOBER 2007



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**December 2007**

# E-Discussions and the Process

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**E-Discussions** are time bound electronic discussions designed to facilitate dialogue and debate on timely issues relevant to the practice. E-discussions allow members of the Democratic Governance community of practice to pro-actively address topics that present challenges or opportunities to the practice, identify UNDP strategic niches and ground ‘practice agenda setting’ documents or events in country level experience. An e-discussion can serve as an effective tool to complement other means via which community members communicate, and their extended duration allows a deeper level of reflection and learning on the subjects discussed. In reality, thematic e-discussion on the Democratic Governance Practice Network (DGP-Net) acts as virtual ‘policy forum’ for the democratic governance practitioners.

## About the DGP-Net E-discussion Process

The process of identifying DGP-Net e-discussion themes for 2007 started with an analysis of queries and consolidated replies posted during 2006 in the DGP-Net. The analysis identified knowledge gaps and members’ demand. The analysis was followed by a Virtual Focus Group Discussion (December 2006-January 2007) with the active participation of 20 top contributors to the network in 2006. The VFGD provided critical inputs in refining the 2007 e-discussion priorities identified through the network analysis. A brief assessment of past e-discussions and knowledge products across the Practice also informed the process. The identified themes were subsequently put to a vote in the network “priority poll” to assess further interest, share information, and ensure community ownership of the process. The DGP-Net priority poll identified local governance and decentralisation as one of the priority themes to be discussed in the DGP-Net in 2007.

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# 1. INTRODUCTORY NOTE

# 1. Introductory Note

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This document represents the compilation of the most participatory E-discussion in UNDP networks since their establishment in 1998. The Democratic Governance Practice Network received 153 substantive contributions over a period of two months. The contributors embody opinions of colleagues from UNCDF, UNDP, UNFPA, UN-HABITAT and UNICEF; from the networks of the United Cities and Local Government (UCLG) – the largest association of cities, local and regional authorities; but also regional banks, research institutes, universities and NGOs from several continents in the South and in the North.

The variety and content of the contributions, as well as the number of countries to which they have referred to, reflect the importance and relevance of local governance and decentralization both as a broad thematic area and, a substantive development process. They benefited from the active participation of all those involved with international development, poverty reduction and the improvement of democratic practices with appropriate level of regional and local settings.

This E-discussion is also representing an unprecedented effort of interagency coordination and collaboration. Although promoted and hosted from the UNDP Bureau for Development Policy, this forum was organized and implemented together with the participation of colleagues from UNCDF, UN-HABITAT and UCLG. The diverse experiences have served together with other parallel processes to prompt the establishment of an inter-agency knowledge sharing and networking platform for the exchange of knowledge on local development and local governance. This (DGPNet-Local) will be launched in 2008, hosted by UNDP/BDP in close coordination and collaboration with the Democratic Governance Practice Network (DGP-Net).

In preparing this material all efforts have been made to keep the originality of text of the messages as we received it. Minor editorial changes have been made to ensure consistency, however, not at the cost of diversity!

The document is prepared in a PDF format with hyperlinks that facilitate electronic navigation. Several electronic links in the text will lead to archives within the UNDP intranet, accessible only to UNDP staff. We do apologies for this limitation. However, many of the linkages included in the text do also lead to webpages in the public domain, and, they will be accessible to all.

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## 2. E-DISCUSSION PRE-LAUNCH MESSAGE

## 2. E-Discussion Pre-Launch Message

**Olav Kjørven and Richard Weingarten, UNDP and UNCDF**

20 August

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Dear Colleagues,

As you may recall, earlier this year, members of the UNDP Democratic Governance Practice Network (DGP-Net) selected “Local Governance and Decentralization” as a priority theme for network e-discussion proposals in 2007. Within this framework, and in response to a growing demand to strengthen the agenda for action on local governance, an online eDiscussion is being organised for colleagues and practitioners to exchange views on ideas, proposals and challenges. Your contributions, discussions and hopefully lively debates will provide critical inputs for the identification of key areas of demand, challenges, and frontiers that are needed to explore and to improve the effectiveness of UNDP and UNCDF in strengthening local governance, promoting local development, and supporting decentralization efforts in programme countries.

We will be looking for the experiences, views and strategies of our network members and some selected external experts. The debate will focus on how UN agencies can better support national and local governments in the improvement of local governance, and the promotion of local development. The eDiscussion intends to pro-actively address, through the DGP-Net, topics related to local governance that present challenges and/or opportunities to UNDP staff/practitioners in the field. We also hope to identify strategic niches for UNDP, UNCDF and the UN System at large by taking stock and laying the ground for further discussions in a community of practice setting.

The eDiscussion, “Towards a Local Governance and Development Agenda - Lessons and Challenges” will begin Monday morning, 27 August and will end on Monday, 17 September 2007. It will be moderated jointly by the following team:

- **Mr. Rafael Tuts**, Chief, Training and Capacity Building Branch, UN-HABITAT
- **Ms. Emilia Saiz**, Director of Statutory Issues and Institutional Relations, UCLG
- **Mr. Kadmiel Wekwete**, Director of Local Development, UNCDF
- **Mr. Monjurul Kabir**, Knowledge Network (DGP-Net) Facilitator for Democratic Governance, BDP/UNDP.
- **Mr. Leni Montiel**, Senior Policy Advisor. Democratic Governance Group, BDP/UNDP

The details of the e-discussion will be available next week from the team of the moderators and the DGP-Net facilitator.

We look forward to a vibrant and rich discussion that will enable us to improve our programmes, respond to your concerns, and most importantly, better serve our programme countries.

Best regards,

**Olav Kjørven**  
Director  
Bureau for Development Policy  
UNDP

**Richard Weingarten**  
Executive Director  
UNCDF

### 3. E-DISCUSSION LAUNCH MESSAGE

# 3. E-Discussion Launch Message

**The Moderation Team**

27 August

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Dear Colleagues,

We are pleased to launch today the e-Discussion titled “Towards a Local Governance and Development Agenda - Lessons and Challenges”, that was announced last week by Mr. Olav Kjørven, Director of the Bureau for Development Policy, UNDP and Mr. Richard Weingarten, Executive Director, UNCDF. This e-Discussion will run for the period 27 August to 21 September 2007, in the Democratic Governance Practice Network (DGP-Net).

This initiative will benefit from participation from UNDP and UNCDF colleagues based at Country Offices, Regional Centres and Headquarters. In addition, we count on participation from colleagues in other UN agencies and a selected group of invited resource persons from research centres and training institutes from all the regions where we work. On this occasion we will also have colleagues from UN-HABITAT and from the ‘United Cities and Local Governments (UCLG)’ organization.

“Towards a Local governance and Development Agenda - Lessons and Challenges” is an e-discussion intended to promote the exchange of ideas, views, experiences and suggestions that will allow us to work better in supporting national and local governments in the efforts to improve local governance, the promotion of sustainable local development and, where appropriate, the deepening of decentralization processes.

The discussion will be organized around a set of two key themes covering a series of questions suggested to guide the discussion.

## **PHASE I — (AUGUST 27-10 SEPTEMBER): LOCAL GOVERNANCE AND DEVELOPMENT - LESSONS AND CHALLENGES**

- What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.
- What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.
- What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?
- How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?

## PHASE II — (11-21 SEPTEMBER): “ONE UN” ON LOCAL GOVERNANCE AT COUNTRY LEVEL

- What are the challenges, good practices, and lessons learned on inter-agency coordination and cooperation on local governance or local development or decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?
- How can we strengthen partnerships with non UN organizations in this field, particularly with Associations of Local Government, and, regional research/resource centres or training institutions?
- What types of capacities will UN Country Teams (UNCTs) require to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?

You may wish to visit the e-discussion section at the Democratic Governance Workspace for further details. We also prepared a brief list of recommended resources for your information, and reading (see below). We would like to take this opportunity to thank to all members of the DGP-Net who voted for this e-discussion as the priority theme for the year 2007, and to the many colleagues including UNDP Regional Policy Advisors on Local Governance and Decentralization from all regions that have made suggestions on the issues to be addressed through the e-discussion.

The result of this discussion will be summarized as a ‘Reference Note’, highlighting what UNDP, UNCDF, and participating agencies are doing in this area, and providing suggestions, for use by development practitioners. We also encourage colleagues to share references, weblinks, and/or electronic/pdf version of their innovative products, services, tools, (i.e., handbooks, resources, manual, guidelines, thematic notes on substantive progress etc.) on local governance, local development, and decentralisation. We would like to promote knowledge sharing and enhance information flow within the community of practice. The sharing will contribute to the process of preparing a list of relevant knowledge products and innovative resources.

We look forward to seeing an active and very productive discussion on both the phases of the e-discussion.

With best wishes.

Sincerely,

The Moderation Team

### Inter-Agency E-discussion Moderation Team

UNCDF: **Kadmiel Wekwete**, Director of Local Development;

UN-HABITAT: **Rafael Tuts**, Chief, Training and Capacity Building Branch,

UCLG: **Emilia Saiz**, Inter-Institutional Relations, UCLG

UNDP: **Lenni Montiel**, Senior Policy Advisor. Democratic Governance Group/BDP, and

UNDP: **A.H. Monjurul Kabir**, Knowledge Management Specialist and Network Facilitator for Democratic Governance/BDP

## Recommended Resources

UNDP Decentralised Governance for Development: A Combined Practice Note on Decentralisation, Local Governance and Urban/Rural Development

UNDP Primer: Fiscal Decentralisation and Poverty Reduction

European Charter of Local Self-Governance (Council of Europe)

International Guidelines on Decentralization and the Strengthening of Local Authorities  
UNDP Practice Note on Capacity Development for MDG Localisation

UNCDF Delivering the Goods: Building Local Government Capacity to Achieve the Millennium Development Goals

UN-HABITAT on Localizing MDGs

Urban Management Programme 1986 -2006. UN-HABITAT / UNDP / World Bank

How to make local development work. UNDP Bratislava Regional Centre

Poverty, Local Development and Decent Work Resources. ILO

## Selected Knowledge Services Resources

Democratic Governance Practice Network: [dgp-net@groups.undp.org](mailto:dgp-net@groups.undp.org)

Learn more and request subscription: <http://practices.undp.org/ks>

Consolidated replies archive: <http://practices.undp.org/democraticgovernance/consrep/index.cfm?src=121515>

Stories from the field: [http://content.undp.org/go/practices/governance/docs/download/?d\\_id=763908](http://content.undp.org/go/practices/governance/docs/download/?d_id=763908)

Democratic Governance Practice Workspace: <http://practices.undp.org/democratic-governance/>

Upload your documents: [http://content.undp.org/go/practices/governance/share/Network-Attachments/?scr=gov&root\\_add\\_doc=t](http://content.undp.org/go/practices/governance/share/Network-Attachments/?scr=gov&root_add_doc=t)

## 4. CONSOLIDATED REPLY

## 4. Consolidated Reply

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## 4.1 FACILITATOR'S NOTE

Many thanks to all for your thoughtful contributions to the e-Discussion 'Towards a Local Governance and Development Agenda: Lessons and Challenges'. This has been an unprecedented experience for the DGP-Net as the e-discussion generated a record 153 responses from all over the world. In addition to UN agencies, it provoked our global, regional and national non-UN partners, NGOs and think tanks/resource centers in sharing their critical thoughts and knowledge. It also strengthened UNDP's initiative on meta-networking and, further broadened scope for innovative community of practice initiative.

At the corporate level, all contributions will be reviewed by the participating agencies (UNDP, UNCDF, UN-HABITAT, and UCLG). This feedback will be taken into consideration to assess long-term needs and interests of the practice community to help further enhance the work of Decentralisation, Local Governance, and Urban-Local Development Sub-practice. The DGP-Net has been working in tandem with the DGG/BDP to analyse your responses, and recommended resources further to ensure that knowledge is captured in its totality following a consistent pattern of codification and sharing (i.e. demand-driven knowledge products etc.).

### Consolidated Reply Facilitation

**Monjurul Kabir**, DGP-Net/UNDP

### Special thanks to

**Sylvie Babadjide**, DGP-Net/UNDP

**Juan Luis Gomez**, and **Sean Turner**, Georgia State University

## 4.2 FOLLOW-UP

As recommended by the members of the DGP-Net and the DG community of Practice in the results of external benchmarking of UNDP Networks and Communities of Practice, we (DGG & DGP-Net) are working on the following specific steps:

1. Further consolidation and analysis of your contributions and knowledge shared
2. Codification of Local Governance, Local Development and Decentralisation Resources
3. Exploring the feasibility of an inter-agency networking initiative on Local Governance, Development and Decentralization.

## 4.3 E-DISCUSSION QUESTIONS

### PHASE I — LOCAL GOVERNANCE AND DEVELOPMENT - LESSONS AND CHALLENGES, 27 AUGUST-16 SEPTEMBER 2007

1. What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.
2. What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization?
3. What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?
4. How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?

### PHASE II — “ONE UN” ON LOCAL GOVERNANCE AT COUNTRY LEVEL, 17 SEPTEMBER-16 OCTOBER 2007

1. What are the challenges, good practices, and lessons learned on inter-agency coordination and cooperation on local governance or local development or Decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?
2. How can we strengthen partnerships with non UN organizations in this field, particularly with Associations of Local Government, and, regional research/resource centres or training institutions?
3. What types of capacities will UN Country Teams (UNCTs) require to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?

## 4.4 LIST OF CONTRIBUTORS

### Responses were received, with thanks, from:

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Hachemi Bahloul, UNDP Bratislava Regional Centre  
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Jean Kabahizi, UNDP Burundi  
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Rezaul Karim, UNDP Cambodia  
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 Steve Glovinsky, UN Country Team India  
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 Nestor Vega Jimenez, FLACMA Ecuador  
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## 4.5 GENERAL OVERVIEW

Given the focus of the first phase sub-questions, it was perhaps not surprising that there was heavy emphasis on decentralization and the challenges involved. Members underscored that decentralization and local governance are two separate concepts, potentially complementary, truly inter-related, but nevertheless independent theoretically and in practice. Good local governance has been defined by participants as the institutional framework regulating the involvement of stakeholders from national and local levels of government, civil society, and private sector on the local strategic decision-making process and on the implementation of local economic development plans. Thus, good local governance extends beyond the functions of local authorities. It is independent of the roles and responsibilities defined for the different levels of government of a country, and a shared need in all countries where the UN operates.

1. Decentralization, participants argued, is eminently a political process, highly dependent on the political will and commitment of central government authorities. Across the world, we learned, governments embark on decentralization as a response to ethnic-led demands, to meet historical requests for self-government in particular regions, as an economic efficiency strategy, or sometimes under the pressure of international donors and/or development partners.
2. In spite of the political nature of decentralization, participants agreed that there exist clear normative principles that should guide its design and implementation. First, “finance follows function”, that is, the assignment of expenditure responsibilities across levels of government must precede the distribution of revenue sources. Second, expenditure roles must be assigned on the basis of the “subsidiarity principle”. The latter contends that responsibilities over government expenditure functions should be allocated to the lowest level of government that can do so efficiently. In this context, efficiency relates to the maximization of the tradeoff between economies of scale (for which the central government has an advantage in provision) and the customization of service delivery to local needs and preferences.
3. Third, efficient decentralization requires the allocation of revenue autonomy to local governments to cater for local specific needs. This involves both capacity to increase revenue generation at the margin and borrowing capacities. Fourth, efficient decentralization requires accountability of local governments to their citizens via the celebration of local elections.
4. Other general principles mentioned repeatedly during the discussion included the presence of a political champion, the implementation of hard-budget constraints at the local level, etc. Roy Bahl’s Implementation Rules for Decentralization was in fact the framework around which most participants articulated their interventions on fiscal decentralization.
5. Assuming proper design and sequencing, participants argued decentralization may contribute to poverty reduction via efficient provision of basic goods and services; local economic development via the coordination of local factors of production; and democratization via local participation. However, as it was mentioned, decentralization should not be considered as a panacea. Inadequate designs, low political support, and inappropriate sequencing of decentralization have led in some countries to wider local development disparities, important fiscal instability, etc.

6. Implementing flexible and broad systems of participation at the local levels was recurrently alluded as a key strategy towards improved local governance. We enjoyed the rich implicit debate on the pros and cons of participatory versus representative democracy. A participant succinctly summarized the outcome of this discussion by proposing to overcome this confrontation, advocating for the interaction of State and civil society rather than their separation. Perhaps the key might be replace rigid western concepts of democracy by local version of participatory democracy, represented by traditional institutions. Participants suggested, as principles to guide participatory schemes: a) to charge them with a high doses of pragmatism (i.e. focusing on specific problems); b) to make them as inclusive as possible; c) the proliferation of training of trainers initiatives.
7. An interesting contribution from Somalia underlined the distrust for local governments some donors feel, which lead them to associate directly with civil society. As expected, it presented very significant problems for substantial and sustainable reform. Careful political balance is required. Although participants confirmed the prevalence of local government “elite capture”, overall, they insisted on the need to ensure local governments, despite shortage of capacity, or even widespread corruption, are not circumvented in the implementation of local governance support strategies.

### **Supporting Peace Building and Democratization Strategy**

1. The unfortunate proliferation of violent conflicts across our client countries made especially prominent during the discussion the potential of decentralization and deep-rooted local governance as an anchor for peace building and democratization.
2. Especially across Africa, in Somalia, Djibouti, Mali, Cote d’Ivoire, and Sudan, decentralization is one of the pillars of recently drafted peace building agreements. Enlarging the political space with the creation of empowered local governments may well assist reducing frictions among the parties involved in past conflicts. It may also, with the celebration of local elections, plant the first seeds of a democratic conscience among the population, facilitating their participation, creating regional identities, and ushering the emergence of local leaders.
3. In Somalia, decentralization was used to fill the vacuum left by the collapse of the central government. In Sudan, where state building is occurring, the need to establish an appropriate legal framework for local governance is paramount, prior to the local elections of 2008.
4. In the Arab countries, which have traditionally followed a state-led, centralized development model, the political challenges to improved local governance are considerable. Away from Africa, in Afghanistan, the lack of trust between central and local authorities and their citizens has created a polycentric, independent and uncoordinated system of political power that threatens to strangle development efforts.
5. Remnants of the political past in Eastern Europe also present singular challenges to local governance. In transition countries, securing the constitutional right of citizens to participate in decision making at the local levels has been underlined as a prior requisite to the implementation of participatory systems of planning or budgeting.

6. In South America, a region particularly vulnerable to the evolution of terms of trade, the fiscal windfall gains from skyrocketing commodity prices has flooded countries with unexpected resources. On the downside, inter-governmental fiscal frameworks in the region were far from prepared to ensure this flow of financing was equally and efficiently distributed across their regions. Thus, these resources, instead of representing a jump-start opportunity for development may be exacerbate intra-country disparities.
7. Overwhelmingly, participants from all across UNDP's programme countries have highlighted the need to meaningfully contextualize decentralization strategies. That is, avoiding the implementation of off-the-shelve solutions and advocating for strategies firmly anchored in the country's political fabric and institutional history.
8. Along these lines, decentralization has been characterized in the discussion as a long-term, perhaps permanent process of re-adjustment of intergovernmental relations. Clarifying the permanent nature of this process at the outset of decentralization policy design may be essential for good stakeholders' coordination.

### **Underlining the Challenges of Rapid Urbanization**

1. UN-Habitat reports more than 50 percent of the population will live in cities in 2007 for the first time in history, while the population of slum dwellers will reach 1 billion. Participants recurrently referred during the discussion to the enormous challenge this process presents and that the specificity of urban development required specialized attention.
2. The discussants accordingly placed urban development dynamics and their consequences at the center of the national and regional strategies on local governance and decentralization. The UN Millennium project task force on Improving the Lives of Slum Dwellers estimated that US\$20 billion per year is needed to upgrade slums and provide alternatives to new slum formation, globally. In line of the magnitude of cities' financial needs, participants insisted on the need to involve private sector in the design and implementation of local economic development strategies. In particular, we found support for the widespread use of Public-Private-Partnerships (PPP) financing schemes, and for the involvement of non-state service providers as a critical part of civil society.
3. Further, it was argued that local authorities need to be part of national level deliberations on development strategies if we are to ensure cities become balanced and sustainable growth machines. As stated by participants, the lowest level of government is increasingly required to deliver the most comprehensive responses to the most complex challenges. Financing schemes (especially of urban infrastructure) needs to move from traditional ad hoc grants and government guarantees to a scenario where cities' play a proactive role in mobilizing domestic and even international capital when possible.

## A Stimulating Exchange of Good Practices and Lessons Learned

1. Identifying successful initiatives and up scaling them was a recurrent topic and recommendation throughout the discussion. For that, discussants emphasized the enhanced role of UN/UNDP knowledge networks and suggested the strengthening and broadening the scope of specialized community of practice. A valid example is that of the Regional Experts network on Local Democracy of Asia Pacific, which assists countries in developing more inclusive, and accountable sub-national councils and assemblies.
2. In line with the demands of participants, the discussion rendered very valuable examples of methodologies of evaluation and benchmarking of local governance and decentralization processes. For instance, the Local Governance Barometer in Africa measures local government capacities and promotes dialogue and info sharing and ownership of results, by distributing information and criteria for good local governance.
3. Participants also discussed the need to approach the development of local governance support strategies from a flexible stand, unconstrained by administrative boundaries. Improved local governance can help deal with externalities, and the efforts to implement area based development in the areas of Belarus, Ukraine and Russia affected by the Chernobyl nuclear catastrophe is a good example of a trans-national strategy of local governance.
4. The piloting of sectoral experiences in basic services delivery was equally discussed as an advisable strategy prior to full fledged decentralization. Yemen's Drylands Development Center, for instance, promotes decentralized management of water resources with a mix of institutional support, capacity building, and the mobilization of local communities into water groups and associations.

## 4.6 SUMMARY OF RESPONSES

### PHASE I — LOCAL GOVERNANCE AND DEVELOPMENT - LESSONS AND CHALLENGES, 27 AUGUST-16 SEPTEMBER 2007

**Q1 What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.**

1. Overwhelmingly, respondents agreed that lack of political commitment to decentralization was the most significant challenge they could face. Good practices show that there must be a champion for decentralization for it to be a sustained reform effort. In the Ivory Coast, lack of leadership and institutionalized vision did not allow reform to the intergovernmental fiscal framework to translate into increased local participation in planning and budgeting processes.
2. The reasons described for low political will to reform are manifold. They range from the expected resistance from national authorities to devolve authority to local governments, to low awareness of the political class on the potential benefits of decentralization and improved local governance. In addition, local government reform efforts in some countries are challenged by the lack of a focal point for local government affairs (i.e. a directorate at the Ministry of Finance or a full-fledged Ministry, as in Egypt).
3. Occasionally low political will lead to critical faults in the design of intergovernmental reforms. Attempting to retain control over local governments still commonly translates into unfunded mandated to local governments, a recipe for reform failure. Lack of political will is also demonstrated in the continuous deferral of local elections, such as reported in Chad or Guyana. Central government appointed local representatives will always lack the accountability (and perhaps the will) required to initiate or maintain reform momentum.
4. Facing low political will to sound local government reform is not limited to national governments however. In Armenia, we found resistance from local authorities to the passing of a law protecting the jobs of civil servants from political swings. The Armenian example is hardly an exception. Across the world local elections are followed by the renewal of the whole local administration, with a huge impact on ongoing reforms and on the capacities of local governments, which lose institutional memory.

#### Conducive Institutional Structures

5. Existing administrative structures may exacerbate political constraints to good local governance initiatives. For instance, the presence of parallel structures of decentralized and de-concentrated agencies with overlapping mandates (e.g. Viet Nam, Bangladesh), which creates double accountability schemes from local civil servants to provincial authorities and national line ministries. In the end, this situation may result on conflicting instructions being issued and waste of resources.

6. Decentralization and local governance reforms must involve all levels of government. Where more than one level of government is involved, duplication of structures of service delivery needs to be avoided, participants suggested. In addition, the discussion underlined the participants' preferences for asymmetric decentralization. The latter advocates for sequencing decentralization faster to local governments with higher capacities, and devolving self-government responsibilities by sector, and not in a block.
7. Participants insisted on the need to accommodate traditional structures of governance (existing local institutions) with the new fabric developed out of devolution and local government reforms. In countries especially rich ethnically, the challenge was even greater in light of the multiple local traditional institutional structures. A good example of how to align institutional development with local structures was the Village Chiefs system in Malawi.
8. A recurrent challenge was the fragmentation of local governments across a variety of countries. Territorial atomization is a common strategy to share political power (and perhaps assist democratization), but of potentially terrible fiscal and capacity consequences. Small local governments limit capacities for service delivery due to small administrative structures. Amalgamation of municipal governments into larger territorial structures, and the implementation of local service agreements were offered as options for improved service delivery.
9. The challenge does not stop there. Large territorial fragmentation is usually coupled with unclear expenditure assignments, and the application of normative concepts for the distribution of roles and responsibilities across levels of government is made even more difficult. Further, the lower the municipal size, the more difficult it will contain the necessary tax base potential to develop own revenue generation capacity.

### **Importance of Responsive Design and Sequencing of Decentralization**

10. Lack of a comprehensive strategy has hampered decentralization efforts across the world (this issue seemed to be especially relevant in the Eastern European experience). It has translated, for instance, into countries defining revenue assignments prior to the completion of adequate expenditure responsibilities assignments.
11. An open debate ensued between gradual versus "shock-therapy" approaches to decentralization and local governance reforms. Participants agreed the eventual design should respond to the countries' decentralization goals, current socio-economic circumstances, and specific institutional framework. However, the basic elements of decentralization policy were common despite the sequential approach opted for.
12. Where gradual approaches are preferred, participants advised to select committed and proactive municipalities for piloting experiences, ensuring co-funding of projects in order to increase local ownership.
13. Participants underlined the importance of ensuring comprehensive situations analysis prior to inter-governmental relations reforms and of proper reform sequencing as challenges to good policy design. It was considered that proper design would assist dealing with another challenge: the lack of awareness of the interrelation of local governance with cross-sectoral topics such as human rights and gender issues.

14. Good design and sequencing is important, participants argued, to ensure links between decentralization and other public sector reform programs, or to local election reforms. In Rwanda for instance, the approval of a UNDP project on local development was delayed until two months before an overhaul of the public administration system was announced. The reform was followed shortly by local elections, practically invalidating the initiative. Along these lines, participants from Serbia, Burundi and Tanzania among others expressed the need to coordinate local government reform with the reform of local electoral laws and the strengthening of capacities of local officials.
15. Respondents faced in their countries the challenges presented by uncoordinated donor efforts. They referred not only to the multiplicity of donor's efforts but to the approaches taken to support good local governance. In some places, lack of trust on local governments prompted donors to channel their funds via NGOs, perhaps a strategy of last resort due to its predictable consequences. In addition, the establishment of partnerships among different programs is threatened by the creation of political fiefdoms in those programs and vertical structures of power. The role of the government in coordinating donor initiatives was highlighted, but also the need for donors to be amenable to that coordination.
16. Increasing urbanization of developing countries exerts different demands on local public service delivery and presents specific challenges that need to be taken into account on the design of local policies. Respondents agreed that one system of intergovernmental fiscal relations can not fit both urban and rural governments. Among the urban challenges highlighted in the discussion water sufficiency; climate change impact; personal safety; HIV/AIDS; urban violence; child poverty and abuse ranked highest.
17. For successful local governance reforms, the experience of Eastern European countries shows that an external institutional anchor (i.e. EU accession in their case) may serve as an important driver for local government reforms and decentralization.
18. As a first step in the process, participants suggested the need to initiate a national debate about objectives pursued with decentralization and local governance to bring the citizenry on board and maximize their participation. In that vein, respondents suggested the importance of partnering with the national and local media to convey clear policy messages and avoid misconceptions on the process of reform.

### **Developing Capacity at Local Level**

19. Lack of capacity at the local levels for successful reform ranked also as the top concern among discussants. The discussion considered all institutional and conceptual aspects of capacity building initiatives required for good local governance and efficient decentralization. Perhaps more prevalent were the challenges faced with a shortage of managerial capacity to conduct reform processes, but building the capacities of elected representatives and especially of women and disadvantaged groups ranked high among the participants' priorities.
20. Despite the recurrent nature of this challenge, discussants agreed that shortage of local capacities should not limit decentralization, but open a window of opportunity for increased investment in this area.

21. Among the institutions most commonly cited as a priority for capacity development, local government associations ranked high. Emphasis was also placed on the creation of an effective local institutional framework including regional development agencies and councils, and joint authorities for municipal cooperation.
22. Discussants expressed their concerns about the challenges encountered in ensuring the implementation of long-term capacity building initiatives, and even on the creation of national training centers. They argued short-term, off the shelf courses may assist in an initial phase but that efforts had to be continued and increasingly geared towards greater specialization.
23. Perhaps, participants argued, that would assist governments with the challenge of retaining trained staff. Respondents argued the provision of attractive opportunities to trained staff career in local governments would provide adequate incentives for retaining qualified staff.
24. Lack of strong institutions that serve as anchor to a process, local government reforms, especially vulnerable to political influences, was highlighted as a huge capacity constraint. From that point of view, discussants recommended to accompany capacity building strategies, where the circumstances demand it, with civil service reform.
25. Capacity was also related to the lack of reliable local data which limited good local planning and budgeting. The shortage of good local information is, of course, especially acute among the most vulnerable groups, those that should be the target of donor interventions.
26. Developing capacities is also achieved by participation on local governance processes. However, despite widespread assistance to increased local participation, other, most pressing needs take the time of local citizens. In addition, frustration was expressed about the difficulties in ensuring participatory processes are binding in their recommendation, and they lead to changes in policies and resource allocation. Frustration is built otherwise.
27. Despite being in a conflict situation, decentralization may in fact (e.g. Kosovo) be a plausible alternative to reach a governance agreement and territorial organization that ushers a peaceful environment.
28. In terms of the areas where capacities are needed, the case of Albania showed the importance of strengthening the planning capacities of local governments to assist managerial effectiveness and help bring about power devolution. Repeatedly, promoting long-term civic education, especially among elected representatives was offered as a best practice.
29. Beyond individual capacities, support for financial, budgeting and planning system development was discussed as a necessary component of capacity building initiatives. Most importantly, among the capacities required by local governments to become agents of development, participants highlighted control over their human resources policy.

### Participation as a Focus, Process, and an End in Itself

30. Mostly in the context of interventions advocating for the implementation of local economic development strategies, participants expressed the critical need to involve representatives from the local business community and civil society in local strategic planning and budgeting.
31. Participation presented singular challenges in one-party states, where respondents advised to assist the development of grassroots organizations independent from the party system (e.g. China Urban Community Development Project).
32. Discussants considered especially important the involvement of young leaders in local governance, as with the Youth Focus Community Base Initiative in Guyana, claiming it may assist the sustainability and future success of local governance initiative. Further, the pros and cons of the involvement of children in local governance affairs were discussed. Experiences of participation of child workers unions seemed to be positive, although in other locations children from the ruling elite dominated representation and used their very limited budget power in projects well removed from local development priorities.
33. Best practices around the world seemed to point out at the fact that without positive discrimination, it may have not been possible to ensure adequate women representation at elected assemblies would be possible, especially at the local level. Thus the inclusion of political quotas for women in electoral laws was recommended.
34. In addition, citizens' empowerment was considered by discussants as incomplete without a system that allows them to issue complaints against local government actions and politicians. In fact, local elections were considered throughout the discussion as a necessary but not sufficient element in the accountability framework required for local governments.
35. To assist participation, discussants argued in favor of identifying clear criteria to benchmark successful local governance and for the integration of those indicators into the national and local monitoring systems.

### A Focus on Fiscal Decentralization

36. The challenges encountered and best practices found on getting local fiscal frameworks right was a recurrent topic during the discussion. In line with standard economic theory, discussants recommended that the subsidiarity principle should guide to the distribution of expenditure functions. That is, expenditure responsibilities should be allocated to lower level governments if the benefits from tailoring services to local needs exceed the loss on economies of scale from central government production.
37. For efficient fiscal frameworks, discussants debated the need to ensure they provide incentives to maximize revenue collection and fiscal effort. Equally, intergovernmental fiscal relations must be ruled, it was argued, by arbitration mechanisms that permit solving disputes between levels of government on the implementation of decentralization policies.
38. For cities, participants suggested to move away from traditional financing methods, and assist further the mobilization of domestic capital, especially for infrastructure building. In line with recent policy statements from UN Habitat, only private capital can satisfy the enormous financial needs of cities' development.

39. The creation of parallel financing structures controlled by donors proved not to be sustainable and mostly inefficient during the time of implementation. Overall discussants suggested not to circumvent local governments unless in situations of extreme need.
40. True to all elements of decentralization but especially for fiscal aspects, participants underlined the need to ensure strong evaluation and monitoring capacity of the central government to avoid decentralization threatens national fiscal stability and is well aligned with national development goals.

**Q2 What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization?**

1. Discussants centered their suggestions for technical assistance on customized capacity building programs geared towards increased participation and social capital development.
2. Specific attention was devoted during the discussion to developing the capacity of local leaders (elected and unelected), with an emphasis on women leaders. The establishment of participatory local development planning processes was considered an ideal strategy to enhance leadership and representative capacities of local leaders. Along those lines, it was mentioned that an important aspect of capacity building, the capacities to lead negotiation and social dialogue, was sometimes obviated.
3. In particular, further support for female representation with the inclusion of positive discrimination clauses in the drafting of Local Government Laws was recommended. Regardless of the legal (and effective) representation of women in local councils, respondents highlighted the impact observed from initiatives in support to the creation and operation of women's forums.
4. Discussants suggested that, in the development of capacity building strategies, best practices recommended to build upon existing activities and use local expertise in design and delivery of services. Improved knowledge of international experiences via visits and study tours was widely recommended.
5. An interesting strategic approach to assist the deepening of decentralization recommended by participants was to use decentralization of basic social services delivery as an entry point to generate support for further devolution of responsibilities to local governments.
6. Increasingly, participants suggested that governments require support to the development of efficient communication strategies that ensures the process is rich and fluid across stakeholders and with the population.
7. Across the board, respondents underlined the importance of building upon international experiences in the design and implementation of initiatives of technical support. An area where this approach was insisted upon was the provision of technical assistance to the development of legal and policy frameworks for self-governance.

8. The discussion should provide an indication of the importance of local governance and inter-governmental reform in the overall development context and prompt a discussion of the relative financial importance it receives in the allocation of resources by UN agencies. Along these lines, participants regretted the lack of available financial assistance for the implementation of pilot experiences in local service delivery. It was considered these initiatives would help promote social participation and partnerships at the local level. Financial assistance is also required, and most commonly lacking, for the scaling up of proven successful experiences in support of local governance.
9. In post-conflict situations, where the collapse of government institutions is near total, short-term capacity building initiatives should only be, participants argued, a first stage towards the establishment of permanent training centers for municipal (and central) administration.
10. Numerous contributions requested additional attention to the uneven economic impact climate change may have at the local level. It was considered that decentralization, and especially the definition of fiscal frameworks must have those effects into account and be reflected in technical assistance priorities.
11. In religious states, participants recommended that technical assistance should focus on the traditional and formal justice systems in order to strengthen the legitimacy of the government in those areas.
12. In Arab countries, a specific vision for the role of decentralization in development that is aligned with the cultural circumstances of these countries is required and should impregnate technical assistance efforts. In addition, in line with patterns observed in these states, it was recommended to support more widespread civil participation programs.
13. A strategy repeatedly recommended to increase the accountability and transparency of local government was the implementation of performance-based budgeting systems. It was considered that results oriented budgeting, via the definition (and publication) of performance indicators and specific targets would improve the information provided from the governments to their citizens. Participants also argued that performance budgeting would facilitate the participation of civil society.
14. Discussants however warned that significant preparatory work needs to be undertaken prior to the switch from input-based to performance-based budgeting systems. In particular, the need to create a critical mass of national evaluators that can assess the performance of government programs.
15. The success of E.governance initiatives as an alternative to connect and provide government services in remote locations in a decentralized way (Armenia's example is particularly valid) was widely discussed. Respondents argued for the widespread implementation of IT solutions for improved local governance.
16. From an institutional viewpoint, participants argued for active assistance to the development of local assemblies and councils, with the Viet Nam experience providing a good example of continued support to local legislatures.

17. Assistance to legislative development is also required, in participants' view, in the design of policy frameworks for basic service delivery. It was considered however that these initiatives would be incomplete in the absence of donor funding to local governments to assist the delivery.
18. Overwhelmingly, participants recommended the provision of assistance to the development (and operation) of local government associations as a key element of the local institutional fabric. This assistance has been followed in the Philippines with network building of local associations and institutes for capacity development. In particular, participants argued that assistance to the development of tools for diagnosis of local capacities, and for evaluating and monitoring government interventions should be channeled via local government associations.
19. An institutional vacuum was sometimes found between project implementation structures and local government representatives. In Rwanda, the hiring of Community Development Agents helped establish a regular line of communication between the projects and the municipal/district officials. Similarly, UNVs deployed in Tanzania helped fill that role.

**Q3 What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women's representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?**

1. When addressing the constraints encountered in programming cross-cutting issues on local governance initiatives, respondents argued it was key to implement local participatory processes to ensure those issues would be covered in the debate on policy design. The discussants also agreed that leadership of the process by local authorities was required to ensure political commitment during the reforms.
2. Participatory process, instrumented around the implementation of performance-based budgeting systems, allowed mainstreaming gender perspectives in planning and budget formulation in Armenia and Philippines. Perhaps surprisingly, no correlation is found between proximity of government to the citizenry and women participation, at least based on the Latin America experience.
3. Support to the development of women's associations of elected representatives was considered fundamental in mainstreaming gender issues where their representation is not accompanied of true responsibilities according to the experience of Bangladesh. Equally, the Promoting Women's Equal Rights and Participation in Local Governance project in China may become a good practice in improving awareness of gender issues in local governance.
4. An additional best practice offered during the discussion is the Good Practices Fair organized in Latin America by the RBLAC. The fair offered a good initiative to propose innovative practices that allow taking into account the strategic and practical needs of women and increase gender equality in local governance. Also a relevant experience in Congo is the development of manuals for women candidates in the forthcoming elections.

5. The organization of public budget meetings, the implementation of systems of performance assessment of local governments, and the disclosure of audit reports, were highlighted as cross-cutting initiatives that can help curb corruption. In Bangladesh, this may have assisted the doubling on revenue collection of several UPs.
6. The Rights Based Municipal Development Program of Bosnia and Herzegovina may serve as a good example of how human rights norms can be translated into practical local planning tools with the assistance of inter-disciplinary teams, resulting in increased social inclusion at the local level.
7. Programming of cross-cutting issues is greatly assisted by prior efforts in assisting local governments in localizing MDGs. Experiences showed this could be a valid strategy to incorporate cross cutting issues into decentralization and local governance initiatives.
8. Support for law development opens a window of opportunity to include cross-cutting issues in the policy agenda. Participants underlined the importance of taking advantage of law drafting support by UN agencies to enhance the visibility of these issues.
9. From a fiscal point of view, participants advised that specific resources for these areas need to be earmarked in the local and national budgets in order to safeguard the activities programmed; otherwise they are commonly sacrificed during the year.
10. Programming is also facilitated if the capacity building modules developed and delivered to local and national civil servants include these cross-cutting issues in the course contents, participants argued.
11. A related concern of participants is that of the “heavy methodology” commonly used in training programs, which complicates mainstreaming of cross-cutting topics. In that respect, participants argued that simpler methodologies would maximize the possibilities of mainstreaming.
12. The Knowledge Fair organized by LAC’s Regional Project on Local Governance may well provide a model for knowledge brokering at the regional level worth considering for other areas. It may also be a good example of how to systematize best practices and disperse expertise into local governance tools and methodologies readily applicable. This work has devoted especial attention to focusing tools and methodology on the cross-cutting topics mentioned.
13. Programming of cross-cutting issues into local governance programmes need not be blocked by post-conflict situation, discussants argued. In Sudan, the South Kordofan Local Governance Capacity Building project aims at mainstreaming gender consideration in the work of public sectors institutions in the state. Among other initiatives, the project has conducted Gender Audits of line Ministries.

#### **Q4 How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?**

1. Respondents requested efforts to ensure wide participation of all relevant stakeholders in the community. Participants suggested allowing for experience sharing at the institutional level (including national institutions and research centers in the community), and a focus on cultural understanding, capacity development and information dissemination.
2. The exchange of expertise between country offices should be promoted in the community during program formulation and evaluation stages according to respondents. From that point of view it was considered that UNDP can help systematize the sharing of local governance and decentralization experiences.
3. Recurrently, participants suggested creating inter-agency, regional and country specific knowledge networks (e.g. the Asia Pacific expert network example). The UNCT India initiative Solution Exchange for Decentralization may provide a good model for replication and adaptation.
4. Training of country offices in the areas of local governance and decentralization is critical for UNDP practitioners to become resourceful interlocutors.
5. In order to increase the visibility of local governance issues, participants underscored the need to organize a separate community of sub-practice for local governance and decentralization. At a more theoretical level, the discussion encouraged debate on complexity science concepts such as: non-linear thinking, holism, etc., which could well assist project design and implementation of activities in countries.
6. Discussants proposed to use the ROAR process to identify country offices with relevant experiences in these two areas from which case studies could be solicited.
7. On the issue of vulnerability of local governments to corruption, participants suggested learning from the experiences of the Council of Government Ethics Laws, a North-American based association that provides guidance on integrity at the local level and transparency in government.

#### **PHASE II — “ONE UN” ON LOCAL GOVERNANCE AT COUNTRY LEVEL, 17 SEPTEMBER-16 OCTOBER**

#### **Q1 What are the challenges, good practices, and lessons learned on inter-agency coordination and cooperation on local governance or local development or decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?**

1. Participants argued that the first challenge encountered for UN coordination is the lack of clarity on definitions and understanding of the meanings of local governance, local development, local government and decentralization. UN agencies, it was argued, must distinguish the situations where decentralized sectoral approaches, local government approaches, or direct community support approaches are required and advantages and disadvantages of these strategies.

2. Equally, lack of adequate resources for programming underlines the need for sector wide approaches to local development with the participation of all interested donors. Under any approach, the need to ensure the ownership and commitment of the national government to UN led initiatives was further highlighted.
3. In Mali, UNDP and UNCDF partnered in the design of planning and financial tools/ mechanisms for local government strengthening. Interventions on the financial front were consolidated thanks to the launching of the initiative in the Public Treasury. Eventually, a new financial institution, the “Agence Nationale d’Investissements des Collectivites Territoriales (ANICT)” was established to use of these methodologies to fund investments for communes and other decentralized entities. Another good example of UN coordination on the field offered during the discussion was the organization of local MDG campaigns by UN team in Congo.
4. Area Based Development approaches have provided a good mechanism to coordinate donors and governments’ initiatives in the area of local governance. The approach helps mobilize and create community organizations, facilitates their relation with local authorities, engages civil society, coordinates initiatives and may be efficient in pooling donor resources. It however suffered from small-scale constraints (the downside of highly strategic initiatives) and lack of coordination with central government policies.
5. The experience of the Urban Management Program, a joint venture between UNDP and UN-Habitat, based on strong partnerships with local authorities and donor agencies may also provide a good model on how to tackle the specific development challenges urban centers face.
6. In the policy and international coordination arena, the recently developed UN Habitat Guidelines for Decentralization and Local Authorities is the first official document approved as a consequence of an intergovernmental consultation within the UN. It provides a set of normative references and guidelines to strengthen local governance and promote decentralization that serve as guiding principles for future programming.
7. Also at the international level, participants agreed on the need to further assist the development of inter-municipal cooperation across countries. As a global coalition, the Cities Alliance aims to improve the efficiency and scale up urban development cooperation projects. Their work has helped specialize urban development assistance, dealing with the particular development challenges cities face.
8. A recurrent theme throughout the discussion was inter-donor cooperation and its potential to assist the definition of realistic benchmark for the implementation of donor-funded reform programs and initiatives.
9. In that vein, the LDF model between the UNDP and the UNCDF may provide another avenue for successful partnership that has provided good results in Africa. The framework assists a comprehensive approach to local development (a container for all cross-cutting issues also), and provides the financial autonomy require for decentralization objectives to be realized.

10. Closely linked to these experiences, a European Community and UNDP funded project in Cambodia is assisting in raising the status and capacity of commune councils. This allowed the exposure of community leaders to experiences from many different countries.
11. Coordination at high level between agencies may help significantly coordination in the field. As a token, the Mali example of the definition of an adequate recording system for fund mobilization between UNCDF and UNDP removed administrative constraints to efficient operations and established adequate incentives for the agencies. The increased coordination of actions between UNCDF and UNDP through the common strategic plan 2008-2011 should serve to maximize complementarities, further specialize capacities, and promote collaborative work.
12. In the HIV/AIDS are, UNDP and UNAIDS are developing an innovative cross-practice initiative that will help identify challenges facing local governments and the linkages between national and local strategies in responding to AIDS. Emphasis is placed on understanding the role, efforts and capacity building initiatives having been undertaken already.
13. Social mobilization managed to fill the institutional vacuum for service delivery in Nepal during the time of conflict. In addition, community governance at the village level proved to be effective in solving disputes. Another example of the need to integrate local and traditional governance structures in UN assistance work.
14. UN agencies play a critical role in integrating the needs and priorities of both central and local administrations in a coherent decentralization strategy. The UNDP's ART Gold program (already being implemented in 12 countries) allows the UN system to work together with a wide range of stakeholders in the promotion of the participation of regional and local authorities.
15. Coordination requires time and resources that sometimes are not available. For instance, the difficulties encountered in the implementation of local governance initiatives in the geographically-scattered Pacific islands demanded financial resources for local government coordination that were not available.

**Q2 How can we strengthen partnerships with non UN organizations in this field, particularly with Associations of Local Government, and, regional research/resource centres or training institutions?**

1. The key recommendation in this part of the discussion was the need to establish networks of cooperation at all geographical levels, and encourage the participation of stakeholders in e-discussion and forums.
2. Discussants proposed to mainstream the use of planning or programming frameworks developed by some UN agencies in the UN work in the field. For instance, participants suggested using of the UCLG Millennium Towns and Cities Campaign structure and the UN Millennium Campaign on What is done by Local Authorities as a model for further work. Also, it was suggested that consideration should be given to the assumption of the LDF framework by all UN agencies in the work with localities.

3. In line with calls for increased support of Local Government Associations in client countries, participants commented that the UNDP and the Council of Europe had developed a Toolkit “Towards a modern local government association” aimed at assisting the development of LGAs across southeast Europe. The project has also developed instruments for enhanced accountability of local government with the development of Benchmarks for an Effective Democratic Local Authority. The latter uses a peer-reviewed methodology to develop improvement programs based on mutually-assessed performance.
4. Support for LGAs, it was discussed, required sharing with them UN program information and requesting LGA input. Also ensuring representatives from LGAs are members of projects’ executive boards, and their participation and voice in UN organized forums. Ivory Coast offered a good lesson on how to involve both central government and local governments associations in the development of “conventions” of cooperation in area such as advocacy for local governance, capacity development and others.
5. The potential of networking with regional institutions was widely discussed. In Africa, the Municipal Development Partnership for East and Southern Africa is an available partner for coordination of initiative in support of decentralization and capacity building of national and local governments since 1991. Other regional associations may serve as a catalyst of further work in the area across the world. They provide access to regional networks of not only local governments (like the United Cities and Local Governments of Africa), but civil society, universities and NGOs involved in working in this field. They have developed already context specific materials.
6. Respondents thought the UN had a role in promoting the concept of national integrated planning, which aims to identify the strategic links between local and national development planning and budgeting cycles. In Mauritania, the UNCDF and the UNDP have jointly supported the creation of a Bachelor’s Degree on Local Authorities and Territory Management with the University of Nouakchott, to train staff of the future decentralized administration. It was also proposed the UN has a more active participation in the Biannual World Urban Forum to disseminate the experiences shared by stakeholders into our client countries.
7. At the country office level, participants recommended the deployment of local governance specialists in the field, as well as to assume the financial cost of coordination, for which obtaining HQ support was deemed fundamental.
8. The experience of Solutions Exchange in India, building communities of practice of professionals (including a decentralization community) is a good example of how to play a coordinating and facilitating role. UNDP anchors the community, which serves as a forum to help with practical issues, consultation and open discussions and a platform for collaboration.
9. Participants also considered that assistance in the coordination of databases of local contractors would help significantly in strengthening partnerships with local institutions.

**Q3 What types of capacities will UN Country Teams (UNCTs) require to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?**

Among the capacities required by UNCT to respond to the challenges outlined above, participants prioritized:

1. Flexibility to undertake and finance research in key aspects of the process of decentralization and local governance to enrich their positions.
2. Regular brainstorming meetings that feed the knowledge obtained from research and project implementation into the review of UNDAF. In Armenia, this exercise has translated into the concentration of several initiatives (i.e. UNDP's Community Development and Performance Budgeting support, SME support; ILO's training initiatives, WFP investment projects, etc.) into the poor and socially disadvantaged villages of the country. A true one UN approach.
3. Capacity building to become nexus of international knowledge with local governments around the world, and to manage the dialogue with the national government on local governance and decentralization reforms.
4. Delve on the comparative advantages of each agency.
5. Assume the cost of coordination and endow the financial resources required.
6. Capacity for mobilizing the right expertise (individual and collective) to support country specific needs.

## 4.7 ADDITIONAL SUGGESTIONS FROM CONTRIBUTORS

- Deepen democracy with the formation of associations and forums
- Developing Partnership with the media to push the agenda is found to be important; Public hearings and social audits have been found effective for improving citizen's interface with LG's
- Develop training Establishments that respond to demands for training and topics not offered by the syllabuses
- Anthropology, sociology, and political economy consideration should be mainstreamed in the discussion on local governance and decentralization
- UNDP needs to work more closely with civil society organizations

### Emerging Trends and Issues raised by Contributors

- Urbanization
- Trade and development process
- Community regeneration and activism
- Decentralized Corruption; Corruption and Integrity at the local level
- Better understanding of Local governance at the grassroot level as citizens, rights and the obligations of local governments
- Conflict Resolution
- Network-building of Local Institutes for Capacity Development
- Lack of flexibility due to government prescribed methodologies
- City financing
- Local Private Sector Development
- Urban Agriculture development
- Urban Management
- Public Private Partnerships
- Missing Markets

## 4.8 RELATED RESOURCES

### About the E-discussion

For background information, Concept Note, Recommended Technical documents, and Capacity Development and Learning Resources, please visit the [open e-discussion page](#) at the Democratic Governance Workspace.

### From the Launch Message

1. [UNDP Decentralised Governance for Development: A Combined Practice Note on Decentralisation, Local Governance and Urban/Rural Development](#)
2. [UNDP Primer: Fiscal Decentralisation and Poverty Reduction](#)
3. [European Charter of Local Self-Governance \(Council of Europe\)](#)
4. [International Guidelines on Decentralization and the Strengthening of Local Authorities UNDP Practice Note on Capacity Development for MDG Localisation](#)
5. [UNCDF Delivering the Goods: Building Local Government Capacity to Achieve the Millennium Development Goals](#)
6. [UN-HABITAT on Localizing MDGs](#)
7. [UN-HABITAT / UNDP / World Bank, Urban Management Programme 1986 -2006](#)
8. [UNDP Bratislava Regional Centre How to make local development work.](#)
9. [Poverty, Local Development and Decent Work Resources, ILO](#)

### From the Network Contributions (web-based resources)

1. UNCDF: <http://www.uncdf.org/>
2. UN-HABITAT: <http://www.unhabitat.org/>
3. UNDP(DLGUD): <http://www.undp.org/governance/sl-dlgud.htm>
4. UNDP POGAR: <http://www.undp-pogar.org/>
5. Impact Alliance: <http://www.impactalliance.org/>
6. UNDP Governance Indicators Project  
[www.undp.org/oslocentre/flagship/governance\\_indicators\\_project.html](http://www.undp.org/oslocentre/flagship/governance_indicators_project.html)

7. UNDP Regional Center, Bangkok: <http://regionalcentrebangkok.undp.or.th/practices/governance/decentralization/>
8. UNDP BRC-How To Make Local Development Work: [http://europeandcis.undp.org/?menu=p\\_cms/show&content\\_id=67DF58B2-F203-1EE9-B301715F3BB60663](http://europeandcis.undp.org/?menu=p_cms/show&content_id=67DF58B2-F203-1EE9-B301715F3BB60663)
9. UNDP Bangladesh, LG & Decentralization Portfolio [http://www.undp.org.bd/projects/proj\\_detail.php?pid=50](http://www.undp.org.bd/projects/proj_detail.php?pid=50)
10. UNDP Bhutan, Decentralisation Outcome Evaluation Report [http://www.undp.org.bt/Governance/dec\\_OER.pdf](http://www.undp.org.bt/Governance/dec_OER.pdf)
11. UNDP Bhutan-Challenges of Decentralization in Bhutan: [www.undp.org.bt/Governance/docs/Financing%20Local%20Government.pdf](http://www.undp.org.bt/Governance/docs/Financing%20Local%20Government.pdf)
12. UNDP Bosnia and Herzegovina, Rights-based Municipal Development Programme: <http://www.rmap.undp.ba/>
13. Cities Alliance: <http://www.citiesalliance.org/>
14. Tools to Support Transparency in Local Governance [www.unhabitat.org/pmss/getPage.asp?page=bookView&book=1126](http://www.unhabitat.org/pmss/getPage.asp?page=bookView&book=1126)
15. A Practical Guide to Curing and Preventing Corruption in Local Government and Communities:  
Vol.1 [www.unhabitat.org/pmss/getPage.asp?page=bookView&book=2287](http://www.unhabitat.org/pmss/getPage.asp?page=bookView&book=2287)  
Vol. 2 [www.unhabitat.org/pmss/getPage.asp?page=bookView&book=2288](http://www.unhabitat.org/pmss/getPage.asp?page=bookView&book=2288)
16. America Latina Genera: <http://www.americlatinagenera.org/>
17. Microinsurance: Demand And Market Prospects For India [www.capacity.undp.org/index.cfm?module=Library&page=Document&DocumentID=5885](http://www.capacity.undp.org/index.cfm?module=Library&page=Document&DocumentID=5885)
18. Microinsurance: Demand And Market Prospects For Indonesia [www.capacity.undp.org/index.cfm?module=Library&page=Document&DocumentID=5886](http://www.capacity.undp.org/index.cfm?module=Library&page=Document&DocumentID=5886)
19. Microinsurance: Demand And Market Prospects For Lao People's Democratic Republic [www.capacity.undp.org/index.cfm?module=Library&page=Document&DocumentID=5887](http://www.capacity.undp.org/index.cfm?module=Library&page=Document&DocumentID=5887)
20. Non-State Provision of Basic Services: [www.idd.bham.ac.uk/service-providers/index.htm](http://www.idd.bham.ac.uk/service-providers/index.htm)
21. Promoting Local Competitiveness: [http://content.undp.org/go/practices/governance/share/Network-Attachments/download/?d\\_id=1401382](http://content.undp.org/go/practices/governance/share/Network-Attachments/download/?d_id=1401382)
22. Competitiveness of Small Enterprises-Local Development: [http://content.undp.org/go/practices/governance/share/Network-Attachments/download/?d\\_id=1401390](http://content.undp.org/go/practices/governance/share/Network-Attachments/download/?d_id=1401390)
23. Workshop on "Measuring and Assessing Democratic Governance," [www.undp.org/oslocentre/flagship/governance\\_indicators\\_project.html](http://www.undp.org/oslocentre/flagship/governance_indicators_project.html)

24. UN-HABITAT Urban Governance Index [http://ww2.unhabitat.org/campaigns/governance/activities\\_6.asp](http://ww2.unhabitat.org/campaigns/governance/activities_6.asp)
25. International IDEA “Local Democracy Assessment Guide” [www.idea.int/dll/upload/Local\\_Dem\\_Assessment\\_Guide.pdf](http://www.idea.int/dll/upload/Local_Dem_Assessment_Guide.pdf)
26. “Democracy at the Local Level: The International IDEA Handbook on Representation, Participation, Conflict Management and Governance.” “Democracy at the Local Level in East and Southern Africa: Profiles in Governance”
27. “Democracy at the Local Level – A Guide for the South Caucasus” [http://www.idea.int/publications/dll\\_caucasus/upload/English\\_text.pdf](http://www.idea.int/publications/dll_caucasus/upload/English_text.pdf)
28. UK Government: Indicators of Strong Communities [www.neighbourhood.gov.uk/page.asp?id=1531](http://www.neighbourhood.gov.uk/page.asp?id=1531)
29. Bracegirdle, Peter. (2003) International Experience in Municipal Performance Measurement Paper presented at the 3rd International Conference on Decentralization organized by the Center for Local and Regional Governance at the University of the Philippines. <http://upan1.un.org/intradoc/groups/public/documents/APCITY/UNPAN017423.pdf#search=international%20experience%20performance>
30. Foneska, Leo. (2000). Indicator Tools for Assessment and Analysis of City Governance. World Bank Institute Urban and City Management Program. <http://www1.worldbank.org/wbiep/decentralization/Library11.htm>
31. Kaufman, Daniel, Frannie Leatier & Massimo Mastruzzi. (2004). Governance and the City: An Empirical Exploration into Global Determinants of Urban Performance (Discussion Paper) <http://www.worldbank.org/wbi/governance/pdf.govcity.pdf>
32. Soos, Gabor. Tocqueville Research Center (2001). Indicators of Local Democratic Governance Project. <http://lgi.osi.hu/publications/2001/22/IOLDG.pdf>
33. Urban Management Programme (2000). Assessing Urban Governance – Citizens’ Report Cards. [www.serd.ait.ac.th/ump/newsletter99vol2%20no3.pdf#search=Opportunities%20and%20Challenges%20in%20Assessing%20Governance%20and%20Human](http://www.serd.ait.ac.th/ump/newsletter99vol2%20no3.pdf#search=Opportunities%20and%20Challenges%20in%20Assessing%20Governance%20and%20Human)
34. Westfall, Matthew & Victoria de Villa. (2001). Urban Indicators for Managing Cities. Asian Development Bank. [www.kas.de/upload/dokumente/megacities/ADB.pdf#search=urban%20indicators%20for%20managing%20cities](http://www.kas.de/upload/dokumente/megacities/ADB.pdf#search=urban%20indicators%20for%20managing%20cities)

## 4.9 RESPONSES IN FULL

Thanks to all that contributed! If you have more information that you would like to share with the network on this topic, please send it to: [dgp-net@groups.undp.org](mailto:dgp-net@groups.undp.org)

Democratic Governance Practice Workspace: <http://practices.undp.org/democratic-governance/>

About UNDP's work on governance: <http://www.undp.org/governance> or: <http://intra.undp.org/bdp/oslocentre/index.htm>

## 5. LIST OF CONTRIBUTIONS

## 5. List of Contributions

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# Jaysingh Sah

UNDP Ukraine

28 August

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Dear Colleagues,

Thank you very much for the initiative. At this stage, I will not respond to all the questions of the Phase I. I'm more interested to share our experiences in response to the ongoing DGP-Net e-discussion question - 'What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience'.

Initiated in mid 2004, Municipal Governance and Sustainable Development Programme (MGSDP) aims to promote participatory governance for sustainable development in urban Ukraine. In a culture of top-down command-based decision-making process under Soviet time, the Programme tries to change mindset of the citizens, officials of local governments, government bodies, academia, and others to make the decision-making process bottom-up and participatory. It is done through capacity building under the framework of public-private partnership. Training and small grant forms important tool to enable the process take place. Social mobilisation approach is the key for motivating the stakeholders towards this end.

Process of decentralising people participation in the development process is incomplete and on-going. The division of power and responsibilities goes at the heart of the decentralisation debate in Ukraine. The stakeholders have not been able to agree on a common vision and common modality of the national agenda on decentralisation because of differing interpretations and understanding of what decentralisation means.

In my view, key issues waiting to be addressed for effective decentralisation are:

- The delegation of authority and responsibilities is not followed by adequate financial decentralisation;
- Decentralisation of administrative and income-making authority is in line with size of the municipality;
- Territorial reform (for creating viable municipality size) is seen as a pre-requisite to financial decentralisation but different models of reform are yet to be converged;
- Regional autonomy is promoted as a part of decentralisation by some but is considered as threat of national disintegration by some others;
- Several dubious and non-reconciled legal provisions causing difficulty in execution;
- Frequent political crisis has delayed strengthening of the decentralisation process;
- Policy-makers, civil servants and local government officials at large have inadequate understanding about the process of effective citizens' participation in the development and service delivery.

“ Policy-makers, civil servants and local government officials at large have inadequate understanding about the process of effective citizens’ participation in the development and service delivery ”

The experiment initiated by UNDP/Ukraine has demonstrated success of participatory approach at smaller scale. From longer term perspective, there is a need to build capacity of these stakeholders for appreciation of this approach and to prepare future generation (through curriculum) to be aware about this approach. UNDP/CO is trying to increase the threshold size of the experiment across the country (through a EU project).

MGSDP has initiated curriculum development in the universities. It is necessary to make effective knowledge transfer to these universities. Also, policy makers, law makers and legal experts ought to be exposed to participatory approach in various European countries for building their confidence. Large scale short training (including in-country exposure visit) to these stakeholders and local councillors is also essential for the confidence building.

Jaysingh Sah

International Project Manager

Municipal Governance and Sustainable Development Programme

# Fredrick Abeyratne

UNDP Sri Lanka

29 August

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Dear Colleagues,

This is a very timely issue, and we from Sri Lanka would like to share our views on the matter.

Over the last 7 years UNDP, Sri Lanka has been financially assisting a programme with UNHABITAT technical inputs to introduce good governance practices to local authorities (LA). We started with three LA's at the beginning and expanded to cover 18 LA's which is a large share of the LA's in Sri Lanka. The practices we piloted included participatory planning, Participatory budgeting, community contracting etc. I must say most of the LA's were very responsive and considered these as best practices while the programme was functioning. However, there were some key lessons learned which I would like to share.

Although we expected the best practices, to be up scaled by the authorities and institutionalized it never materialized. There are several reasons for this.

1. This programme was agency executed for too long, with little ownership by the govt. Hence, it was never internalized. Hence there was no serious attempt by the authorities to change rules, in-act by-laws etc to institutionalize these practices. Another reason for this was, the administration of LA's were under one Ministry and Urban Development was in another Ministry, and co-ordination among ministries was less than adequate.
2. Many of the practices were mainly driven by one or two individuals in a LA (a Commissioner or a Mayor). Although various depts. within the LA were invited, it does not seem that the idea was sold to all. So as soon as the individuals driving the activity were transferred out etc. The practices went to disuse.
3. The revenue bases of many LA's were very poor. Hence, the planning exercises did not go beyond the plans. Plans need to be realistic within the financial scope of the LA.

At present another project is designed to address some of these issues. The new project would be executed by the Govt. There will be two dedicated units in the two ministries for coordination purposes. The main objective would be to institutionalize the practices piloted so far.

With best regards

Fredrick Abeyratne

# Tomislav Novovic

UNDP Serbia

29 August

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Dear colleagues,

Many thanks for this initiative- really looking forward to reading all the documents, experiences, comments.

I will actually to summarize our experience from the field of decentralization and local development (local governance) here in Serbia.

Looking back at history, Serbia was at least formally speaking fairly decentralized (as the rest of former Yugoslavia); still, within a socialist context, with highly politicized and ideologized decision making process, it is becoming increasingly difficult to argue whether it was a genuine decentralization and whether municipalities exercised real self-government. However, in the last decade of the XX century, the main political option was aimed at heavy centralization of the country. This led into weakening of local self government units in terms of competencies, responsibilities, accountability, finances, policy making process and in terms of (human) capacities.

After the democratic changes in the year 2000, the new government of the Republic of Serbia has initiated a rapid process of change, giving priority to macro economic stabilisation. With the macro economic policies in place, the first phase of the structural reforms covered privatisation, institutional reforms, banking sector reforms, social policy reforms, etc. Some of the reforms in this first phase were advancing in some areas but in others to a lesser extent. However, by 2007 it is expected that further policy and practice changes will be implemented due to the ongoing reforms focusing on economic stability, growth and development. As of 2007 onwards the reforms should be completed concentrating on finalisation of the structural reforms, institutional building and control mechanisms related to the implementation of legal frameworks.

One of the areas still lagging behind is public administration and thorough reforms in this particular sector. Before 2000, the Republic of Serbia had no ministry or any other authority for local government; the greater portion of local government affairs was under the jurisdiction of the central government as the authority in charge. The organisation and structure of the municipal administration, work methodology, professional capacity, work conditions and equipment were poor and obsolete; the old-fashioned/outdated service delivery was completely at odds with the principles of subsidiarity and demands of modern, decentralised, citizen-oriented governance.

The decentralisation process in the Republic of Serbia is still not at full pace, although some activities have been initiated. Implementation of a new legal framework for decentralization was initiated by adoption of several systemic laws: a new Law on Local Government was adopted in the beginning of the year 2002 with some provisions defined: extended municipal competencies, direct election of mayors, establishment of new institutions, certain aspects of fiscal decentralisation and limited central government control. However, the recent adoption of the new Constitution of the Republic of Serbia is going to affect the fragile local governance system in Serbia. This is especially obvious in Article 191, which defines Municipal Assembly as the main decision making organ at municipal level. The Municipal Assembly, as the article specifies, elects executive organs of municipality, in accordance with the Law. In practical terms, this means that

the mayors will be elected by the Municipal Assemblies and not directly as it is according to the Law on Local Self Government and the Law on local elections. At the moment, members of municipal assemblies are elected on a proportional basis (this was a decision of the political parties); if the [subsequent consequent?] Changes in the Law on local elections do not take place, there will be no genuine citizen representation in municipal assemblies. This would be a huge step backwards in terms of local democracy.

The national association of local governments, the Standing Conference of Towns and Municipalities, has been advocating and lobbying for changes in the system of financing of municipal units and for adoption of a new Law on local finances. The Ministry of Finance, with some addenda and changes, proposed this Law for official adoption; the Law was adopted by the Parliament of the Republic of Serbia; implementation of the new Law on local finances started as of January 2007. This will enable municipalities to have more predictable, sustainable financial resources.

In 2004 a Strategy for Public Administration Reform was adopted and the Ministry for Public Administration and Local Self-Government (MPALSG- set up in 2003). In the Strategy for Public Administration Reform, considerable attention has been paid to decentralization. The Strategy focuses on the need to: a) Develop institutional capacity and b) Proceed with further transfer of competencies from the central to the local level (after the first phase has been accomplished).

Support to decentralization process in the country should be obtained through implementation of activities envisaged in the “Action plan for Implementation of Public Administration Reform in the period 2004-2008”; namely the Key activity 1 “Analysis of functioning of local Governments’ organs in light of the Law on Local Self-Government” and the Key activity 5 “Strengthening of local organs capacities to assume new functions; employees’ training; changes in organizational and management frameworks; technical and technological equipment”.

The Strategy for Public Administration Reform was complemented by a finalised action plan for development of local governance in Serbia; implementation of envisaged activities and commitment from the mains stakeholders is still behind expected/ needed.

UNDP Serbia has been very active in the area of decentralization and local development/ local governance, focusing on:

- a. delivery of a substantive strategic support to the Government of the Republic of Serbia and the national association of local governments, Standing Conference of Towns and Municipalities to enhance the necessary capacities and management systems for creating a proactive response to the identified needs in the area of decentralization and local development
- b. strengthening of local governments in Serbia in facilitating socio-economic development and attainment of good local governance.

UNDP has really impressive record and experience in working in the area of decentralization and local development in Serbia. However, number of issues have emerged (mentioned in the previous paragraphs). I am attaching two documents that might be relevant for further reading: first one is an overview of training system and capacity development needs at the local level in Serbia, and the second one is a manual developed based on UNDP's experience with strategic planning in Serbia.

If you need any additional info or comments, will be more than happy to provide.

Best regards,

Tomislav Novovic  
Decentralization and Local Development Advisor

“ Two documents that might be relevant for further reading are an overview of training system and capacity development needs at the local level in Serbia, and a manual developed based on UNDP's experience with strategic planning in Serbia. ”

# Hou Xinan

UNDP China

30 August

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I am happy to share my contributions to this very interesting discussion. On local governance and development, based on experiences in China, there are two key issues that I want to bring into the picture.

Fiscal system: Fiscal system was recentralized while the expenditure responsibilities are decentralized. This creates a weak local fiscal capacity while the fiscal transfer system is yet to be pro-poor. This is a barrier for the delivery of basic public services to people, and led to inequalities in access to education, health, legal aid particularly in poor areas, and disparities among urban and rural areas.

Performance assessment criteria of civil servants and local government officials: Although progress have been made in introducing more social and environment related dimensions in the systems, the assessment is still to some extent focusing on the economic indicators, such as GDP growth, level of foreign direct investment mobilized. This directs the incentives and efforts of the local government to engage in economic sectors production activities, land requisition, etc., and hinder the transition of the government role to the provision of public service and ensuring benefits of development are equitably enjoyed by all. .

I think these are fundamental institutional challenges to address in order to lead sound local governance and development.

Hou Xinan

Assistant Resident Representative

“Fiscal system was recentralized while the expenditure responsibilities are decentralized”

# Eloi Kouadio

UNDP Congo-Brazzaville

30 August

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Dear Colleagues,

Here is my contribution to the current DGP-Net e-discussion. Local governance and Development paradigm has many interpretations depending on the context, environment and people you talk to or discuss with. My present contribution has to be considered in a perspective of sharing part of my experience during 18 months of being in charge of a project sponsored by BCPR in the Pool region, in Congo Brazzaville. It was a challenging and wonderful professional experience and I am pleased to share part of it with you in the context of this e-discussion.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

- Local governance and decentralization require a holistic and comprehensive approach based on policies designed on a participatory approach. In this regards, program design and implementation first of all need to be a bottom up based approach to collect the appropriate needs of local communities. This exercise requires time to inform, discuss and exchange with all the social community groups, representatives of public administration and the private sector. The main idea in this kind of process is to come up with a local development plan indicating clearly the interventions priorities. This exercise has to be results-based to assign direct responsibility and concrete tasks to each entity of the community to be achieved by community members both as individual and as a group. Local governance requires participation, involvement of people and capable and trust-worthy institutions.
- For example, in the Pool region in Congo Brazzaville, the post-conflict situation which prevails almost since ten years ago, does not induce a favorable environment to reestablish a sustainable local government supported by a decentralization process as planned by the Government in the prospective vision of the President called “La Nouvelle Espérance”. In fact, the local administration is weak without the minimum of equipment to help the civil servants working in this area to perform their tasks. The basic socio economic infrastructures are still very weak. The Government’s effort to restore peace and security in the Pool region has been carried on with a strong support from UN agencies UNDP, WFP, UNICEF, UNHCR and some NGOs like MSF, Caritas etc. But the communities still need to access the minimum services to help them live in decent conditions. The present local governance rules are based on a mix of respect for the public legal authorities and a consideration of the Ninja’ “military authorities” in part of the Pool region. This ambiguous political informal situation does not allow prepare a fair, transparent election process which is in my point of view, one of the most important social governance regulators.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

- Any kind of technical assistance requires a substantive presence in the field. This presence should be a physical “quasi” permanent. This challenge could be faced by opening a “UN sub-office” or “UN Antenna” in one of the main district of the region where, as often for security reasons, staffs are not authorized to live. We experienced this approach in Congo Brazzaville with a UN Sub-Office based in Kinkala the Chef-Lieu of the Pool region since 2005. This helped to rebuild the confidence in our actions to support both the public administration to restore the Government’s authority, using the decentralized technical public administration services as implementing partners for our leading projects; and the population including Ninja ex-combatants providing targeted training and support for income generating activities. These projects addressed simultaneously social cohesion, peace and security restoration and local capacity building to initiate, implement and monitor income generating activities. The programmatic synergetic integration promoted through 3 projects, respectively, PRAEBASE for school rehabilitation PRESJAR for Youth at risk socio-economic reintegration and PCAD-Communautaire for community based assistance to prepare arms collection; was definitely the key to open the door to rebuild social cohesion and peace which are basic pillars to establish or reestablish any local governance and support the decentralization process.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

- Cross-cutting areas and key issues are directly included in our message addressed to local communities during training sessions or non formal discussions we had with them. In fact, it is not easy to do it if you want to have specific activities for each of these issues. In a practical manner when implementing your project activities, you based on tools developed by experts in these specific key cross-cutting issues to achieve MDGs, you can explain briefly to the participant to help them capture the essence of the meaning of these concepts. But what is important for them is to know the existence of the HIV/AIDS and how to prevent the virus from destroying their life’s, and how and where they can have medical support if they are affected. We also planned with expert colleagues in HIV/AIDS dedicated information sessions for our beneficiaries.
- In the same way, we couple farming training sessions addressed to our ex-combatants with sustainable environment by associating forest restoration with community forest creation. One other way to promote women’s participation is to establish basic criteria to balance the beneficiaries groups with consistent representation in the bureau of the management Committee. For example, in the school rehabilitation process, the so called “Comité de Gestion de Développement Communautaire” (CGDC) is establish on an elective basis for all the position. We notice that of these committees which are managed by women are efficient with financial resources management. We therefore encourage women to be candidate and with their contribution help to maintain schools in a good condition. Other relevant examples exists in our experience in the Pool such as the “Clinic Juridique”, a structure with young legal advisers to provide assistance to local communities on how to deal with legal processes regarding respect of their rights.

*How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?*

Ways to strengthen our Community of Practice can concern:

- Sharing our experiences with contributions in this kind of e-discussion.
- Publishing the best practices collected through reports, bulletin, videos etc.
- Promoting exchange visits between different projects

It is difficult to conclude at this stage, since I have not explored other important and challenging issues concerning local governance and development. But it would also be interesting to discuss how to reinforce decentralized public administration capacities (legal, technical and financial) to better effectively assume their missions in the field and become therefore credible, reliable partners for communities they have to serve.

Thank you.

Eloi Kouadio

“Local governance and decentralization require a holistic and comprehensive approach based on policies designed on a participatory approach. In this regards, program design and implementation first of all need to be a bottom up based approach to collect the appropriate needs of local communities”

# Daimu S. Mkwawa

**UNDP/UNCDF Tanzania**

30 August

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Dear colleagues,

The Government of the United Republic of Tanzania is implementing a policy of Decentralization by Devolution where by administrative capabilities, political and executive powers are being transferred from central government to Local authorities. As such the government is undertaking a major reform of the local government system which aims at reducing the proportion of Tanzanians living in poverty, through improving public service delivery (particularly to the poor), democracy, and good governance at local government level. At the national level the reforms are being implemented through the Local Government Reform Programme (LGRP) since 1997. The LGRP is supported by bilateral development partners and multilateral partners like UNDP/UNCDF through a Common Basket Fund (CBF) mechanism. The contribution by UNDP/UNCDF to the CBF ended in 2003 and since then we have remained active but without a voting right.

At the local level, between 1997-2006, UNCDF/UNDP in partnership with the Norwegian Agency for Development Cooperation (NORAD) supported the Government of the United Republic of Tanzania to implement two comprehensive local governance support programs (Support to Decentralization in Mwanza; and Support to Good Local Governance). The programs were committed to promotion of good local governance through peoples participation in the management of micro-project cycles (project identification, investment decisions, project design, implementation, and M and E). Through these two programs, UNCDF and UNDP assisted Government in its efforts to establish the necessary technical and financial means to effectively decentralize its planning and financing functions to the lowest levels of local government and supporting the development of an active local private sector (private contractors). In this regard, the programs aimed at testing a model of decentralized planning, financing and implementation of social and economic infrastructures. The two programs each had two components: the Local Development Fund Project, which complemented the activities of the Local Government Reforms using unconditional grants; and the Rehabilitation of District and Feeder Roads Project using Labour Based Technology and conditional grants.

In essence, the Local development Fund (LDF) and Rehabilitation of Districts and Feeder Roads Projects (DFRP) in Mwanza region contributed to reduction of poverty through strengthening the capacities of local government and other stakeholders for rehabilitating and constructing small-scale infrastructure, and developing and improving systems used by District Councils to plan, implement, operate and maintain, monitor and evaluate projects. On the other hand, the Support to Good Local Governance programme deepened the LDF and DFRP activities in Mwanza; supported the Local Government Reform Programme (LGRP) through contributing to the Common Basket Fund; and Created linkages between the LDF/DFRP activities in Mwanza and Local Government Reform Programme on one hand, and between UNCDF and UNDP Programmes on the other.

Now coming back to our e-discussion questions:

*What are the main challenges we have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged?*

### **Challenges (Up stream Level)**

- UNCDF/UNDP contribution to the Common Basket Fund of the Local Government Reform Programme (LGRP). It is a challenge and controversial because of the followings: prior to this, UNDP/UNCDF had never participated in such arrangement; UNDP/UNCDF are multilateral institutions receiving funding from many nations with bilateral representation in Tanzania who already contribute to the basket fund; and the problem of how to deal with reporting on achievements and account for the money spent.
- Process involved in the design of the LGRP. It was a challenge because the process was different from the one we used. The process entailed the government (1997) presenting its Local Government Reform Agenda to a round-table meeting of interested development partners and other stakeholders whereby the Local Government Reform Programme (LGRP) was conceived. Following endorsement of the Agenda, pledges of support were made, subject to submission of detailed Action Plans and Budgets (APB). An extensive stakeholder consultations took place and a detailed APB (1999-2002) was presented to the same forum with subsequent establishment of a specialist programme management team to develop the LGRP. A Joint Government - Donor Appraisal of the APB was conducted in February 1999, and the APB was endorsed following the Appraisal Report in April 1999. The Government and Donors agreed a financing package through an innovative Common Basket Fund (CBF), and formal preparations for Phase 1 of the reforms began in July 1999.
- Management of the CBF through consensus and collective responsibility. It is a challenge because it was not possible for UNCDF/UNDP to trace and identify its contribution and relate it to specific outputs or achievements. Members (contributing and non contributing) form the steering committee of the Local Government Reform Programme CBF. A member may disagree with the motion and still be responsible for the decision.

### **Challenges (Down stream Level)**

- Changing the mindset of local governments and contractors to trust each other and work harmoniously in achieving a common purpose is not easy.
- Private contractors are not many in rural areas and where they are do lack the required capacities
- Inherent characteristics of rural councils encompassing the followings: In adequate capacity and skills to plan and implement micro projects; Lack of funds for rehabilitation and maintenance of social-economic infrastructures; Lack of capacity to manage funds; Weak and incapable private sector; and Weak private sector-local government partnership.

### **Key Lessons and Good Practice**

- Despite weak private sector and inadequate capacity within the councils, through comprehensive capacity development, enabled private sector to acquire equipment through

loan guarantee and work assurances, the programs managed to improve the quality of district's new and existing stock of investments.

- A District Roads Maintenance System (DROMAS) was developed as a tool for planning, budgeting, and reporting maintenance. As such the tool helps districts to know their road network in terms of length, conditions and its main features; plan the annual programme of maintenance works by assessing the resource required and preparing an appropriate budget estimate; ensure that funds are allocated fairly to various sections of the road network and deciding on priorities if funds available do not suffice for the whole programme. The government has acknowledged the system and it has rolled out for use to other districts national wide.
- The Government of Tanzania has acknowledged the appropriateness and value added of using Labour Based Technology (LBT) to rehabilitate rural roads. Apart from improving access and cost effectiveness, LBT created employment, increased income to labourers, and helped re-distribute income. Based on the lessons learned in Mwanza and in other roads projects implemented by other development partners, the government prepared a programme titled "Taking the Use of Labour Based Technology to Scale". The programme is now in operation. In recognition of our inputs the government did appoint UNCDF/ UNDP to be members to the steering committee.
- Development and application of Minimum Access Conditions (MC), Performance Measures (incentive scheme), and Allocation Criteria (formula based) for both recurrent and capital grants were the main activities of the LDF project. Using the experiences of Mwanza and other places, through the local Government Reform Programme, the central government developed a local Government Capital Development Grant System (LGCDGs). The system is now used by the government to allocate development and recurrent funds to local government based on agreed formula, local government performance, and Minimum Conditions.

### Current Direction

According the act establishing local government, one of the functions of local governments is to promote the social and economic development of its area of jurisdiction. Indeed with the implementation of the reform it has become clear that local governments have a comparative advantage in the management of local processes pertaining to planning, local infrastructure and public service delivery. However, As government moves to implement the National Strategy for Growth and Poverty Reduction (NSGPR) and in order to achieve the twin goals of higher economic growth and poverty reduction at the local level, UNCDF, within the paradigm of "Local solutions to local challenges", undertook a strategic reappraisal of its operations in Tanzania, and identified Local Economic Development (LED) as a potential pillar to support the achievement of the NSGPR outcomes. As part of supporting the local government reform, UNCDF/UNDP is now implementing a new programme titled Support to Local Economy in Mwanza (SLEM).

Kind regards.

Daimu S. Mkwawa

Programme Specialist and Team leader

# Hachemi Bahloul

UNDP Slovakia

30 August

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Dear Colleagues,

Please find below my inputs to the above E-discussion:

## **On Politics and Ownership of the Decentralization Process - Macedonia**

In 2005 UNDP's Regional Center in Bratislava organized and sponsored a study on Fiscal Decentralization in Transition Economies (Armenia, Georgia, Croatia, Macedonia and Serbia) which was conducted by Georgia State University's Andrew Young School of Policy Studies in Atlanta <http://europeandcis.undp.org/files/uploads/LG/FiscalDecentralization2005.pdf>. The report provides a rich analysis and a systematic overview of the progress and issues related to fiscal decentralization. Some of the key conclusions of the report related to the Macedonian experience are given below:

The decentralization process is an instrument to achieve political objectives: The current decentralization process in Macedonia has been an instrument for achieving mainly political objectives, namely those of the Ohrid Framework Agreement (2001) where decentralization is seen as critical precondition for preventing a resumption of conflict. The pursuit of decentralization as a political objective without paying sufficient attention to the related technical and practical problems has affected the overall level of government efficiency in conducting the decentralization process and the use of donor assistance.

The decentralization process does not have sufficient leadership: Like any process of strategic significance, fiscal decentralization needs leadership that is highly placed in the government hierarchy. This leadership can come from an institution or a person. The Macedonian decentralization process, somewhat paradoxically to the point made above, has suffered from a lack of high level political leadership which has impacted on the concrete results achieved.

The decentralization process does not have sufficient ownership: In any decentralization process there is a compelling need for political leaders and institutions to take strong ownership. However, this ownership should not be confined to them. Representatives of the municipalities must accept more ownership over this process. In Macedonia, the municipalities view the process only from the point of view of revenues without paying much attention to the implementation of the legal framework and the whole issue of the necessary capacities to assume the devolved responsibilities.

Decentralization has been presented to citizens as high-level politics for EU accession. Citizens have not been informed as to how they can participate in the process and what they will benefit from decentralization. The political leadership does not fully understand that success depends very much on how well these reforms are going to be endorsed by citizens and the kind of role citizens will play in a decentralized environment.

## On the Role of LGAs in the Decentralization Process - Bulgaria

Local Government Associations (LGAs) have a critical role to play in advocating for decentralization but also in accompanying the whole decentralization process in partnership (and sometimes in conflict) with the responsible central government institution. In general, the critical role of LGAs in the process of decentralization has been insufficiently acknowledged. Bulgaria is a good example of a country where the LGA is a strong advocate and an active actor in the implementation of the decentralization process.

The National Association of Municipalities in the Republic of Bulgaria (NAMRB) was created in the mid-1990s. It heavily relied on donor financial support, and particularly that of USAID. The NAMRB relied on such support for many years and used it:

- To preserve its independence from the central authorities (thanks to donor resources, it could even afford to be a strong critic of the government)
- To build its credibility as a democratic institution and as a defender of municipal interests, including decentralization (this meant the establishment of internal mechanisms for dialogue and consultation with its members, transparency and accountability through regular reporting etc.)
- To build its credibility vis-à-vis the government (the NAMRB is consulted in the drafting of major pieces of legislation for instance, including in relation to decentralization)
- To build its capacity as a service provider to the municipalities, including addressing capacity gaps related to decentralization (training, experts advice, publication of manuals on various topics, information on new legislation, seminars, workshops etc.).

The NAMRB became over time a very powerful organization with which every new government signs a cooperation agreement which includes targets and deadlines for the adoption and implementation of decentralization policies.

UNDP's Regional Center in Bratislava strongly acknowledges the critical role of LGAs in the decentralization process. This is why it developed together with the Council of Europe, and is about to release, a Toolkit on "Transforming a Local Government Association." Contact hachemi.bahloul@undp.org to request a copy.

## On Donor Coordination in Supporting Decentralization Processes - Global

In November 2006, the OECD produced the draft results of a "Survey on Support to Local Governance and Decentralization". The aim of the study was to analyze donor rationale, strategies, practices and lessons learned with support to local governance and decentralization reforms and processes in order to facilitate harmonization and alignment of the support in the partner countries. The specific objective of the survey was to generate a basic overview of donor support to decentralization and local governance. The survey covered the activities of 7 donors.

The main results from the survey on donors' project portfolio in support to decentralization and local governance can be summarized as follows (this is an extract from the executive summary of the report):

A total of 500 projects were identified from the 7 organizations.

In spite of donors general commitment to joint financing and programming, the dominating approach for delivering donor support to decentralisation and local governance is still a project approach where each donor supports a discrete project with its own project institutional arrangements.

- Project budget size varies, but many of the projects surveyed are very small – and the average budget of the 500 projects surveyed is 4-6 million Euros with a substantial number of projects with budgets below 500,000 Euro.
- From the information made available it is not always clear how many of these projects are supporting comprehensive national decentralisation reform efforts where major decentralization reform aspects (legal, policy, political, fiscal, and human resources) are addressed in a substantive manner. Only approximately 10% of the projects surveyed can be categorized in this manner.
- A significant – most likely the majority – of projects analyzed have a particular focus on selected geographical areas: selected regions, districts or urban local governments. These projects appear to have limited or no relation to national efforts for systematic reforms of the public sector and focus instead primarily on local level improvements of planning and service delivery, often with significant local capital investments.
- A significant part of the projects support broader “local governance”: support to civic society, “communities” and local development. From the available project information it is not always clear how these initiatives relate to formal local government structures.

### **Key Issues and Lessons on Donor Strategies for Support to Decentralization**

Some of the donors surveyed have initiated more comprehensive assessments of their own support. From these in combination with interviews and the documents reviewed it can be noted that:

- A) While it is recognized that decentralization is a wide concept that covers many different processes, there is broad consensus in policy papers on terminology and also emphasis on the importance of decentralization by devolution to elected local governments as the most radical form of decentralization from a governance and public sector reform perspective.
- B) In development practice decentralization is considered as integral part of poverty reduction strategies and thus expected to be part of sector support programmes in key sectors such as education, health, agriculture, water, roads etc, where local governments in many partner countries are given substantive functions for service delivery. However, many donors have expressed concerns regarding how decentralization reform is effectively articulated and supported through sector programme modalities. It is recognized that some sector programmes are not implemented fully in compliance with national stated decentralization reform objectives.

- C) The programmes that provide comprehensive support to all key aspects of decentralization reforms (policy, legal, political, fiscal and human resource management aspects) are few, but those identified are most often supported jointly by several donors through basket funding or similar arrangements. From the available documentation it appears that all these programmes are anchored around some form of national country owned decentralization strategy.
- D) However, even when joint programmes are supported it is often found that donors continue with separate discrete area based programmes. The rationale for this seems to be a desire to preserve a local presence and direct donor specific engagement in order to inform the donor agency on “realities of development” and provide concrete examples of results to donor country constituents: the tax payers funding development assistance. Donors do not have an explicit policy on use of area based programmes, but it seems generally recognized that such area based programmes run the risk of distorting resource allocations across areas/local governments and adding to reporting and planning formats applied by local governments.
- E) A very significant part of the projects surveyed support broader “local governance”: support to civic society, “communities” and local development. From the available project information it is not always clear how these initiatives relate to formal local government structures. However, while such initiatives may compliment public sector decentralization reforms and support to formal local government structures they may also establish parallel planning and service delivery modalities, which in turn have negative governance outcomes. There appears to be no explicit donor policy on this type of support.
- F) Problems of aid harmonization within donor support to decentralization and local governance is hampered by the fact that decentralization and local governance are very broad concepts and interpreted differently within different departments of the same donor organization. Departments of the same donor organization have limited knowledge of activities implemented elsewhere in the organization.
- G) Efforts by international organizations to generate lessons and good practices for support to decentralization and local governance are not well-disseminated or internalized in donor organizations. This includes findings of OECD 2004 (Lessons Learned on Donor Support to Decentralization and Local Governance) and work by UNCDF, UNDP, World Bank and others.

## The Way Forward

Country Level Aid Harmonization: In accordance with the Paris Declaration on Aid Harmonization it is realized that the key to improved aid harmonization for more effective aid to decentralization and local governance is to enhance country ownership of decentralization reforms.

A key recommendation would therefore be to give priority for support to country owned national decentralization strategies that subsequently will guide donor agencies support to decentralization and local governance as well as country sector support programmes.

It is observed that the nature of decentralization reform strategies differs substantially across countries and time; with subsequent impact on the potentials for donor harmonization. Selected cases of national decentralization strategies are identified in the report, but more work is required to identify good practices and lessons in this regard.

“ It is observed that the nature of decentralization reform strategies differs substantially across countries and time; with subsequent impact on the potentials for donor harmonization ”

**International Activities:** Several international initiatives have been launched to support decentralization reforms in developing and transitional countries. The report provides a selective overview of some major international institutions working on decentralization and local governance. These organizations provide a rich source of documentation of practices and experiences on support to decentralization reforms and local governance. For donor organizations it would be worthwhile to consider use of pooled technical resources to avoid duplication of efforts. A number of bilateral and individual donor initiatives have been undertaken for development of guidelines, best practices, etc., which might have benefited from joint analytical work or by delegation to more specialized international organizations.

It is therefore recommended that individual donor organizations and bilateral donors consider some delegation of various analytical works to specialized international organizations. In a similar manner it is recommended to strengthen the technical capacities of donor organizations for work on decentralization and local governance by joint capacity building of staff – possibly provided by specialized international organizations.

**Further Studies:** Within the broad area of support to decentralization reforms and local governance it is for purposes of harmonization of donor approaches foremost recommended to undertake a review of partner country developments of national decentralization strategies (detailed case studies) and their effectiveness in guiding donor harmonization.

Furthermore, it is recommended to support generation of comparable cross-national statistics on decentralization and local governance issues to enhance cross country sharing of experiences, enable documentation of impact of decentralization and generation of good practices.

Contact [hachemi.bahloul@undp.org](mailto:hachemi.bahloul@undp.org) to request a copy of the full Report.

Thank you

Hachemi Bahloul  
Local Development Specialist

# Klodiana Marika

UNDP Albania

31 August

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Dear colleagues,

In response to the Local governance process in Albania please find below my inputs:

Albania's per capita GDP is about US\$ 1200, one of the lowest in Europe. Currently, about 16% of the land is classified as pasture, 21% as arable land and nearly 40% forestland. Agriculture is the leading sector of the Albanian economy and poverty is mainly a rural phenomenon (80% of the poor live in rural areas).

In the pre-Communist period, every village in Albania had its own forest and pasture areas; part belonging to the families and part to the whole village, with the council of village elders (village dignitaries) being responsible for management. During the 50 years of Communism, all forest and pasture areas were turned over to the State who determined the management and exploitation. The new administration ignored traditional and fundamental relations between the local population and natural resources and this led to destruction, deterioration and degradation of many forest areas.

Livestock accounts for nearly half of agricultural GDP, but pastures and forest grazing have been poorly managed - quality is low and overgrazing is common.

Since 1990 there has been deforestation of nearly 15% of the forest areas as a result of using wood for fuel, illegal felling, uncontrolled grazing and poor forest management. The importance was recognized of restoring the old tradition of forest and pasture management near villages and communes: gaining and maintaining access to forest and pasture resources by communities was the only way to use them properly.

There has been some projects which handle with land and the process of decentralisation with the main objective of:

- transfer at least 2,500 ha of state forest to Lozhan Commune and the register forestland being used by the community at the Real Estate Registry Office;
- increase peasants' awareness for the transfer of state forest and pasture in communal forest and pasture through the support of natural resources sustainable management;
- gain access to forestland and protect the user rights of peasants, facilitating forestland registration and the legal certification of forest use;
- establish the Forest Users' Association of Lozhan Commune, to permit management of forest and pasture resources by the commune;
- achieve wide local participation in decision-making on the management of forest and pasture resources to improve the organization's participation in local governance;

- strengthen local governance contributing to the process of decentralization and enhance community participation in local governance concerning forest and pasture managing capacities; and
- developing communal management in these areas to link the natural resources to the interest of local users, through supporting services such as sustainable management of peasants' forests and pastures.

The problems encountered by the project during its implementation were related to the definition of the old forest confines. Families did not agree with each other on the confines, while some feared that the forestland could not be protected from illegal cutting or that new taxes were going to be applied. TWA organized an open meeting in each village explaining that there were no taxes or any other similar problems arising from the use of forestland and highlighted the positive aspects. The distribution of the Commune forest among forest users was the most difficult process during the implementation of the project. Another problem arose at the registration of the forestland. In fact, the Real Estate Registration Office did not agree to register the forestland being used by the peasants because in Albania the state property (including state forest) had not been registered. Therefore, registration of the forestland being used by peasants was not possible without the registration of the state forestland, even if an agreement existed between the Forest Service and Lozhan Commune.

### Lessons Learned

- Participation of the community into the decision-making mechanism
- Women's involvement
- Be aware of political parties' influence
- "Use" of relatives' groups to build trust
- Collaboration among institutions
- Reversing the unsustainable land use practices

Also UNDP in accordance with the MDGs has done a good work with regard to local and democratic governance.

Best

Klodiana Marika

Unit Manager

National Capacity needs Self Assessment for global management (CSA)

Capacity Building for Sustainable Land Management (SLM)

# Trevor Kalinowsky

UNCDF Madagascar

31 August

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Dear Colleagues,

Firstly, I would like to express my gratitude for this initiative given that I am relatively new to the decentralization domain; the content produced by this discussion will no doubt greatly advance my learning in this area.

## Decentralization in Madagascar

Decentralization in Madagascar has had an interesting although short history and can be characterized by strong political will coupled with weak implementation (I am sure that this is a common sentiment). While decentralization has been on the policy horizon for the last several decades, it has never been followed up with solid implementation or even well articulated policy statements; it existed more as an intention and a political tool. Nevertheless there have been some successful interventions over the last 10 years, including the UNCDF / UNDP project in Ambato Boeny which is being scaled up by other donors and whose model is being integrated into the government's current plans.

With the arrival of Marc Ravalomanan as president in 2002, decentralization is now growing due to the political will being exerted by this private sector – oriented president. The government has made three key steps towards the implementation of decentralization in Madagascar:

**LP2D** – The Lettre politique de décentralization et déconcentration laid the groundwork in 2005 and was followed by;

**PN2D** – The Programme national de décentralisation et déconcentration has set out an ambitious, long term plan to implement this policy initiative. The PN2D outlines three phases through 2015 to anchor the national development effort to decentralised levels of government alongside deconcentrated service delivery by other Ministries, with some solid innovations including the Cellules 2D which are consultants placed within each 'service delivery' Ministry to ensure that the delivery of their services works alongside policy setting by decentralised levels of government.

**MPRDAT** – Formerly the Ministère de décentralisation et aménagement du territoire; to express his determination, the president has elevated the position of this Ministry to Ministère auprès de le Présidence de DAT. These advances give the impression that Madagascar is fertile ground for advancement in the area of decentralisation; however, there are two key challenges of a practical nature on the horizon.

**61607** – Firstly, a recent referendum (April 2007) on the constitution eliminated provinces as a layer of local government (generally seen as good by the decentralisation community) and increased the powers of the president (generally seen as bad). Furthermore, the results of the referendum highlight the fragility of democracy in Madagascar, specifically in rural areas; only 20% of the population voted (there is no law requiring a quorum in Madagascar to change the constitution), mostly from Antananarivo, the capital. Since this referendum the president has

“ Often the term ‘decentralisation’ is used more as a political instrument than a serious political intention; what strategy and support is the UN system providing to ensure the integrity and continuity of best practise in this area ”

issued several decrees (or made public statements that the Ministry is obliged to follow) in the domain of decentralisation. As an example, he has declared that the Fokontany (of which there are 17500 – similar to village chiefs) should be the centre of development in Madagascar. While there are advantages to this approach, it contradicts the PN2D and greatly dilutes the efforts of donors and the Ministry; for example, the government is currently bringing in all 17500 chefs des Fokontany to Tana for 3-day leadership training in groups of 3000. While there is still very strong support for decentralisation, the decrees are constantly changing the direction of decentralisation and creating contradictions, slowing the work of the Ministry and pushing away national consultants who do not want to be put in a position where they contradict the president. Given UNDP’s relationship with government, this makes decentralisation a particularly sensitive area.

**61607** – The second key challenge is the weak capacity of lower levels of government to perform the duties required of them. There are many Chefs des Fokontany and even some Mairies des communes that are illiterate; many Mairies des communes have not finished secondary school. While there are different programmes among agencies to build capacity at this level, much effort is needed to meet this type of shortfall, and much of the effort of agencies is lost when trained people move out of local government into the private sector.

The UN system in the current context of decentralisation in Madagascar UNDP’s current programme has been highly centralised, aimed at building the capacity of the Ministry to develop and deliver the PN2D, with some effort going towards supporting the CACs (Centre d’appui aux communes). UNCDF is in the early development stages of a program that will begin early 2008. Overall, the UN system is well positioned to address the challenges listed above as we are currently designing our CPAP for the following years.

On the UNDP side the programme will continue to support the Ministry in developing their capacity to articulate and implement the PN2D, and we will advocate for developing a formalised, permanent system where the government can build the capacity of the people that pass through position at lower levels of government.

On the UNCDF side, we are considering a pilot programme that will integrate either Local Economic Development or Land Reform (or both) processes into local government capacity and finance these activities through block grant transfers.

## Some Questions from the Project Team

I decided to open up the opportunity presented by this forum to the project team within the Ministry and they put forward the following questions, which I have paraphrased here:

**61607** – Often the term ‘decentralisation’ is used more as a political instrument than a serious political intention; what strategy and support is the UN system providing to ensure the integrity and continuity of best practise in this area?

**61607** – How can the UN system help Madagascar develop a nationally owned system of monitoring and evaluation for their own process of decentralisation (especially given the political context noted above)?

## Conclusion

While the context of Madagascar is unique, I am positive that there are similarities with almost every other country context in which we work. In terms of shaping an overall UN system strategy and policy regarding Local Government and Decentralisation, the lesson from Madagascar is that we may move too fast for our national counterparts. In our effort to integrate cross-cutting themes or the latest development trends or approaches into our decentralisation support programmes, I feel that we might often overlook the real capacity of national counterparts, specifically at the local level, to be able to properly take ownership of, and implement the programmes we put forward. *Hachemi points out the pressure created by donor demands, which, I feel, changes the nature of our support towards short term somewhat glamorous activities. At a minimum, a UN policy in this area should concentrate on longer-term interventions focused on building up basic capacities and a common understanding of decentralisation founded on best practice before looking for latest development innovations.*

Trevor Kalinowsky  
Programme Officer  
UN Capital Development Fund

# Krenar Loshi

UNDP Kosovo

31 August

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Dear Colleagues and e-discussion participants,

Please find below comments from UNDP Kosovo:

## **PHASE I — (AUGUST 27-10 SEPTEMBER): LOCAL GOVERNANCE AND DEVELOPMENT - LESSONS AND CHALLENGES**

What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.

Decentralisation in Kosovo has been initially pursued for pure political reasons, as a tool in accommodating/guaranteeing the rights of the minorities (mainly the Serbs), territorial division in ethnic basis being the key implementation criteria. In this context, UNDP and other international and civil society organizations in Kosovo have continuously worked in streamlining the decentralisation agenda in accordance with the principles of good governance as a key criteria i.e. bringing decision making closer to the people; efficient public services delivery, etc. However, the situation still remains delicate due to unsolved status of Kosovo, thus the continuation of the decentralisation process is currently being pursued within the framework of Ahtisaari (United Nations Special Envoy for Kosovo) status proposal ([www.unosek.org](http://www.unosek.org)), which draws heavily in territorial division in ethnic basis as the main criteria. With the Ahtisaari proposal being currently put on hold (pending further status negotiations), UNDP under the leadership of the government and in partnership with EC/EAR, OSCE, USAID, WB, DfID, IMF amongst others have undertaken the preparation of concrete action points (Kosovo Programme for Decentralization and Local Governance) that go beyond Ahtisaari proposal in ensuring that the good governance criteria is also met as a final outcome of the decentralisation process.

What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.

The “Kosovo Programme for Decentralization and Local Governance” will provide a set of guidelines and a common framework that will allow the systematic harmonization and coordination of efforts on decentralization and local governance, irrespective of their institutional position or financial source. This programme aims to be a master plan of the Government of Kosovo, to guide the process of decentralization, and the development of the system of municipal government. It will take full account of the principles stipulated in the Ahtisaari proposal. It represents more a roadmap highlighting priority actions and related costs allowing moving strategically and rapidly from design to implementation.

As a starting point a set of key thematic areas identified as a priority by the Ministry of Local Government Administration, will be developed as an “Issue Paper” under a common analytical framework identifying key facts and challenges within the current situation in each thematic area. That will be followed by the establishment of priority actions and corresponding overall costs for a 5-year time frame period 2008-2012. The issues identified are:

#### **Legal and Institutional Framework for Decentralization:**

1. Legislative Framework (Local Government Law, Local Elections Law, Municipal Finance Law, Municipal Boundaries Law, Harmonization of legal framework with decentralization and municipal principles of development, European Charter of Local Self-Government, Ethnic Minority Rights – Council of Europe)
2. Cooperative Central-Local Relations (auditing standards; municipal performance/ benchmarks; municipal systems of procurement; guiding oversight capacities of MLG; capacities of decentralizing Ministries; national standards)
3. Intergovernmental Dispute Resolution
4. Intergovernmental Fiscal Relations. Transfers. Grants. Equalization. Monitoring. Auditing
5. National Learning System and Good Practice Exchange for Local Government. National Standards
6. Association(s) of Local Government

#### **Development of Democratic Local Governance:**

1. Local Leadership capacities and relations with citizens
2. Ethnic Integration
3. Participatory Planning and Budgeting
4. Municipal Integrity Systems and Social Accountability
5. Access to Municipal Information (E-governance, Civic Education)
6. Gender Equality

#### **Building Local Government Capacity for Service Delivery:**

1. Municipal Administration, Organization and HHRR
2. Municipal Services, Municipal Enterprises, Public Utilities and Urban Services, Public-Private Partnerships; Inter-municipal Cooperation
3. Inter-border Cooperation
4. One-stop Shop (inc. Licensing + Civil Transactions)
5. Health and Education
6. Municipal Systems of Procurement
7. Safe Communities
8. Multilingual/multicultural provision of services
9. Newly Created Municipalities

### **Strengthening Municipal Finance Capacities:**

1. Local Revenue and Expenditure Systems Property taxation, User charges, Business taxation, license fees, and permits, Excise taxes, Motor vehicle taxation, Income and sales taxation, tax administration
2. Land Registration and Cadastral systems
3. Municipal Financial Systems

What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?

All the above mentioned cross cutting issues should be integral part of UNDP programming, ensuring that the message is transmitted through appropriate communication and advocacy channels, trainings and issue-specific projects. Involvement of specialised UN Agencies as a monitoring and evaluation check points may add further value and credibility.

How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?

Through exchange of expertise in the field between COs, especially during programme formulations and mid-term/final evaluations.

With best wishes

Krenar Loshi  
National Programme Officer  
Democratic Governance

# Deodat Maharaj

UNDP SURF Caribbean

31 August

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Dear all,

I would like to commend the colleagues in the democratic governance group, the network, and the broader DG practice for initiating this very relevant and important discussion. Having seen some of the initial responses, I will like to look at the issue from a Small Island Developing States' (SIDS) perspective, where this is emerging to be a critical issue as governments in the Caribbean attempt to bring services closer to communities with discussions taking place on the role of Local Government in undertaking this activity. To begin with and still recognizing some common features, the special characteristics of SIDS (vulnerability to natural disasters, resource constraints and susceptibility to economic shocks as examples) require a more deliberative approach.

On the specific issues at hand, please note as follows:

What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.

For us in the Caribbean, the first challenge is really to make a contribution to thinking about alternative models that may exist or can be developed for the region. The existing models both in terms of architecture and service delivery have been inherited from the colonial systems with only now efforts being made to address the problem. Bearing in mind the small physical size of the jurisdictions, models including the integration of other central government services that can be delivered at the local level is of strong interest where the idea is "bringing government services closer to the communities". Therefore, a first step really is to stimulate thinking about the issue and to leverage innovative experiences and solutions from countries with similar characteristics.

Another key challenge is the provision of resources to undertake the reform agenda with so many competing needs that the transformation of local governance takes a back seat. Indeed in the Westminster Model, invariably there may be a Minister of Local Government or Decentralisation (or some combination) in the Caribbean. Interestingly it does not rank as the most coveted Cabinet post which is a valuable lesson in itself.

There are also the difficulties of implementing a reform agenda in some countries with key governance challenges and issues relating to social cohesion. I am referring to multiethnic societies where ongoing tensions and polarization are accentuated with an alignment of political parties along ethnic lines. In such a scenario of distrust at the national/central level, the goodwill and trust required to embark on a joint partnership for reform of local governance becomes quite challenging. In such a scenario the policy maker is caught in the dilemma of moving with reform and political imperatives.

“ The existing models both in terms of architecture and service delivery have been inherited from the colonial systems with only now efforts being made to address the problem ”

When one takes into consideration the levels of poverty and the limited resources available, who controls the state controls the resources and can dispense patronage. Consequently, the challenge for us in this instance is to convince government on pursuing a meaningful reform agenda which may involve “giving up” power at the local and regional levels to opposition parties. In these situations it is very difficult to get into this service line since governments are acutely aware that if UNDP is involved, a more dispassionate assessment will be done and there may be a divergence of views which opposition parties may seek to exploit in environments where there are such acute sensitivities. This is a challenge we face in some countries in the region.

I am particularly interested in getting feedback from colleagues on how they have deal with supporting a reform agenda where reform the ruling party sees one consequence of reform is the loss/giving up of “power” at the regional/local levels. Experiences from multiethnic societies where the state is under stress will be of particular importance.

These are my initial thoughts and look forward to following this very good discussion.

Deodat Maharaj

# Jean Kabahizi

UNDP Burundi

1 September

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## English Translation by Haley Horan, BDP/DGG, NY

The still young experience of Burundi is as follows:

Burundi is one of the poorest countries with a 2006 HDI of 169. It is also a country that is progressively emerging from a long crisis of more than 12 years. The basic tool for exiting the crisis was the Arusha Accord for Peace and Reconciliation in Burundi signed in August 2000; this Accord envisioned setting up transitional institutions that would have as their role preparing for the advent of democratic institutions issuing from free and transparent elections. After the piloting of national instruments including a Constitution, a communal law which guarantees decentralization and a communal law which governs how the democratic institutions are to be set up including the local governance institutions.

Thus the democratic elections of 2005 have put in place of councils of the hills (the hill being the smallest administrative entity), communal councils and the communal administrator (the commune being a decentralized territorial community equipped with a legal persona and organic and financial autonomy); local governance plays out in this framework.

Principal challenges in regard to the formulation of assistance in regard to local governance and decentralization:

The first challenge is the poverty resulting from 12 years of crisis together with the problem of reintegration and socio economic reinsertion of victims of the crisis (the repatriated, the internally displaced, the ex-combatants, etc). The response of UNDP to this challenge has been to create a minimum level of decent living conditions of communities in terms of enabling the communities to create a favorable environment for transition from the crisis of consolidation of the peace by a participatory process based on the principles of equity, transparency, participation and complementarity with other partners.

The second challenge was of an institutional nature; all the national institutions are very young, particularly because the elections were won by an ex rebel movement. They suffer from youth, political inexperience, and very weak capacities; in short all the conditions of fragility of a State were gathered there.

Another challenge closely linked to this last one is the difficult relations between the different political components within the institutions of local governance which rendered any consensus on a local governance program impossible. This phenomena derived equally from the weakness of internal governance within political parties and at the level of national institutions.

It is also resulted that the communal law which guarantees decentralization and which was prepared in the wake of the end of the transition includes imperfections which worsen blockages and disfunctioning noted in the local bodies.

In this context, the UNDP mobilized the various development partners around a program of rehabilitation and socio-economic reintegration for the people affected by the crisis which consisted of laying the groundwork in respect to aspects of rehabilitation of the community infrastructure, of prevention and of peaceful management of the conflict -and participatory development of local rehabilitation plans.

The second phase was to lead a petition to the seat of the Government to begin the formulation of a national policy of decentralization and community development; a note of petition was produced and the contacts with other partners like the World Bank and the European Union were established, and the government adopted a letter of policy on decentralization and community development with the support of World Bank.

At the same time, UNDP, in cooperation with the FENU formulated a pilot program of local governance which consisted of supporting the local community on all their local governance plans, notably: setting up an institutional framework for local governance, strengthening the capacity of local institutional actors, planning development programs, setting budgets, access and participatory management of resources, etc.

In order to ensure a better coordination of all local governance actors around the local programs of development, UNDP supported the preparation of a methodological local planning guide which will be used as a basis for all the actors in community development. The dissemination of this tool will be a framework of mobilization of the local councilors and communal administrators on the ideal of development of the communities and the community participation.

The problems of internal conflicts within local bodies are certainly related to the weaknesses of capacities and to the absence of a democratic culture and of good governance on one hand and with the internal problems related to the political entities represented in the local bodies on the other hand.

In order to face the problems of internal cohesion between the bodies of local governance, UNDP supports the Senate “the Senate or Upper House of the Parliament is elected by universal indirect vote by the colleges of the communal elected officials” in the organization of meetings at the provincial level in order to examine the challenges of the local governance together and to find suitable solutions. This experiment is under development and the results reached with less than 20% of the program are satisfactory. The program consists of bringing together all the communal advisers of a province to identify the problems together, to exchange experiences between the communes and to arrive at an action plan for the communes. It is also envisioned that a framework of advisory dialogue will be set up between the elected officials on the provincial and national levels which would be used as forum of facilitation between local bodies.

The problems related to the relations between political entities are addressed within another more total framework with the programme of consolidation of the peace of the United Nations to which the UNDP is also a party. It acts amongst other things in the installation of frameworks of dialogues between interested parties in the process of democratization and the consolidation of peace in progress.

The long-term solution which is planned to address the problems related to the institutional and legal weakness, UNDP in collaboration with the European Union have joined forces to provide a support to the formulation of a national policy of decentralization together with all tools of its implementation including the revision of the communal law and its texts of application. It is also envisioned to support the installation of a national mechanism of coordination of decentralization and local governance.

UNDP in collaboration with FENU has provided technical assistance of a central level in the areas of decentralization through putting in place a permanent expert.

### Original French Version

Bonjour chers collègues,

Je m'excuse de faire ma contribution en français, je demande que quelqu'un puisse faire un petit résumé en anglais.

L'expérience du Burundi est encore jeune et se présente comme suit :

Le Burundi est un des pays les plus pauvres du monde et son rang de l'IDH 2006 est... ; c'est également un pays qui sort progressivement d'une longue crise de plus de 12 ans. L'outil de base de sortie de crise fut l'Accord d'Arusha pour la Paix et la réconciliation au Burundi signé en Août 2000 ; cet accord prévoyait la mise en place des institutions de transitions qui avaient pour rôle de préparer l'avènement d'institutions démocratiques issues d'élections libres et transparentes. depuis Les instruments de pilotage national comprenant une constitution, une loi communale qui consacre la décentralisation et une loi communale qui dispose de comment les institutions démocratiques sont mises en place y compris les institutions de la gouvernance locale.

Ainsi les élections démocratiques de 2005 ont en place des conseils collinaires (la colline étant la plus petite entité administrative) et des conseils communaux et l'administrateur communal (la commune étant une collectivité territoriale décentralisée dotée de la personnalité juridique, de l'autonomie organique et financière) ; la gouvernance locale se joue dans ce cadre.

Principaux défis en matière de formulation de l'assistance en matière de gouvernance locale et de décentralisation.

Le premier défi était la pauvreté résultant de 12 ans de crise associé à la problématique de la réintégration et réinsertion socio économiques des victimes de la crise (le rapatriés, les déplacés intérieurs, les ex combattants etc.). A ce défi, la réponse a été de créer un minimum de conditions vie décente au niveau des communautés en termes d'habilitation des communautés à créer un environnement propice de transition de la crise à la consolidation de la paix en vue de la relance du développement communautaire. La réponse du PNUD a été de formuler un programme de réintégration et de réinsertion socio économique des personnes affectées par la crise par une démarche participative de proximité en se basant sur des critères d'équité, de transparence, de participation et de complémentarité avec les autres partenaires.

Le deuxième défi était d'ordre institutionnel ; toutes les institutions nationales sont très jeunes d'autant plus que les élections ont été gagnées par un ex mouvement rebelle. Elles souffrent de la jeunesse, de l'inexpérience politique, d'une forte faiblesse des capacités ; bref toutes les conditions de fragilité d'un Etat y étaient rassemblées.

Un autre défi lié intimement à ce dernier est la cohabitation difficile entre les différentes composantes politiques au sein des institutions de gouvernance locale qui rend impossible tout consensus sur un programme de gouvernance local. Ce phénomène vient également de la faiblesse de la gouvernance interne au sein des partis politiques et au niveau des institutions nationales.

Il se fait également que la loi communale qui consacre la décentralisation et qui a été préparée dans la foulée de la fin de la transition, comporte des imperfections qui aggravent les blocages et disfonctionnement constatés dans les organes locaux.

Dans ce contexte, le PNUD a mobilisé les différents partenaires au développement au tour d'un programme de réintégration et de réinsertion socio économique des personnes affectées par la crise qui consistait en la préparation du terrain, ce programme comprenait outre des volets de réhabilitation des infrastructures communautaires, des volets de prévention et de gestion pacifique des conflits et de développement participatif des plans locaux de réintégration.

La deuxième phase a été de conduire un plaidoyer à l'endroit du Gouvernement en de s'engager vers la formulation d'une politique nationale de décentralisation et de développement communautaire ; une note de plaidoyer a été produite et des contacts avec d'autres partenaires comme la Banque mondiale et l'Union Européenne ont été noués et le gouvernement a adopté une lettre de politique sur la décentralisation et le développement communautaire avec l'appui de la banque Mondiale.

Parallèlement, le PNUD en collaboration avec le FENU, il a formulé un programme pilote de gouvernance local qui consiste en l'habilitation des collectivités locales, sur tous les plans de gouvernance locale notamment : La mise en place du cadre institutionnel de gouvernance locale, le renforcement des capacités des acteurs institutionnels locaux, le renforcement des capacités des acteurs locaux en matière de participation, de planification de programmes de développement, de programmation budgétaires, d'accès et de gestion participatives des ressources, etc.

Afin d'assurer une meilleure adhésion de tous les acteurs de gouvernance locale autour des programmes de développement locaux, le PNUD a appuyé la préparation d'un guide méthodologique de planification locale qui servira de base nationale pour tous les intervenants en matière de développement communautaire. La diffusion de cet outil sera un cadre de mobilisation des élus locaux et des administrateurs communaux sur l'idéal de développement des collectivités et de la participation communautaires.

Les problèmes de conflits internes entre les organes locaux sont certains liés aux faiblesses de capacités et à l'absence d'une culture démocratique et de bonne gouvernance d'une part et aux problèmes internes liés aux formations politiques représentées dans les organes locaux d'autres part.

Afin de faire face aux problèmes de cohésion interne entre les organes de gouvernance locale, le PNUD appui le Sénat « le Sénat ou chambre haute du parlement est élu au suffrage universel indirect par les collègues des élus communaux) dans l'organisation des rencontres au niveau provincial afin d'examiner ensemble les défis de la gouvernance locale et de trouver des solutions appropriées. Cette expérience est en cours de réalisation et les résultats atteints à moins de 20% du programme sont satisfaisants. Le programme consiste à réunir tous les conseillers communaux d'une province et identifier ensemble les problèmes, échanger des expériences entre les communes et arriver à un plan d'action des communes. Il est également envisagé un la mise sur pied d'un cadre de dialogue consultatif entre les élus au niveaux provincial et national qui servirait de forum de facilitation entre organes locaux.

Les problèmes liés aux relations entre formations politiques sont adressés dans un autre cadre plus global avec le programme de consolidation de la paix des Nations Unies auquel le PNUD est également partie prenante. Il s'agit entre autre de la mise en place de cadres de dialogues entre parties prenantes dans le processus de démocratisation et de consolidation de paix en cours.

La solution à long terme qui est envisagée pour faire aux problèmes liés à la faiblesse des cadres institutionnels et légal, le PNUD en collaboration avec l'Union Européenne sont entrain de fournir un appui à la formulation d'une politique nationale de la décentralisation assorti de tous les outils de sa mise en œuvre y compris la révision de la loi communale et ses textes d'application. Il est également envisagé l'appui à la mise en place d'un mécanisme national de coordination de la décentralisation et de la gouvernance locale.

Le PNUD en collaboration avec le FENU fourni une assistance technique au niveau central en matière de décentralisation par la mise à disposition d'un expert permanent.

Merci

Jean Kabahizi  
Assistant Resident Representative

# Paula Mohamed

UNDP Barbados and the OECS

03 September

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Dear Colleagues,

First I thank DGP team for this opportunity and Deodat for his contribution below which aptly details the inherited governance arrangements and unique SIDS context which UNDP Offices in the Caribbean have to take into account in formulating Local Governance programming.

In recognition of the need to address this important development issue the UNDP Barbados Office partnered with the OAS Unit for the Promotion of Democracy on an OAS/UNDP Conference held in St Vincent and Grenadines in April 2003. The findings and recommendations published by the OAS in a Final Report entitled “*Local Governance in Small States ~Issues~ Experiences ~ Options*”, which detailed the following points, all still very relevant to this timely and important DPG-Net discussion. I will send a scanned copy of the Report later, the following is an extract from the Report which detailed “*A number of generally shared viewpoints emerged from the forum*”:

***Effective local government, rooted in strong local governance, is valuable regardless of the size of the state or constituency involved. Its central benefits include***

- a. widened civic participation in decision-making and enhanced democratic process
- b. more responsive and efficient local service provision
- c. strengthened communication and partnership between central and local governance programs and objectives

The creation or re-institution of effective local government in small Caribbean states is thus highly desirable.

***Local government in the Caribbean region is currently absent or undermined by overly-centralized systems that have tended to limit its actual capacity, functions, and powers.*** Institution-building for local government will crucially entail building its structural capacity, resilience, degree of autonomy, and access to appropriate resources. It will equally entail gaining and justifying the confidence of all citizens that it has well-defined functions and powers that it can fulfill. The recommendations below follow from this analysis.

***The role, functions, and powers of local government should be clearly stated and entrenched in constitutional and legal settlements.***

The constitutional reform process currently being undertaken in 11 CARICOM nations offers an excellent opportunity to achieve this. Such rooted definitions and entitlements give local government teeth, make it less vulnerable to changes in government and ‘interference’ from the centre, and offer firm and consistent mandates (e.g. for accessing resources and electing/appointing representatives). They also promote accountability to the public, by clearly defining rights and responsibilities.

***Top-down (re)institution of local government will be ineffective without equal bottom-up participation and validation from local communities in defining its parameters and how it can best serve them.***

Both central government and existing local government therefore need to increase their responsiveness to civil society and to work with civil society as partners in governance. Local government must make deliberate efforts to reflect the needs and seek the participation of all constituents at all levels. Particular effort must be made to include traditionally marginalized groups, including women; youth; those with disabilities; the economically disadvantaged, as decision-makers as well as recipients of services.

***Bringing people into the process of local governance and local government requires investment in better communication and education about what it is, what it can do, and how they can get involved. Among proposed improvements are:***

- a. enhanced civic education for children at primary and secondary level.
- b. better and more widespread information for adults. Eg. regular public consultations by government with local communities; tailored workshops for women in negotiating and policymaking skills; the creation of a Center for Decentralization and Local Governance Studies.
- c. the creation of a Caribbean Youth Parliament, to give young people experience and opportunity of handling governance issues.
- d. Better use of media campaigns to promote local governance awareness and debate.
- e. greater use of IT resources to connect local communities with governance mechanisms and resources and opportunities for dialogue and participation.

***Establishing or revitalising local government will mean (re)defining its modern role.***

Where the traditional model of service provision was characterised by monopoly, hierarchic central control, direct management of services, and standardised service, the contemporary model is more likely to be characterised by competitive service provision, devolved management, and flexible, customer-tailored service. The central task of local government and governance in the region will be sustainable human development, balancing creative entrepreneurship with good environmental management. To change perceptions of local government, appropriate investment and appropriate incentivisation are crucial: proper pay for local government officials, reduced bureaucracy in decision-making. Greater autonomy must, however, be balanced by greater financial and administrative transparency and accountability. A new, energetic rhetoric of local government should encode its value as the first sphere of governance rather than the lowest tier of government.

***Regional organisations and the international community can play a valuable role in sharing best practices and offering information, experience, and support to small states in local government and local governance.***

There are many relevant models of local governance structures and processes inside and outside the Caribbean region. Among the specific tools employed elsewhere that may prove useful are:

- a. Citizens' charters to enhance transparency and accountability of local government.
- b. Simple, standardised diagnostic markers to measure standards of provision and need across different local constituencies.
- c. Prioritisation models to assist local communities in strategising concentration of development aims and bids for funding.”

Additionally, I would recommend that the outputs of this discussion include the context of the global dialogue and consultations held in recent years around the achievement of the MDGs and other development issues. The recommendations of numerous consultations and meetings, when distilled, contain a clear local governance message of renewed recognition that the efforts and resources of individuals are critical to strengthening civil society and its enabling environment. High profile individuals such as Bono, Wangari Maathi, Al Gore, and Muhammad Yunus are proving the worth and value of individual contributions and its role shaping community and civil society action. This evolving role and context of individual and Civil Society (CSOs) relationships at national, regional and global levels, is in my opinion, has to be the focus of effective Local Governance programming in Caribbean SIDS.

Since the 2003 meeting, UNDP Barbados has promoted CSO effectiveness and capacity building, enhanced by the introduction of new skills and capacities which include lobbying, negotiation, networking, research techniques, dialogue, communication and public information. Access to these enhanced skills facilitates enhanced individual and civil society participation in policy development and global governance issues, measured nationally by the MDGs.

UNDP Barbados advocates individuals and civil society to build on their existing capacities and potential to be change agents and catalysts for community action which provides fertile ground for solutions to address the needs of the Caribbean countries, in this period development, marked by rapid and competitive change in global, regional and national environments. Here the goals and targets of MDG 8 - Global Partnerships for Development is particularly relevant and need to be addressed through a local governance lens.

I regret that this is a rushed submission as I am preparing for a week's leave from tomorrow to deal with some immediate family matters. Warmest regards to all,

Paula Mohamed  
Governance Manager

# Israel Jacob Massuanganhe

UNDP/UNCDF Mozambique

3 September

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Dear Colleagues,

In the recent years great strides have been made in improved governance in Mozambique. This has been conditioned by continued peace and security, political stability and macro-economic management conducive to growth and development. Political and economic reforms in the country are allowing an increasing role of sub national levels in policy development and implementation. Local governance and Development paradigm, which has been successfully piloted in Mozambique with UNCDF/UNDP support in Nampula province, with substantial impact not only on local service delivery and capacities and poverty reduction, but also on national policies based on field experience and best practices. Political and economic reforms in the country are allowing an increasing role of sub national levels in policy development and implementation.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

Increasingly participatory governance is emerging as a key focal area, both in its own right, and as a means for securing the Millennium Development Goals, and especially poverty reduction. In the recent years great strides have been made in improved governance in Mozambique. This has been conditioned by continued peace and security, political stability and macro-economic management conducive to growth and development. Transferring capacity and resources to the poor is the most direct and immediate way to reduce poverty and to achieve the National the Millennium Development Goals. Decentralization and local governance, which has been successfully piloted in Mozambique with UNCDF/UNDP support, with substantial impact not only on local service delivery and capacities and poverty reduction, but also on national policies based on field experience and best practices. UNCDF and UNDP has supported, a decentralization and local development programme in two Northern provinces which combines participative planning approaches with local government capacity-building in the areas of planning, financing and infrastructure development.

UNDP/UNCDF, since 1996 in Nampula province launched an ambitious programme to work with the government officials in the provincial Planning and Finance directorate, who would in turn work closely with district level officials to guide district-level planning. In 1997, the project strategy changed in order to focus on building capacity among district level government planners who would organize decision making on what expenditures would be made. This change in emphasis laid the foundation for the UNDP/UNCDF's successful decentralization initiative that now constitutes the model for strengthening local government throughout the country. Since 1998, with introduction of Decentralized Planning and Financing Programme (PPFD) local governments have had the authority to plan, decide and "execute" expenditures for maintenance of local institutions under their authority. Currently, out of Nampula's 18 districts, all have now developed district-level plans and have put in place district-level Consultative Councils and

a network of groups to actively consult with their constituencies. The Consultative Council at the district level (a district's population averages 175,000) coordinates the consultative efforts of sub-district Consultative Councils which, in turn, consult with community groups, allowing development priorities to be expressed and flow through the network to be considered among the priorities set for the district as a whole. It is commonly recognized that this process has been successful. It helped to develop methodologies for local planning, and identify mechanisms to decentralize responsibility for Local development to the regions. The model was subsequently replicated with UNDP/UNCDF assistance in the region of Cabo Delgado, as well as in four other regions, with World Bank support. It was also adopted as national policy by the Government and under formulation the National Programme 2008-2011).

This programme promoted innovative exercise in terms of planning and financing system at the district level. Based on this experience the Law 8/2003 (LOLE) on local organs of state was formulated and passed by parliament. Today, it gives the district power to plan, budget and implement local initiatives (district as budgetary unit). With the new Law, the district must become the unit on which actions to combat poverty are centered emerged as the need to reinforce human and institutional capacity at local level. The practice of this law is now being studied in depth by the Ministry of State Administration (which is responsible for local administration) for ways to incorporate its provisions on decentralization into the training and deployment of civil servants. The programme at national level demonstrated many of the issues which have affected the government's reform programme as a whole, indicating the need for better project planning, more effective monitoring, better technical back-up and more active and robust participation in project steering mechanisms.

The work in Nampula province has had a significant impact and serves to demonstrate a number of lessons including the fact that real institutional change, whether at the community or government level, requires sustained and well-focused support over a prolonged period of time; substantial cross-learning from similar experiences elsewhere must be supported; local political support must be developed and consistently maintained; strategic collaboration with civil society organizations in the challenging area of community capacity-building is required; and mechanisms must be put in place to enable effective constant refreshing of capacity-building work to cope with staff reassignments, change of leadership etc. Major areas of its contribution included capacity building and the establishment of key government institutions at a time when very few development partners were operating in Mozambique. A critical contribution has been the promotion of local governance through participatory district planning, a flagship capacity building programme undertaken by UNCDF and UNDP.

***What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.***

Policies concerning planning and budgeting at the local level are a more recent concern for governments and donors. It sees planning as a way to optimize scarce public resources to support development. The key types of technical assistance/support programmes are:

- a) Policy and Advocacy technical assistance: The assistance was addressed to support to the Ministry of Planning and Development (MPD), in terms of policy dialogue, research and legislative development in decentralization, local economic Development, natural resources and community management programmes. The support was expended also to

support the Ministry of State Administration on implementation of the Law concerning decentralization, local governance and district Capacity Building by modernizing state institutions at local level, improving the efficiency of the public and local administration and decentralization policies and Local Governance processes with focus on participatory planning and territorial planning.

- b) Normative Technical support: The recent decision of the government of Mozambique that the district must be the unit on which actions to combat poverty are centered emerged as the need to reinforce human and institutional capacity at local level. The positive impact of UNCDF/UNDP supporting Planning and budgeting at local level has won extensive support of the Government and its programme content and methodology is now incorporated in the Government's policy (National Planning System). It is now the basis for national strategy on local Planning & Budgeting and valuable input for the Decentralization Policy, due its inclusiveness and downstream approach. The model promoted innovative exercise on local governance and adopted as basis for the recent generated law 8/2003 on Local Organs of State – LOLE. The Law 8/2003 allowed and gave the provinces and districts more autonomy. It defines the local administrative units of the state, creates District Governments as a legal entity and gives the power to plan, budget and implement local initiatives. The district becomes a “budgetary unit” for the first time.
- c) Capacity Development technical assistance There are strong evidences that improved capacity of government, civil society and private sector is linked to poverty reduction and the achievement of MDG. The assistance promoted participatory governance, where resources and capacity are planned, allocated implemented and monitored in a participatory manner and through shared responsibility of the local level representative bodies and councils and through the promotion of local capacities to ensure that resources and services to the poor are being delivered in accordance with local poverty reduction objectives – The District Development Plans and District Budget.
- d) Participatory governance technical assistance/support: Participation by both men and women is a key cornerstone of good governance. The assistance was catalytic to legitimate intermediate institutions or representatives. It is important to point out that the intervention strengthened Organizations of Civil society and local communities (including NGOs, Trade Unions, village organizations, youth, women and people with disabilities associations, interest groups — such as pastoralists associations — customary leaders, etc.) in their (potential) role to participate actively in the identification, design, implementation and monitoring of development activities as well as in the provision of technical services. The approach recognized CSOs as key partners in governance and development and emphasizes the strengthening of linkages to improve citizens' participation.
- e) Local Economic Development (LED) technical assistance support: The LED aspect was approached through the promotion of effective collaboration arrangements between local governments and private-sector service providers to implement structured and phased community capacity-building processes. The intervention promoted small enterprises, infrastructure development and pro-poor Local Economic Development - LED, by strengthening Small and medium enterprises and their involvement in employment and income generation and provision of basic services (e.g. provision of small scale and low cost infrastructures using local materials, maintenance of infrastructures, etc), The assistance, promoted strategic partnerships between the public and the private sector (i.e. PPPs), with emphasis on local associations and artisans organized in associations (MERAS – Rural

Medium enterprises Associative). As outcome, this investment in the community capacity-building process resulted in substantially improved local development plans, greater mobilization of local resources to finance plan implementation, better inter-institutional coordination in community development programmes and greater representation and more effective community participation in local development and involvement in employment and income generation and provision of basic services (e.g. provision of small scale and low cost infrastructures using local materials, maintenance of infrastructures, etc).

- f) Infrastructure Development: With Decentralized the districts have opportunity to make the choice and prioritise local needs and will give them a chance to acquire knowledge and skills for handling the planning of their future development programmes. Based on the UNCDF experience, we found that the success of decentralised budget support depends greatly on the ability and capacity of local governments and citizens, to identify the positive elements of local institutions capacity building and development needs. A Mozambique experience shows that the assistance to the decentralization programme (PPFD), UNCDF/ UNDP promoted local infrastructures investment via Local Development Fund (LDF), as a block grant. In supporting physical and social infrastructure activities there is an immediate improvement of human welfare, those which have maximum (positive) implications for local capacity.

***What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?***

Local administrations and institutions possess numerous advantages and opportunities for building a local capacity for mainstream cross-cutting issues. With decentralization, much of the responsibilities for service delivery are transferred to local governments. While several local governments are able to maintain the “quality” of services deconcentrated to them, it is unable to improve beyond its present capacity and has limited success in getting the communities involved in addressing local needs and demands. Some experiences in programming local governance initiatives with the integration of cross-cutting areas include:

HIV and AIDS: HIV and AIDS is considered a national emergency and there is a strong need to mainstream it in all processes and plans, including close monitoring of interventions taking place at the local level. For these reasons, the goal was to create the necessary capacities at local level, to ensure that the participatory planning processes takes into account the impact of HIV and AIDS in development. Some work is already being undertaken in this area through the Decentralized Planning and Financing Programme (PPFD). It will strengthen coordination among different stakeholders and initiatives being implemented at the local level. It will also contribute to guaranty that district and provincial plans are fully HIV and AIDS mainstreamed by using the Leadership for Results approach (which includes mainstreaming HIV and AIDS and Community Capacity Enhancement), aiming at strengthening provincial and district capacities to mainstream HIV and AIDS into local development plans, Build local community capacity, by including HIV and AIDS training modules as part of the training provided to local leaders and communities and support local authorities in coordination and implementation of local based HIV and AIDS activities.

Gender: The main goal is to have “a process of participatory planning, monitoring and evaluation in Mozambique, whereby women and men participate equally, that takes into consideration the cultural diversity, the diverse needs of the different development proponents and that permits transparent and good governance”. This means on one side to ensure equal opportunities for women and men in human development, and on the other to ensure equal opportunities for women and men in planning and participation in development processes and will be achieved through supporting provincial and district technical teams to monitor women’s participation in the planning, monitoring and evaluation processes and to ensure that their views and priorities are accurately integrated therein; Creating an enabling environment that encourages women’s qualitative participation in Consultative Councils including in ‘public’ decision-making; and ensuring that women’s organizations and gender equality advocates in the community are included in policy dialogues and decision making with local and provincial government – Poverty Observatories.

Environment: Public policy in Mozambique has long appreciated that environment and access to shared or ‘common’ natural resources is crucial to local livelihood strategies. Decentralized Natural Resources Management to ensure the equitable access to natural resources by the poor invariably involves decisions as to the use of resources associated with particular areas and so is closely linked to spatial development and/or land use planning. Key actions included the need for harmonized district planning guidelines that define the responsibilities, national priorities and provide standards for territorial (spatial and land use) planning in conformity with development trends, vulnerability and disaster risks, needs and institutional relations, adjustments of relevant legal framework that support the decentralization approach.

### ***How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?***

Decentralization has been considered as one of the most important strategies in public sector reform agenda. This is because decentralization is a strategy that brings service delivery closer to consumers, improve the responsiveness of the central government to public demands and thereby reduce poverty, improve the efficiency and quality of public services and empower lower units to feel more involved and in control. The key intervention should focus on building capacity on:

Decentralization and Local Governance: Effective decentralization will mean human, technical and institutional capacity. In this connection, decentralization is linked to the concept of poverty reduction. Improved decentralization is linked to MDG achievement in the following ways. Firstly through the promotion of participatory governance, where resources and capacity are allocated where needs are felt. Secondly, local level representative bodies and councils are responsible for local budget allocation and expenditure. It strengthens their capacity to ensure that resources and services to the poor are being delivered in accordance with local poverty reduction goals. The principle of decentralized government includes setting the following strategic objectives of technical cooperation: (a) long-term capacity building rather than short-term performance improvements, (b) stressing the importance of long-term institution building (especially in the area of policy coordination and development management), (c) advancing greater use of local expertise and existing structures, and (d) encouraging broadened participation, including intended beneficiaries and stakeholders/CSOs, in all phases of technical cooperation projects.

Public Administration and Services Reform: Support to modernizing state institutions is linked to achieving the MDGs in the following ways. First, by reducing the costs and improving the efficiency of the public administration, more resources in poor countries can be used better in pursuit of MDG goals. Second, by increasing transparency and eradicating corruption,

fewer scarce resources in poor countries will be misdirected away from achieving MDG goals. Third, a public administration that is responsive to the needs of citizens is critical to ensuring the sustainability of the achievements within the rubric of the MDGs. Finally, increasing the accountability of state institutions is an essential feature of governments' strategies to close the democratic deficit, which is the key to achieving the MDGs within the context of the broader Millennium Declaration.

**Democratic Governance:** Democratic governance, the rule of law and efficient and accountable enforcement of laws promoted and consolidated by strengthening key democratic institutions is fundamental. Support to parliamentary development relates to the achievement of the MDGs mainly through the process of reinforcing the role of the parliament in holding government accountable for policy commitments and the use of budget resources for poverty reduction goals. In this context, and given the need for strengthening of the parliament in this specific area, the UN will provide technical and financial support to the AR aiming at enabling it to become more effective in conducting its executive oversight function. It is thus, expected that the AR will carry out effectively the oversight of the budget cycle; becomes part of the approval and oversight process for major national development programmes; and is strengthened to communicate with the public and civil society through improved use of the media and civil society dialogue mechanism.

**Capacity development reforms:** Four key areas are identified: (a) Local governments strengthened in their specific role to plan, programme, budget, implement, and monitor and evaluate different aspects of local development as well as to exercise legality controls. This comprises their capacity to respond to local needs and priorities; their capacity to provide technical and financial support and their capacity to deliver services at low cost. (b) Deconcentrated governmental services (both at provincial and regional level) in their role to provide appropriate technical support to local authorities. (c) Organizations of local civil society (including NGOs, workers and employers organizations, village organizations, youth, women and pwd associations, interest groups — such as pastoralists associations — customary leaders, etc.) in their (potential) role to participate actively in the identification, design, implementation and monitoring of development activities as well as in the provision of technical services; and (d) Planning and budgeting: in local government these are the instruments that harness the decentralized financial and human resources available to that system. Planning is the institutional modality that links institutions and organizations between levels, across sectors and between different types of stakeholders. It involves monitoring and assessment, concerns ownership through participation and links local basic needs to national policy and the programmes.

**Civil society & community empowerment:** Participation by both men and women is a key cornerstone of good governance. Participation could be either direct or through legitimate intermediate institutions or representatives. It is important to point out that representative democracy does not necessarily mean that the concerns of the most vulnerable in society would be taken into consideration in decision making. Participation needs to be informed and organized. This means freedom of association and expression on the one hand and an organized civil society on the other hand. The intervention includes a) strengthen Organizations of Civil society (including NGOs, village organizations, women and youth associations, interest groups — such as pastoralists associations — customary leaders, etc.) in their (potential) role to participate actively in the identification, design, implementation and monitoring of development activities as well as in the provision of technical services; b) Capacity development of CSOs including local communities. The approach recognizes CSOs as key partners in governance and development and emphasizes the strengthening of linkages to improve citizens' participation. This group could improve and interact with local governments and improve the quality of services

Local Economic Development: Strengthening local communities is more rational way to get their involvement in local governance and development. UNDP should promote global experiences to link LED with poverty reduction interventions in order to make a real difference in people's overall well-being and expand and revitalize local economies by supporting local governments to create conducive environments for private sector development, including reviewing tax regimes, licensing, land transactions, tendering, and public-private partnerships; Provide support to private sector activities that lead to investment and employment and to empower communities to undertake LED activities in addition to existing credit and micro finance schemes.

Integrated Local Development: The Local Development Approach is a generic term for a local programming strategy, which has been successfully piloted in Mozambique with UN support, with substantial impact not only on local service delivery and capacities and poverty reduction, but also on national policies based on field experience and best practices. UNDP should focus in development, improvement procedures and systems (e.g. for local planning/budgeting) to be managed by local bodies and thereby to enhance the pro-poor delivery performance (effectiveness, efficiency, accountability) of those bodies; Capacity of sub-national governments to plan pro-poor service delivery, as well as to implement and monitor them, and assess local development policies and strategies, and Institutional development of subnational government and community institutions and of their inter-relations. The main focus is to develop the capacity of local level actors namely government, civil society organizations (including local communities) and private sector (small and medium enterprises) to promote an effective partnership for the achievement of the MDG's.

More resources:

Decentralization and Local Development

Working Papers:

- Modelling poverty reduction in mozambique local development development
- Decentralization and district development
- Building citiz citizens capacity to address local development and the millennium Development Goals Goals
- Modelling PRSP II & Poverty Reduction in Mozambique Local Development: Econometric Analysis of factors determining Millennium Development Goals by 2015 By Israel Jacob Massuanganhe [ pdf ]
- Project Documents: Mozambique (Jacob)

Best Regards,

Israel Jacob Massuanganhe  
UNCDF/UNDP Programme Specialist  
Decentralization & Local Development

# Jenifer Bukokhe Wakhugu

UNCDF Uganda

3 September

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Dear Colleagues,

I'm happy to contribute to the decentralization discussion with experiences from Uganda.

Uganda has been pursuing an extensive and elaborate decentralisation policy since 1992 premised on the notion that popularly elected local governments are better placed than the central government to identify and respond to the needs of local communities, and that it is the beneficiaries of social services who are best suited to set local priorities and to hold local officials to account in the use of public resources. The policy devolved powers and functional responsibilities over decision making and service delivery to popularly elected local governments, which was incorporated into the Constitution of the Republic of Uganda and elaborated in the Local Governments Act. This was a reversal of the centralist tendencies that had been introduced by the Local Administration Act, under which local administrations were tightly controlled by the centre. In light of the challenges facing decentralization, a Decentralization Policy Strategic Framework (DPSF) was developed in 2006 for proper planning and investment. A sixth goal and objective on promoting local economic development in order to enhance people's incomes was added. Linked to the DPSF, is a 10 year Local Government Sector Investment Plan (2006-2016).

UNCDF has been supporting the government's decentralization agenda since 1997 through the pilot District Development Programme (DDPI & DDPII). The first DDP I provided financial and technical resources to enable the definition, testing and refinement of participatory planning, allocation and management of development resources, management of infrastructure and service provision at various levels of government. This pilot was very successful and was replicated country wide under the Local Government Development Programme (LGDP) funded by World Bank and a number of other development partners.

The second DDPII has since 2002 focused on strengthening coordinated participatory planning and budgeting mechanisms for local governments and lower councils, improving the mobilization and generation of sustainable local revenue through enhanced capacity of local governments and their supporting institutions, promoting equitable participation of women and men in shaping development directions and choices as provided for in the Constitution and the Local Government Act and strengthening Local Administration of Justice.

***What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization?***

Main challenges have been both internal and external:

The internal ones: limited resource envelop to address prioritized interventions for deepening decentralization; Being realistic in defining objectives and outputs in a manner that will create impact; properly identifying the beneficiaries and user of project results; Concentration on capacity building (in the case of DDPII) leaving out direct support to local governments to implement specific interventions thereafter; a focus on revenue collection in the case revenue enhancement interventions as opposed to both productivity and collection; limited involvement

of local governments in co-ordination and resource control function; inadequate financial and human resources at the lower levels of government to facilitate the participatory processes; no capacity building for component managers at the centre on their roles and responsibilities, lack of an inbuilt plan on how the programme outputs would be rolled out from the national to local government levels; responsibility for the learning aspects of the programme.

The external ones include: political interference/pronouncements which saw a number of local taxes and levies abolished mainly for political reasons and the general high poverty levels amongst the tax payers; corruption and accountability flaws in procurement processes; cultural practices that affect women's participation outside the home, Personnel/politicians turnover after every election; declining spirit of volunteerism; of recent recentralization of the appointment chief administrative officers.

***What are the key lessons learned and good practices emerged?***

Major lessons include: the importance of partnerships in policy- oriented development work; the effectiveness of intra-governmental collaboration, between ministries and between local governments and central government; the need for “policy champions” such as the Ministry of Local Government in this case; the need for a “collaboration champion” among the donors; the effectiveness of goodwill in translating pilot results into policy; and the importance of tapping into already existing institutions and practices; and programmes can only be effective if the people see the need for them and directly benefit from them.

***What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization?***

Technical Assistance: Apparently, the government is moving into a new area for local governments i.e. promoting local economic development. There is need for human resources/ expertise at both central and local levels to facilitate processes this intervention.

***Experience with cross-cutting issues such as gender***

In order for such cross-cutting interventions to be successful, there is need to have targeted/ specific human and financial resources allocated or else they remain on paper or get lost in the process; need for undertaking assessments at the planning stage to identify entry points, training and mentoring needs etc; and it requires a detailed monitoring and evaluation strategy to assess responsiveness.

Jenifer Bukokhe Wakhugu  
National Programme Officer

# Henrik Fredborg Larsen

UNDP Regional Center Bangkok

03 September

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Dear Colleagues,

The e-discussion has brought out a wealth of experiences and lessons for the future support of UNDP – thanks to colleagues for the very interesting contributions made!

In Asia-Pacific, Decentralization and Local Governance is a major area of support (the second most important service line accounting for more than USD 50 mill. of programme resources in 2006). Our support reflects the highly diverse context; it includes assistance to countries with very different paths of development and policies on state-building as it relates to the sub-national level. In many of the countries in South Asia, as well as for example Indonesia and the Philippines, the policy and legal frameworks for decentralization are largely in place, and the focus is more on promoting more appropriate systems, capacities and accountabilities within these parameters; in others, the focus is rather on considering more basic policy options on sub-national government role and structure, and implementing the preferred option, as is the case in Cambodia, Maldives, Mongolia, Bhutan, Timor-Leste and Afghanistan. UNDP support is provided in very different political contexts and includes major post-conflict efforts as well as support in most of the regions affected by violent conflict. For an overview/entry point to country programmes in Asia see <http://regionalcentrebangkok.undp.or.th/practices/governance/decentralization/>.

Hence, without any claims to be able to generalize across the diverse region or in any way be exhaustive, I would like to highlight the following points in response to the four questions raised in the e-discussion - complementing the contributions from colleagues in the individual countries in Asia-Pacific.

Inclusiveness and accountability of the local democratic institutions – the bulk of UNDP's work on strengthening participation has in the past focused on direct participation (in particular in planning and auditing of accounts and service delivery performance). UNDP needs to engage even closer in development of the sub-national councils and assemblies, that is 'participation through representation', and help making the local democratic institutions more inclusive and accountable. Only by ensuring that these institutions increasingly represent the interests of all citizens – women and men - can we trust that they will play their role in state-building at the local level, help finding non-violent solutions to conflict and deliver against their very often significant responsibilities for services supporting the achievement of the MDGs. In most of our country programmes in Asia, we support the meaningful participation of women and individual indigenous or disadvantaged groups; this needs to translate into a more holistic focus on local democracy. This could imply engaging more closely in advocacy and policy reforms to address the institutional constraints (including reforms of representational arrangements and quotas, and political parties' functioning and the choice of electoral systems at the local level), and continue to address the structural and individual constraints to support in particular women and those whose voice often goes unheard to compete in local elections and ensure that councils' represent the interests of all. One of the vehicles for this has been the UNDP regional initiative on Local Democracy in Asia (see <http://regionalcentrebangkok.undp.or.th/practices/governance/decentralization/Representation.html>).

Strengthening local service delivery for the MDGs – UNDP has a very important role in helping develop the policy frameworks to improve local delivery of particular public services in order to achieve the MDGs, especially in poor areas where they are most needed. Within the overall framework of our MDG initiatives, this implies working with other UN agencies which have a strong sectoral mandate on how local public services needed to ensure the MDG attainment are best organized, financed and delivered, in an efficient and equitable manner. Again, we have gone far already but we need to ensure that support for policies on decentralization and the organisation of local service delivery is an integral part of our efforts to support national MDG-based strategies. It also means that UNDP has a key role to play in routing donor funding to local governments for delivery against the MDGs – helping countries develop and manage harmonised financing arrangements (our support – with UNCDF - in e.g. Bangladesh, Cambodia, Bhutan and Nepal provide examples of this). In Asia, we work in close partnership with UNCDF, UNICEF, UNESCAP and other agencies on issues of local infrastructure and service delivery for the MDGs (see <http://regionalcentrebangkok.undp.or.th/practices/governance/decentralization/>).

*Decentralized governance in support of peace-building and post-conflict recovery* – UNDP has significant programmes operating in most of the regions/localities affected by violent conflict within the countries in Asia. This includes e.g. Bougainville, Mindanao, Aceh, Papua, Maluku, Sulawesi, Chittagong Hill Tract and the Terai belt of Nepal which faces a violent conflict following the comprehensive peace agreement with the Maoists. Also, UNDP has major post-conflict local governance programmes in e.g. Afghanistan, Nepal and Timor Leste. In other words, much of our local governance work in Asia has a very strong peace-building and recovery dimension. As such, conflict prevention and recovery (from both man-made and natural disasters) are not ‘cross-cutting’ issues; state-building at the sub-national level constitutes a major element of our support for decentralization and local governance in the region. UNDP has an experience and capacity which is unrivalled by any other organisation but the provision of policy advice and programme support tailored to the individual contexts remain one of our single most important challenges.

All of these challenges reflect a strong demand for UNDP support and a role as trusted advisor in the area of decentralization and local governance as continuously expressed by Governments and partners in the Asia-Pacific.

Henrik Fredborg Larsen

Policy Advisor, Decentralization and Local Governance

# Nadine Bushel

UNDP SURF Caribbean

4 September

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Dear Colleagues,

I have been reading all the contributions thus far to this e-discussion, and have noted the variety of responses. Here is some information on Trinidad and Tobago, which support the contributions already made by Paula Mohamed of the Barbados Office and Deodat Maharaj of the Caribbean Sub-Regional Resource Facility.

Before I answer the specific questions, I will give a quick context of the Trinidad and Tobago (T&T) situation.

In Trinidad and Tobago the roles of Local Government have been revisited quite often in the face of changing environmental conditions and the policy perspectives of successive administrations since its Independence in 1962. Prior to independence as Deodat Maharaj had alluded to in his contribution, certain developments because of the colonial history had laid the foundation for Local government to be an agent of Central Government and also to play a relatively passive role in political, economic and social development. In the post independence period, there were several attempts at Local Government Reform with the establishment of several committees and commissions of enquiries as precursors to reform. Most of these reports focused on decentralizing power and authority from Central Government, the expansion of Local Government's functional base, greater financial autonomy; and the encouragement of greater citizen participation and involvement in Local Government Affairs.

In the first 20 years after Independence there was an over concentration on centrally planned socio-economic development which relegated Local Government to a passive agent of Central Government. There was little confidence in Local Government's ability to contribute meaningfully to socio-economic development. The Municipal Corporations Act consolidated all the existing laws governing Local Government Bodies and was envisioned as a catalyst for transforming the Local Government System into relatively autonomous, financially self-sufficient, efficient and effective corporate entities, providing quality services to burgesses within a participatory management framework. Despite all the policy prescriptions by successive administrations purporting to enlist Local Government as an active partner in the development process, the reform of the sector has been very slow and ineffective and not results driven.

The main restraining factors in the system include:

- The corporate structure and establishment have remained virtually unchanged
- Service delivery is generally perceived to be unsatisfactory
- There is a heavy dependence on Central Government transfers and subsidies/grants
- There appears to be a low level of citizens participation, involvement and awareness of Local Government Affairs

There has since been a Draft White paper on Local Government Reform (2006), which was subject to several rounds of national consultations involving all local government functionaries, other key stakeholders in the public service, civil society, the private sector and the diplomatic corps. This is also being done in the context of the T&T government's drive to achieve developed country status by the year 2020, which does not see local government as just "local government and decentralisation" but rather as regional development with a view to achieving sustainable communities. It is hoped that citizens will be empowered to take responsibility for the sustainable development of their communities, support the development sustainable regional economies and business enterprises as well as facilitate information sharing and knowledge development within and between communities.

***What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.***

In addition to the challenges raised by my colleague from the Caribbean Sub-Regional Resource Facility, in the Trinidad and Tobago situation, the follow factors come into play:

1. The link between the Local Government Reform and overall Constitution Reform. There has been a lot of discussion in the media about the whole issue of Constitution Reform. It is a widely held view both within and outside of the sector that Local Government Reform cannot take place outside of Constitution Reform. Constitution reform in itself is a very sensitive issue in T&T since issues such as an executive president and proportional representation feature as critical to the debate. Further, the reason given for the postponement of local government elections was the fact that the Government was currently engaging in local government reform. This explanation was not accepted by the entire population especially the opposition political parties.
2. There is also a general feeling that Central Government is not really ready or willing to release power and authority to local authorities.
4. Another key challenge is the level of private sector involvement in the entire process and how their involvement will work after reform is implemented. This is integral with to the whole concept of sustainable communities.
5. Trinidad and Tobago also has a special scenario. There is an issue of equity with Tobago. Tobago is the smaller island of the twin island state. Tobago through the Tobago House of Assembly Act has internal self government. There have been articles in the media expressing concern about whether the regional bodies in Trinidad will have the same autonomy as Tobago. See the following quote from a local newspaper "*The time has come to upgrade the powers, duties and functions of the local government bodies in Trinidad so that they will cease to be on an unequal footing in relation to the local government arrangements in Tobago. Such a model will also facilitate power-sharing at the community level by allowing the resources of the state to have shorter lines of access to these communities. This should be accomplished by a devolution of power as opposed to a decentralisation of power.*"

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

Despite the challenges listed above, the reform process in Trinidad and Tobago is still well on its way. One of the key areas of additional support needed to strengthen local governance is capacity development with an emphasis on the following areas:

- The establishment of a Local Government Training Strategy: Using the outputs of the initiatives currently being undertaken to assist in the development and implementation of a functional and legal framework for the modernizing the country's local government structure, as well as existing training plans and proposals of the Ministry of Local Government, and after undertaking a training needs assessment, develop a training strategy for local government. This strategy should set strategic objectives for training and identify priorities and the specific target groups for the training. The priorities should focus on supporting the implementation of major local governance reforms. This strategy will provide a strategic overview of the operation and sustainability of the training system as well as link training priorities to the local government reform goals.
- The development of a supportive environment for the establishment of sustainable training system at the local level: The sensitization of staff of the local authorities, civil servants at the level of the Ministry and the politicians of the strategic importance of training is critical to obtaining the commitment of all key stakeholders; they also need to be involved in the development of the training strategy and programme.
- The establishment of a center for training in local government within one of the country's tertiary education institutes. This will involve the selection of trainers, training of trainers if necessary, the development of training curricula, design of the programme implementation plan, accreditation of the training programme and the development of an evaluation plan for the evaluation of the Training Impact

Local UNDP offices can draw on the expertise and practical experiences of other UNDP offices world wide and can offer methodologies, provide experts and share some of its worldwide experiences. UNDP can give examples of other projects done in this area, provide sample training curricula and recommendations for curricula.

What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women's representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?

To date the local government reform process in Trinidad and Tobago has attempted to be all embracing. Efforts have been made to include gender equality and women's representation, the MDGs and environmental protection. Elements such as justice, anti-corruption and Human rights elements have been discussed, however not very directly- perhaps there needs to be some review of the reform process bringing some of these issues to the fore front. There has been no emphasis on incorporating HIV/AIDS, climate change and conflict prevention into the discussion. It is interesting in light of Deodat Maharaj's comments earlier, that the issue of conflict prevention has not been dealt with directly – perhaps there is a fear to broach the topic directly.

I hope I have been able to offer some insight into the Trinidad and Tobago situation.

Looking forward to further contributions from colleagues.

Regards

Nadine Bushel  
Programme Officer

# Allassoum Bedoum

UNDP Chad

4 September

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## English Translation by Haley Horan, Research Analyst, BDP/DGG, NY

In Chad the process of decentralization has begun but rather timidly, considering undoubtedly the complexity of the tasks that requires technical skills and consequent means. Some important progress has been made, especially in the area of the elaboration and adoption of essential texts on decentralization as well as the putting in place of an institutional framework and more recently the adoption of a Scheme for Decentralization. UNDP has supported this process since 2002.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

The primary challenges and lessons learned from this assistance are the following.

- The project of decentralization in Chad is important but ambitious and costly because it is envisioned to be carried out at 4 levels (region, department, commune and rural community).
- The carving of boundaries carried out up until now was not made on the basis of multi-disciplinary study taking account of the requirements for harmonious economic development of the country and its localities. It takes account neither of the real potential of the decentralized territorial communities and their capacities for self management to be able to serve the populations as well as it could.
- Information dissemination and efforts to sensitize the population remain weak. Moreover the human and financial resources allocated to decentralization by the Government are limited and insufficient.
- The intervention of development partners is not coordinated despite the existence of a Ministry in charge of decentralization.
- Despite the efforts authorized by the government to foster decentralization, the dynamic is heavily handicapped by structural weakness and a lack of national capacities. The decentralization sector is endangered by the many structural dysfunctions. Those as well relate to the general framework of the missions (coordination, dialogue) as well as the development and execution of policies, and the management of resources or the organization of work. The Ministry for Decentralization is very young (in terms of material and human, and technological resources). This capacity deficit also affects the Decentralized Territorial Communities which evolve in an environment marked by multiple rigidities, generally lacking the information and training necessary to the development of their activities.

- The communal elections which should guarantee the legitimacy of the leading classes of the Decentralized Communities are constantly deferred, which poses in the eyes of the partners a question as to the sincerity of the engagement of the Government.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

- In a country like Chad the needs in regard to assistance to processes of decentralization are immense, diverse, and in large measure difficult to ascertain with precision. Because of the constraints outlined above and to quickly achieve tangible results, pragmatism must guide the identification of priority actions and project formulation.
- It is necessary to concentrate on what is essential and feasible in the short term. The chose of actions must also take into account the complementarity of the interventions in course by other partners.
- To better enter into the transition, since the elections are regularly deferred, we envisaged together with the European Union, a “modular” Project which unfortunately could not start. The idea behind the modular project was to facilitate the insertion of complementary modules or to expand those existing. This flexibility would allow the Project to accompany the evolution of the process and be sensitive to the emergence of new needs. The modules which were retained follow:
  - Module I: Developing the capacities to pilot the Decentralization Scheme
  - Module II: Sensitizing of the population and actors;
  - Module III: Developing the managerial capacities of the Decentralized Territorial Communities.
- In the design of the programs of assistance, it will be necessary to take care to establish a link between the local dimension and the national dimension, inter alia, by the means of involvement of actors in the processes of national and sectoral programming such as political and social dialogue.

Greetings,

Allassoum Bedoum  
Program Officer

## Original French Version

Au Tchad, Le processus de décentralisation se met en route mais assez timidement vu sans doute la complexité de la tâche qui nécessite des compétences techniques et des moyens conséquents. De progrès importants ont été accomplis, notamment en matière d'élaboration et l'adoption des textes essentiels de la décentralisation ainsi que la mise en place du cadre institutionnel et plus récemment l'adoption d'un Schéma Directeur pour la Décentralisation (SDD). Le PNUD a appuyé ce processus depuis 2002.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

Les principaux défis et leçons tirés de cette assistance sont les suivants:

- Le projet de la décentralisation au Tchad est important mais ambitieux et coûteux car il est prévu de le réaliser à quatre niveaux (la région, le département, la commune et la communauté rural).
- Le découpage territorial effectué jusqu'à présent n'a pas été fait sur la base d'une étude multidisciplinaire tenant compte des impératifs d'un développement économique harmonieux du pays et de ses localités. Il ne tient pas non plus compte des potentialités réelles des Collectivités Territoriales Décentralisées (CTD), de leurs capacités de se prendre en charge pour pouvoir servir au mieux leurs populations
- L'information et la sensibilisation de la population sont encore faibles. De plus, les moyens humains et financiers mis à la disposition de la décentralisation par le Gouvernement sont limités et insuffisants.
- L'intervention des partenaires au développement n'est pas coordonnée malgré l'existence d'un Ministère chargé de la décentralisation.
- En dépit des efforts consentis par le gouvernement pour asseoir la décentralisation, la dynamique est lourdement handicapée par de faiblesse structurelle et l'inexistence des capacités nationales. Le secteur de la décentralisation, est en proie à de nombreux disfonctionnement structurels. Ceux-ci concernent aussi bien le cadre général des missions (coordination, concertation), que l'élaboration et l'exécution des politiques, la gestion des ressources ou l'organisation du travail. Le Ministère de la décentralisation est très jeune et présente un état de dénouement total (matériel, ressources humaines et technologique). Ce déficit des capacités touche également les Collectivités Territoriales Décentralisées qui évoluent dans un environnement marqué par de multiples rigidités, manquent le plus souvent d'informations et de formation nécessaires au développement de leurs activités.
- Les élections communales qui devraient consacrer la légitimité des classes dirigeantes des Collectivités Décentralisées sont constamment reportées, ce qui pose aux yeux des partenaires le problème de la sincérité de l'engagement du Gouvernement.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

- Dans un pays comme le Tchad, les besoins d'assistance au processus de décentralisation sont immenses, diverses et, dans une large mesure, difficiles à cerner avec précision. Du fait des limites soulignés ci-dessus et pour parvenir rapidement à des résultats tangibles, le pragmatisme doit guider l'identification des priorités/des actions et la formulation des projets.
- Il faudra se concentrer sur l'essentiel et sur ce qui est faisable à court et moyen terme. Le choix des actions doit également tenir compte de la complémentarité et des interventions en cours des autres partenaires.
- Pour mieux s'inscrire dans la transition, puisque les élections sont régulièrement reportées, nous avons envisagé avec l'Union Européenne, un Projet « modulaire » malheureusement qui n'a pas pu démarrer. L'idée d'un projet modulaire est de faciliter l'insertion de modules complémentaires ou l'expansion de ceux existants. Cette flexibilité permettra au Projet d'accompagner l'évolution du processus et d'être sensible à l'émergence de nouveaux besoins. Les modules qui avaient été retenus étaient
  - Module I: Renforcement des capacités de pilotage du Schéma Directeur de la Décentralisation
  - Module II: La sensibilisation de la population et des acteurs ;
  - Module III: Le renforcement des capacités managériales des Collectivités Territoriales Décentralisées (CTD).
- Dans la conception des programmes d'assistance, il faudra veiller à établir un lien entre la dimension locale et la dimension nationale, entre autres, par le biais de l'implication des acteurs dans les processus de programmation nationale et sectorielle ainsi que dans le dialogue politique et social.

Meilleures salutations.

# Timothy Scott

UNDP/HDRO HQ

4 September

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Dear colleagues,

A recent UNDP study explores the work of 40 national Human Development Report (HDR) teams targeting decentralization and local governance.

## Risks and challenges

The study catalogues some of the many risks and challenges associated with such efforts:

- lack of commitment and/or competing motivations to support HD-oriented local governance;
- limited capacities of local governments and local communities to participate in decentralized processes;
- a simple extension of existing power structures to subordinate levels may replace national elites with local elites;
- decentralization may lead to poorer fiscal efficiency, fewer guaranteed public services, or disruption of service delivery;
- a transfer of responsibility to local levels may occur without the necessary financial means, including tax collecting;
- an increase of existing inter-district and intra-district disparities due to poorly targeted expenditures;
- corruption and rent-seeking interests at all levels, with catering to special interest groups.

## Recommendations for capacity assessments and programming

The study offers recommendations for strengthening HDRs and related UNDP capacity assessments and programming, including the need to:

- involve comprehensive approaches (rather than sector approaches that may focus on political or administrative or financial issues);
- assess the positive AND negative impacts of decentralization (decentralization cannot be assumed to be a panacea for development);
- prioritize options that assess local development contexts and conditions, while still drawing on other regional good practices where relevant;

- identify criteria to benchmark ‘successful’ local governance and support the integration of such indicators into national monitoring systems;
- offer long-term support that includes ongoing monitoring and evaluation of national, local and UNDP programming and their policy impact.

### **Focus on inequity, gender, and marginalized groups**

Given the impact of decentralization processes on those most vulnerable, the study encourages UNDP programming to continue to:

- target gender issues and marginalized groups defined by rural-urban, ethnicity, religion, age, and physical and mental ability;
- support inclusive, participatory processes that include marginalized groups as part of longer-term capacity development initiatives;
- take into consideration the role of local traditions and cultures and help formulate local and national advocacy strategies accordingly;
- support national efforts to gather and assess quantitative and qualitative information disaggregated by gender, region, sector, etc.;
- help incorporate such data into statistical offices and other agencies and institutionalize this work with legislation and training.

Colleagues from HDR teams included in the study may wish to add more specific examples.

Thank you for the good discussion!

Best regards,

Timothy Scott  
Policy Specialist

# First Week Highlights

**The Moderation Team**

4 September

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Dear Colleagues,

We are very pleased to recognize that the e-discussion is gaining momentum with substantive participation from UNDP and UNCDF colleagues based in Country Offices, and Regional Centers. In the first week (27 August - 02 September) of this e-discussion we received 11 messages:

- 2 contributions from Regional Centres/ SURFs – Bratislava Regional Centre and SURF Trinidad and Tobago, referring to sub-regional perspectives (Eastern Europe/Balkans and the Caribbean).
- 8 participations referring to lessons and recommendations based on Country experiences
- 5 contributions coming from UNDP Offices in Eastern Europe – Albania, Serbia, Kosovo, Bratislava, Ukraine.
- 3 contributions from COs in Africa – Burundi, Madagascar, and Tanzania
- 1 contribution from COs Asia-Pacific – Sri Lanka

...and during the last two days (03-04 September), we have received so far 6 contributions! Many colleagues both from UNDP and UNCDF have already informed us they are also writing on their experiences and country contexts, and will shortly send their inputs to the DGP-Net. This is, indeed, a very good start, and hope that the interactive e-discussion will be further strengthened in the coming days enhancing participation from remaining regions and other partner organizations.

We would like to encourage contributions highlighting suggestions that will support the development and shaping up of an agenda of work on local governance and decentralization.

Thanks to all the contributors of this first week for their interest and enthusiasm – Jaysingh, Tomislav, Eloi, Fredrick, Daimu, Hachemi, Klodi, Trevor, Krenar, Deodat, and Jean (until 02 September).

## Some Highlights from the Contributions:

- Exchange of expertise between COs should be promoted, especially during programme formulations and mid-term/final evaluations. It will strengthen the Community of Practitioners working on local governance/decentralization (Kosovo)
- Local government reform requires coordination with reform of the system of local election and the strengthening of capacities of locally elected officials, UNDP needs to work in this area (Serbia, Burundi). UN-HABITAT has contributed significantly to this area through its development of local leadership competencies programme, addressing the needs of locally elected officials in several countries. The Manuals are available already in several languages (Note from Moderators).

- Improving local government systems in Small State Islands and getting services closer to the people seems to be a challenge. Lack of political interest and the difficulties on organizing appropriate size of local government jurisdictions for the provision of different types of services seem to be important factors to deal with (Caribbean).
- Poverty 'per se' is a challenge to successful delivery of assistance on local governance and decentralization (LGD). (Burundi)
- Local government reform and decentralization are not perceived as priorities or as clear lines of public policy in societies with multiethnic and political tensions (Caribbean).
- Accession to the EU is an incentive for decentralization and local government reform in Eastern Europe/Balkans (Bratislava)
- National ownership is an important requirement for experiences identified as good practices to be scaled-up (Sri Lanka).
- Assistance to Local Government Associations is important (Serbia, Bulgaria, Bratislava).
- Attention needs to be put to local politics dynamics and political parties to increase political viability of proposed reforms (Ukraine, Burundi, Macedonia, Caribbean, Sri Lanka, Madagascar)
- Strategic planning, participatory planning and budgeting are common practices in our support to local government (Serbia, Albania, Tanzania, Sri Lanka, Ukraine).
- Work with local government should include work with locally elected representatives – councilors and with the Council/ Local Assembly; as a mechanism to enhance women and men participation in local decision-making (Burundi).
- Efforts by international organizations to generate lessons and good practices for support to decentralization and local governance are not well-disseminated or internalized in donor organizations as per results of a survey conducted by OECD in 2006 (Bratislava). UNDP could facilitate effective knowledge management strategies in this area (Note from Moderators).
- A long-term perspective is required to ensure success in achieving LG agenda (Burundi, Serbia, Bratislava - OECD, Madagascar)
- Young local governments require special and systematic attention in post-conflict countries due to the infancy/fragility of the system (Burundi)
- These experiences and lessons have been conducted in partnership between UNDP and UNCDF (Madagascar – Tanzania/ with NORAD); and UN-HABITAT (Sri Lanka); but also with the European Commission (Kosovo, Burundi), the Council of Europe (Bratislava), OSCE/World Bank/USAID (Kosovo).
- Priority should be given to support to country owned national decentralization strategies that subsequently will guide donor agencies support to decentralization and local governance (Bratislava).

- Work with urban local government seems to be a clear trend (Sri Lanka, Macedonia, Serbia, Ukraine, Caribbean) as well as work with National Ministries in charge of decentralization or local government.
- Land reforms, natural resources management and physical infrastructure are issues referred to in cases (Albania, Madagascar, Tanzania) with predominant rural settings. Work with rural councils is referred to as a challenging work (Tanzania).
- Work on local governance and decentralization is context-specific. It is difficult to assume a one single approach given the diversity of situations experienced by different countries. The value of the assistance provided by UNDP, UNCDF and UN-HABITAT in partnership with other bilateral and multilaterals remains in the capacity to provide responses with such a degree of variation and conditions. (Note from Moderators).

We look forward to a vibrant e-discussion. Thank you very much for your support.

With best wishes

The Moderation Team

“ Work on local governance and decentralization is context-specific. It is difficult to assume a one single approach given the diversity of situations experienced by different countries. The value of the assistance provided by UNDP, UNCDF and UN-HABITAT in partnership with other bilateral and multilaterals remains in the capacity to provide responses with such a degree of variation and conditions ”

# Berta Pesti

UNITAR

5 September

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Dear Colleagues,

I have been following with great interest the discussion on this forum and would like to thank the organizers for including me even though I am not UNDP staff. I work for the United Nations Institute for Training and Research (UNITAR), an autonomous body within the UN with the purpose of enhancing the effectiveness of the Organization through training and research.

One of the flagship programmes of UNITAR is the Decentralized Cooperation Programme (DCP). It develops capacity development programmes and knowledge products to local governments in key areas identified by local governments themselves. For this purpose DCP has established a worldwide network of associated centres hosted by local governments (CIFAL centres). Each centre hosts learning events for LGs several times a year. The main objective of the learning events is to accompany participating LGs in the development and implementation of local projects by using success stories from other cities as well as international expertise. To facilitate this, DCP developed a specific knowledge sharing methodology called CityShare aimed at assessing, distilling and transferring knowledge and good practices of local governments.

Some of the experiences and findings of the work done in the CIFAL centres appear to be directly relevant to this discussion and I would like to share them with you.

## ***Q1: Concerning key challenges and success stories:***

- Striking the right balance between useless generalities and too context specific examples in the case of success stories. We often find databases and collections of good practices that are rarely used by the targeted beneficiaries.
- Rapid turn-over of LG staff: unfortunately, many excellent individuals leave their posts half-way in the projects because of fellowships in foreign countries and better-paying jobs.
- Ensuring dialog between the various levels of government within the same country, especially between line ministries and LG counterparts responsible for execution at the local level. It becomes even more complicated when more than one line ministry is involved.

***Q3: Concerning cross-cutting issues:***

We have found that addressing the issue of local governance and decentralization through specific topics is quite useful to further the development agenda. What we have tried to do is besides exploring existing models and discussing the process decentralization itself, and the resulting governance structures, we link it to concrete themes. This can be done by analyzing how a particular choice of decentralizing a certain function such as the creation of employment and business opportunities especially for marginalized groups, or providing access to basic services, contributes to inclusive growth because it can guarantee a more decent life and that those deprived previously can participate and benefit from the newly created opportunities. Once that choice made, it can be decided what kind of governance structures (rules, processes, behaviours) ought to be put in place for its optimal functioning and how then should the process of decentralizing that function (organizing the various interests, resources and powers) proceed in a given country or LG context. The CityShare methodology helps LGs in the assessment of the situation (i.e. identify circumstances and rules that cannot be changed such as institutional/legal framework set by the Constitution or other sources of law and areas where they have the liberty to decide such as regulating service providers by contract). CityShare can also provide successful solutions from other LGs as well as advice on how to implement them. In this framework, we have developed learning material and assisted countries and LGs on how to structure (local) government and service provider relationships for specific services, LGs response to HIV/AIDS in the framework of a joint initiative with UNAIDS or analyzed the role of LGs in the field of gender equality.

***Q4: On how to strengthen the CoP?***

I suggest by opening it to other partner organizations so that a richer exchange of ideas can take place.

Best regards,

Berta Pesti  
Programme Officer  
Decentralized Cooperation Programme

# Alvaro Rodriguez, Farhan Sabih and Shirin Gul

UNDP Pakistan

5 September

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Dear colleagues,

The ongoing devolution reform in Pakistan was spearheaded by the promulgation of the Local Government Ordinance 2001 (LGO 2001) that contemplates three tiers of local government, the District, the Tehsil and the union.

As such, the provisions of the LGO 2001 were two-pronged: reform of the manner in which government conducts business, or supply side interventions, and the manner in which citizens engage with government, or demand side interventions.

On the supply side, reforms provided a new institutional framework that sought to a) create new incentives for politicians and government officials to perform their roles to the best of their ability thereby improving service delivery, b) create new accountability relationships that drained centers of power and made governmental functioning more transparent, and c) create new mechanisms that allowed the citizenry to engage their government in a more meaningful and rewarding manner.

Through the same reform the government has also legislated for multiple ‘demand-side’ mechanisms that allow citizen voice to be effectively exercised for greater direct accountability and client power to be increased for service delivery improvements. These include the following most important citizen entitlements:

- Assigning of 25% local council budgets for cost sharing financing of community development projects to be formulated and executed by Citizen Community Boards (CCBs) which will include at least 20% community financing, thus producing community ownership and oversight of these projects.
- To take the load off the courts, the LGO encourages alternative dispute resolution (ADR) through the creation of Musalihat Anjuman at the union level. These are to be established by the union-level Insaaf committees, and seek to build on the traditional community based conflict resolution systems.
- Under the reforms, the police are now primarily accountable to the public through the judiciary and the system of Public Safety Commissions (PSCs) at the federal, provincial, and district/city levels. PSCs have been modeled after similar institutions in Japan and the United Kingdom. The PSCs are to comprise politicians from the ruling and opposition parties or factions, as well as civil society representatives selected by a panel headed by the head of the judiciary at the level concerned.
- The Police Order 2002 allows for the creation of Citizen Police Liaison Committees that are self-financing voluntary organizations, which can be set up by citizens to assist the Public Safety Commission and the Police complaint authority in the discharge of their functions.

- The LGO also calls for the election of Village and Neighborhood Councils to provide avenues for community participation in local government planning, through the mobilization of community resources, information gathering, and service delivery.
- Section 137 of LGO creates a potent freedom of information provision entitling any citizen to information about a local government office. In addition, it requires local government offices to display information about its staffing and performance in a prominent place accessible to citizens.
- Section 188 of LGO also requires local government administration at every level to establish complaint cells to deal with citizens' grievances.
- Section 138 of LGO provides for establishment of Monitoring Committees at every tier of local government to monitor the performance of local government offices. Monitoring committees are also authorized to raise complaints about corruption to the district nazim who is obligated under the law to report what action he has taken on the complaint within 30 days to the concerned local government council.
- Section 134 of the LGO contemplates the creation of a District Ombudsman (Zilla Mohtasib) to provide a forum against departmental decisions and for identifying systemic issues requiring attention.

### **Some Examples from UNDP Support to Devolution Policy and Operationalization in Pakistan**

Support to Devolution Trust For Community Empowerment (DTCE) project is designed to strengthen community empowerment and local development through social mobilization and local development projects based upon the Citizens' Community Boards (CCBs).

DTCE has been creating ground realities that advance community empowerment and devolution. Phase I of DTCE operations demonstrated the existence of bottom-up demand for devolution and community empowerment, the viability of Citizen Community Boards and CCB projects, and the success of the DTCE model for local government and CCB mobilization in 13 districts located in all of Pakistan's 4 provinces. Phase II is building on that success and in addition to working on CCB mobilization and project cycle management prioritizing union councils (as was the case in the first phase), it is also prioritizing tehsil and district governments. DTCE now has the experience and resources to promote a holistic community empowerment model. That model consists of 6 components: 1) CCB mobilization, 2) CCB networks and local government associations, 3) Local Citizen Information Network (LCIN), 4) Local Council Monitoring Committees, 5) police community relations and 6) Bar Associations and Press Clubs. These components involve multiple public sector and civil society actors and stakeholders in the community empowerment process and develop relations between them as part of a social capital building approach. The outsourcing of DTCE activities to local governments; local police; local, provincial and national civil society organizations, including local bar associations and press clubs, also contributes to social capital building. Change agents from diverse sectors in specific localities work together toward community empowerment and devolution, thus creating an awareness of the benefits of mutual cooperation in development initiatives that make them less dependant on external decisions and resources. The interests and incentives of actors and stakeholders need to be explicitly recognized and catered to while the concept of the common good is constructed progressively by the actors themselves in their interactions.

Support to Good Governance in Pakistan project has been a long-standing technical assistance to the National Reconstruction Bureau and has resulted, as such, in the promulgation of the Local Government Ordinance 2001 and the Police Order 2002 while work on mechanism for smooth operationalization and monitoring of implementation continues. While there is room for further improvement, within the monitoring, the introduction of e-governance by way of IT enabled monitoring systems can be cited as an example worth documenting.

After the promulgation of Local Government Ordinance 2001 and Police Order 2002, the National Reconstruction Bureau (NRB) felt the need to get organized for monitoring the implementation status of reforms. In 2002, NRB created a monitoring cell to be able to retrieve, process and analyze local government and police related implementation and issues by using all available means and technologies. The information once received and processed was then shared with the concerned stakeholders to identify bottlenecks, eradicate teething problems and subsequent expedite implementation. The two systems developed are namely, the National Implementation Monitoring and Analysis System (NIMAS) and National Reconstruction Information Management System (NARIMS). The different components of NIMAS include modules such as:

### **Police Station Monitoring System (PSMS)**

PSMS was developed by NRB to monitor the functioning of all nationwide police stations on monthly basis with respect to cases registered, investigations conducted and cases passed on to prosecution. In addition, the system also monitors the frequency of transfers and postings of district level police officials.

### **District Public Safety & Police Complaints Commission (DPS & PCC)**

As NRB also acts as the secretariat for the National Implementation Body (NIB), therefore one of the areas that came under monitoring was the establishment of the DPS & PCC. In the fourth week of December since 2003, NRB conducts an annual detailed national survey on areas related to membership, secretariat, finance and working of the Commission. The findings of the annual surveys are then analyzed and weak areas highlighted for enforcement/rectification.

### **Criminal Justice Coordination Committees (CJCC)**

Minutes of the monthly meeting of CJCC are automated for user-friendly analysis and detailed monitoring of areas related to regular meetings held, quorum requirement fulfillment, subjects discussed and trend analysis.

Whereas the NARIMS is a software based system designed and developed by the NRB, for the support of good governance at the District level. The objective of having Information Technology as a part of the local government bodies is to make information easily accessible by streamlining the information through automation. The components that make up of NARIMS are; a data collection methodology, relational database, GIS [Geographical Information System] applications and web interface. Data sharing is more seamless, implementation is faster and the costs are reduced considerably. Distributed to all districts of province Sindh, most importantly users can unlock the value of their data distributing it to those who need them. Furthermore NARIMS provides the power to visualize, explore, query and analyze data geographically or in text based report format. The system is also be accessible through the Internet by each district having a separate 'dot com' address.

## Challenges and 'Opportunities'

Despite notable advances since the promulgation of the Local Ordinance 2001 devolution is still not fully implemented, much less consolidated. Considerable resistance to devolution--- especially community empowerment aspects --- not only persists, but can be expected to rise in the run-up to the next national elections, the 2009 local government elections, and the post-2009 loss of constitutional protection for devolution. At that time local government institutions will become a provincial subject susceptible to modification by provincial assemblies. That will be the moment of truth for the sustainability of the work of NRB, DTCE, the community empowerment and CCB movements and elected local government. Thus there is a four-year window of opportunity to further advance and consolidate devolution and community empowerment.

Further, research suggests that devolution often empowers local elites to capture resources from the poor as they become the 'new voice' of the people, and that the functioning of formal democratic structures (for example reserved constituencies of women) at the local level can be substantially undermined by informal power relations such as patronage.

Related to the point above, while CCBs do provide a space for participation, this space is not neutral: the rules of engagement within this space are defined by those in authority, and it constitutes an "invited" rather than a "claimed" or "created" space for most citizens and in particular the poor. CCBs have the potential to move towards being such a "claimed" space for the poor, where previously excluded actors and views can enter the arena, but this will not happen on its own. A related challenge is that in the initial work of DTCE, there was a very narrow definition of what entitlements would help citizens to claim: essentially focusing just on CCBs, and then too, simply focusing on the asset building opportunities afforded by CCBs. Entitlements have not been claimed in a manner consistent with the voicing of need, and the holding of the state to account. This shift needs to be made within the current support to enable the project to achieve its third output: "Citizens enabled to claim a broad range of LGO 2001 entitlements (beyond public funds for CCB schemes/projects).

There are several important lessons emerging from the devolution process in Pakistan. The most significant being that it is not enough for development partners to only advocate and support policy design, it is essential that a strategic and sustained support to implement the policies is also provided. Often the government is able to design and announce policy packages but it lacks capacities to be able to implement these policies. Implementation is often a difficult and slow process that requires capacity development of multiple partners, including those in civil society and private sector and at different levels.

With best wishes.

Alvaro Rodriguez, Country Director

Farhan Sabih, ARR

Shirin Gul, Programme

# Juan Manuel Salazar

UNDP Colombia

5 September

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Dear Colleagues,

I thank DGP team for the opportunity to contribute to this discussion. Please find below some initial thoughts from the LAC experience:

***What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization?***

- The decentralization processes have not deepened the fiscal and administrative reforms necessary to empower local governments as efficient actors for the provision of basic services and the promotion of local development. The Regional Project on Local Governance for LAC conducted an assessment of local governance conditions for the achievement of the MDGs in 14 municipalities of Bolivia, Ecuador, El Salvador and Honduras. One of the main findings of these assessments is that the municipalities have to assume greater responsibilities in terms of key services for the achievement of the MDGs but the exercise of these responsibilities is constrained by the lack of local capacities and resources.
- Conflicts between local and national interests have marginalized local authorities from the design and implementation of national poverty reduction strategies. That is the case of conditional cash transfer programs. Where those programs have been adopted, national governments have undervalued the potential of local authorities to contribute to their efficient implementation. This approach dismisses the link between decentralization and poverty reduction and ignores the comparative advantages of local authorities (including the potential to promote strategic alliances and mobilize local resources and institutions).
- In programmatic terms, the submission of local governance/decentralization to the Democratic Governance area makes difficult to highlight this issue in terms of priority and access to resources. Local governance/ decentralization assistance programmes are intertwined with all UNDP Focus Areas. This attribute stresses the need for a realignment of UNDP resources to assist decentralization and local development processes.

***What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.***

1. Bringing local governance concepts to practical goals and indicators facilitates the understanding and willingness of development actors to embark on local governance initiatives.
2. Greater impact has been achieved when local governance strengthening strategies are embedded into local development initiatives in areas of growing sub-national demand (i.e. citizens' security and civic culture) and key issues of the current development agenda (e.g. localization of MDGs).

3. The LAC knowledge management platform enables the development of practical and flexible tools that can be adapted to context particularities, providing greater value-added to Country Offices' day-to-day operations.
4. Knowledge fairs have positioned the Regional Project on Local Governance for LAC as a leader knowledge broker among development actors in the region.
5. Diagnostic/monitoring tools open the space and position UNDP to influence agenda setting and policy formulation.
6. The existence of a comprehensive knowledge base and sound knowledge tools eases the mobilization of resources from donors and governments around common interests.
7. Maintaining a constructive interaction with COs and building on existing projects and initiatives aligns regional efforts with country priorities and strategies and yields more sustainable results.

***What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.***

To achieve its objectives, the Regional Project on Local Governance for LAC designed a knowledge management strategy that transforms conceptual and empirical knowledge (e.g. good practices, case studies) into usable and practical tools for assessing development situation and capacities at the local level, designing and implementing policies and programs, monitoring on development results, implementing horizontal cooperation processes, and training local actors. The technical assistance provided by the project is supported on three strategic pillars:

- a. Building capacity of sub-national governments and civil society. Local governance tools and methodologies are designed so that, on the one hand, local governments can systematically use them and incorporate them in their local development plans/strategies and, on the other hand, civil society organizations and private sector can participate in a qualified manner in the decision-making process and local policy formulation and implementation. The project plays a role in brokering partnerships among local authorities, civil society and local communities, backing social mobilization and community empowerment. Actions in the field build on locally available capacities and resources adapting the tools and methodologies to the local political conditions and needs.
- b. Learning from real experiences to generate innovation. The project identified a great potential in the endogenous knowledge from local actors in LAC. However, the information on innovative experiences is often dispersed, fragmented and incomplete, thus making it unusable for policy makers. Consequently, the project focuses on the documentation and systematization of information on innovative practices, derivation of lessons learned, and elaboration of knowledge products (e.g. guidelines, forms, and technological applications, among others). The project is ultimately a platform to make accumulated knowledge accessible and usable for development actors.
- c. Bridging knowledge products with UNDP operations. The knowledge products are designed to be used by COs for advocacy, policy advice, partnering and programming. Effectiveness of knowledge products is thus measured in terms of improvement of UNDP ongoing business and/or generation of new business opportunities in areas where national demands and corporate priorities coincide.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

The Regional Project on Local Governance for LAC has adjusted and validated, with LAC Country Offices, tools on local governance to incorporate the governance dimension in MDG localization strategies and citizens’ security and civic culture plans.

The development of capacities at the local level is a powerful mean to address the differing characteristics of extreme poverty and the type of deficits existing in the various sub national contexts. Sub-national authorities, particularly municipalities, have seen increased their responsibilities in key areas for the achievement of MDGs and have therefore an urgent demand for strengthening their governance to take actions that incorporate the attainment of goals in human settlements, health and basic education among other areas under their mandate.

The project adjusted MDG-oriented local governance tools and methodologies to address three main aspects of the relationship between the MDGs and local governance:

- a. participatory planning, monitoring and oversight to address the question of how the Millennium Development Goals and indicators can be made relevant to local realities;
- b. strengthening of local capacities (especially for local government planning and fiscal management) to ensure that resources are used in accordance with the intended development outcomes; and
- c. local democracy and civil society involvement as a condition to improve the responsiveness of local governments for the public good.

Concerning citizens’ security and civil culture, the Regional Project, based on the good practices documented, produced a conceptual framework with a comprehensive approach of local security, from prevention to control. The project also elaborated an innovative diagnostic tool which allows a clear understanding of the state of security at the local and intermediate level (using reference indicators). Tools to support project design, formulation and follow – up have been also elaborated, as well as capacity development tools.

All products can be consulted on [www.logos.undp.org.co](http://www.logos.undp.org.co), as well as in the local governance section of the LAC Workspace that was officially launched in 2007: [www.lac-workspace.undp.org.co](http://www.lac-workspace.undp.org.co) Product development is a permanent activity of the project, and therefore the tools are in constant change and being updated on the bases of the lessons learned from the services provided –in joint work with COs- to local actors.

Regards,

Juan Manuel Salazar  
Decentralization and Local Governance Adviser

# Isabel Aviles

UNDP Nicaragua

5 September

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## English Translation by Haley Horan, Research Analyst, BDP/DGG, NY

Starting from the questions raised to animate the debate, I am sending my contribution from Nicaragua, where the UNDP and UNCDF have been partnering to support the process of decentralization for some years:

Nicaragua is a unitary state with three levels of government: (i) Central; (ii) Intermediate (only in the autonomous regions of the North Atlantic and the South) and (iii) Municipal governments. This institutionalization is recent, initiated in 1987 with the establishment of the Autonomous Regions and in 1988 with the Law on Municipalities. The municipal governments began to operate in 1990.

The advances of the decentralization process have not been achieved within the framework of a policy and strategy of the Nicaraguan State to decentralize in favor of greater and better services public to take care of the population. Rather, the decentralization process has lacked a framework of public policy that would allow greater efficiency and effectiveness in and of itself, many of the advances have been impelled by the municipal movement, which has resulted in the approval of important laws that fortify the institutionalization of the municipal governments (such as the Law on the Budgetary Regime, the Law on Transfers and the Law on Citizen Participation, among others).

It was only in 2006 (at the end of the presidential period) that the Central Government approved a Policy of Decentralization; upon the institution of the new Government of Reconstruction and National Unity, as is logical, it is reviewing political contentment and one hopes that soon a more coherent process of decentralization will be approved and promoted.

In our opinion the greater challenge of the process at the moment, besides allowing for the transfer of new skills, is to ensure that the decentralization process is seen as a reform process within the Central Governance to decentralize its actions and to be able to improve the articulation and coordination of policies and national programs of the fight against the poverty with the policies of the regional and municipal governments for local development, thus allowing greater use of the capacities and comparative advantages of the municipalities in the fight against poverty.

Based on our previous experience a program of support to the local governance and processes of decentralization, it is important to note that:

- i. It is not enough to support the development of legal reforms and to give technical support to the key actors who are interested in changing the institutional status.
- ii. Processes of sectoral reorganization are needed that allow decentralization in decision making at the level of the line ministries that permit the identification of responsibilities to disperse and to decentralize.

- iii. The creation of local capacities is necessary, as is support to local governance and to democratic and participative processes in the formulation and execution of local policies;
- iv. It is also necessary to allocate resources of investment for the local level, that will allow not only to give answers to the population, but also create capacity for management at the local level.

To count on optimal conditions to be able to impel an integral program that contemplates these areas of action is difficult enough; for that reason, from our experience we think that a program of this nature must support and partner with different actors (Central Government, Associations of Municipalities, Municipalities) which will make it possible to support the process via the different actors, and thus be able to reorient and identify suitable and opportune strategies to support the process itself.

### Original Spanish Version

Partiendo de las interrogantes planteadas para animar el debate, envío mi contribución desde Nicaragua, en donde el PNUD y UNCDF tienen una alianza para apoyar el proceso de descentralización desde hace algunos años:

El Estado Nicaragüense es unitario con tres niveles de gobierno: (i) Central, (ii) intermedio (solamente en las Regiones Autónomas del Atlántico Norte y Sur) y (iii) los Gobiernos Municipales. Esta institucionalidad es reciente, pues inició en 1987 con el establecimiento de las Regiones Autónomas y en 1988 con la Ley de Municipios. Los Gobiernos Municipales comenzaron a operar en 1990.

Los avances del proceso de descentralización no han sido logrados en el marco de una política y estrategia del Estado Nicaragüense por descentralizarse a favor de mayores y mejores servicios públicos para atender a la población. Mas bien, el proceso de descentralización ha carecido de un marco de política pública que permitiese una mayor eficiencia y eficacia en el mismo, muchos de los avances han sido impulsados por el movimiento municipalista, quienes han logrado la aprobación de importantes leyes que fortalecen la institucionalidad de los gobierno municipales (tales como Ley de Régimen Presupuestario, Ley de Transferencias y Ley de Participación Ciudadana, entre otras).

Es apenas en el 2006 (a final del período presidencial) que el Gobierno Central apruebe una Política de Descentralización; al asumir el nuevo Gobierno de Reconstrucción y Unidad Nacional, como es lógico, está revisando dicha política y se espera que próximamente se apruebe y se promueva un proceso de descentralización mas coherente.

En nuestra opinión el mayor reto del proceso actualmente es lograr que el proceso de descentralización además de permitir la transferencia de nuevas competencias/ debe ser visto como un proceso de reforma a lo interno del Gobierno Central para desconcentrar sus acciones y poder mejorar la articulación y coordinación de las políticas y programas nacionales de lucha contra la pobreza con las políticas de los gobiernos regionales y municipales para el desarrollo local, permitiendo así, mayor utilización de capacidades y ventajas comparativas de los municipios en la lucha contra la pobreza.

Por lo anterior un programa de apoyo a la gobernabilidad local y a procesos de descentralización, por nuestra experiencia debe ser integral,

- i. no basta con apoyar en el desarrollo de reformas jurídicas y el apoyo técnico a los actores claves que están interesados en cambiar el status institucional,
- ii. se necesitan procesos de reorganización sectorial que permitan desconcentración en la toma de decisiones a nivel de los ministerios de línea que permita identificar competencias a desconcentrar y a descentralizar.
- iii. hace falta creación de capacidades locales, apoyo a la gobernabilidad local y a procesos democráticos y participativos en la formulación y ejecución de políticas locales;
- iv. también hacen falta asignación de recursos de inversión para el nivel local, que permita no solo dar respuestas a la población, sino también crear capacidades de gerencia a nivel local.

Contar con condiciones optimas para poder impulsar un programa integral que contemple éstas áreas de acción, es bastante complejo, por ello desde nuestra experiencia, creemos que un programa de ésta naturaleza debe apoyar y ser socio de los diferentes actores, (Gobierno Central, Asociaciones de Municipios, Municipalidades) que permita apoyar el proceso desde los diferentes actores, mucho seguimiento para poder reorientar e identificar estrategias adecuadas y oportunas para apoyar el proceso mismo.

# Joachim Theis

UNICEF Asia Region

5 September

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Dear Colleagues,

I will try to summarize my views on experiences with children's participation in local governance. Children should be involved in local governance and in making local government decisions!

Not surprisingly, the most positive experiences with children's participation in local governance have been in countries with strong democratic systems, vibrant civil society and independent media (e.g. UK, US, India, South Africa, Brazil, Philippines). Accordingly, many countries in the East Asia and the Pacific region do not provide very conducive conditions for children's participation in local governance (e.g. China, Vietnam, Lao PDR..., among others).

Some of the most innovative work with children in local governance is being supported by activist NGOs who support unions of child workers (e.g. Concerned for Working Children in Karnataka, India). UNICEF and international children's rights NGOs have often not been at the forefront of efforts to promote children's participation in local governance (see experiences in India).

While there have been many initiatives to include children and young people in governance in some form, few have been rigorously evaluated. A paper by Emma Williams about Children's Participation and Policy Change in South Asia shows that there have been greater successes at the local level than at the national level. The experience with youth councils in the Philippines has been mixed at best. Mandated more than 15 years ago by the government, these councils were established in every community in the country and young people were given control over 10% of the local budget. An evaluation carried out last year showed that the youth councils worked well in some communities where the young people were supported by adult community leaders. However, in other communities the young people did little more than organize sports tournaments. At their worst, the youth councils were filled with the sons and daughters of the local elite and became training grounds for the next generation of self-interested leaders.

UNICEF's Child Friendly Cities and UNESCO's Growing Up In Cities initiatives have not been rigorously evaluated. The special issue of Children, Youth and environments on 'Children and Governance' (edited by Sheridan Bartlett) includes a review of UN-HABITAT's work with children in urban governance. The review shows that even where projects were successful, they were often not sustained. Over the past years there have been several critical reviews of children's councils (e.g. Matthews and Limb in Space and Polity). Such reviews are important to learn from experience and to move the practice of children in local governance forward.

It is important to involve children and young people in local governance. However, little is being gained from one-off and short-lived initiatives. We need rigorous evaluations. Experience shows that efforts to involve young people in governance have to be maintained over many years. They have to gradually increase the level of control that children and young people have over public decisions. Aiming too high too soon may lead to a backlash, which may reduce the space for children's involvement in local governance for a long time to come.

Just as in approaches to promoting local democratic governance in general, there are no easy models for children's participation in local governance that are guaranteed to work. Youth councils can mean different things; youth parliaments are often little more than children's debating societies;

there are some successful examples of children's advisory committees, and of children involved in social auditing and in budgeting. In situations where the political space for democratic decision making is very limited, it will be even more limited for children.

We have to be adaptive and creative and support a step-wise process. There is no substitute for dedicated and experienced adults who can support children and young people in local governance.

These few paragraphs cannot do justice to this topic; however, it might add diverse context to the ongoing DGP-Net e-discussion.

Best regards,

Joachim Theis  
Project Officer  
Youth and Partnership

# Jockely Mbeye

UNDP Johannesburg Regional Center

6 September

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Dear Moderators,

Below is my contribution to the on-going DGP-Net E-discussion on the above subject. I have followed the e-discussion, particularly the rich discussion from the COs, on their experiences and knowledge of local governance and development challenges and lessons in the countries and the support provided by UNDP and UNCDF. Thanks for their contributions and wished UNDP supported the professional codification of these and other thematic experiences on Decentralisation, Local Governance and Development for knowledge networking and cross-fertilisation of ideas.

In Eastern and Southern Africa (ESA), Decentralisation, Local governance and Local Economic Development are the major focus areas of support by the UNDP and UNCDF among other Development Partners and some UN agencies. Although I am not able to quantify now UNDP/UNCDF resources that have been earmarked and programmed for capacity development and capital investment through decentralisation and local governance in Eastern and Southern Africa for the last ten years, I am able to confirm the leadership role UNDP and UNCDF have played and must continue to play at policy and technical levels respectively in these countries. Countries of ESA are not homogenous and are not at the same stage of development in terms of substantive aspects of democratic governance, good governance, decentralised governance and capacity development. They need to be assisted within their stages and contexts.

Hence, without claiming to know all challenges and lessons learnt in this sub-region of Africa, policy, institutional and process trends generally reveal the following challenges and lessons as observed by me as UNDP focal point for decentralisation and local governance at Johannesburg UNDP Regional Service Centre:

## Major Challenges

**Conceptual Underpinnings:** Many decentralization policies, strategies and programmes are advocated or justified, at least in part, on the ground that they will increase popular participation in the planning and implementation of development policies and programmes. This leads to a preoccupation with institutional reforms for decentralized/ local governance at the expense of the broader systemic/ structural reforms necessary for a holistic decentralization/ local governance process. As a means to an end, decentralization can address most problems associated with microeconomic stability, poverty, people's participation, basic social services and good governance. This is true for most African countries, which have introduced decentralization as a policy and institutional objective and, strategy for the realization of their country's Visions, missions and Poverty Reduction Strategy Papers (PRSPs).

There is also need to understand what is meant by centralization, decentralization, re-centralization and over-centralization since all these explain complex forms of relationships, which may or may not reinforce the variety of ways in which decentralization might be perceived and understood. Understanding the various ways in which decentralization is defined and

perceived helps in clarifying its various complexities, as a concept, and also opens avenues for its proper application in describing geo-political and socio-economic issues, let alone for purposes of policy analysis and prescription.

**Sustaining political and technical support to decentralization:** Today, the high degree of political commitment to decentralization, co-exist along side inevitable conflicting pressures, which, in a number of ESA countries, are resulting in delays in the implementation of the Constitutional provisions for instituting Subsidiarity principles, decentralization policies and Local Government Acts, and there could even be policy reversals. So, it is imperative that political commitment at all levels is sustained so as to guarantee the existing political commitment to complete the preparation and successful implementation of local government plans and those of the decentralization policies and programmes as a whole.

One of the most effective ways of minimizing the risks from political pressures is to develop the political capacity, and therefore, the bargaining power, of the Local Governments, as well as the level of political awareness in civil society. The focus on popular participation and the expansion of people's choice through participatory planning and involvement in decision-making has also assisted in strengthening such political commitment. Technical and financial support towards advocacy, sensitization and consensus building among all stakeholders will be required to further sustain this commitment,

**Developing capacity for decentralization at all levels of the governance system:** Most local governments in ESA are nascent and are the early stages of democratically elected local governments. New challenges are emerging in areas of policy, institutionalization, process consulting, system development, resource mobilization and democracy as a concept. A number of activities are currently under implementation focusing on financial, institutional and human resource development but these falls short of available demand. More resources are required to accelerate and consolidate capacity building programmes in local governments. Capacity development is, therefore, critical for the effective implementation of the Decentralization Policy.

**Achieving sustainable financial base for local governments:** The success of local governments in delivering public goods and services to their citizens will depend on the existence of sound financial base. This entails putting in place efficient and effective mechanisms for resource mobilization and utilisation as well as the full implementation of a credible Intergovernmental Fiscal Framework. A number of ESA countries have gone a long way in reviewing and elaborating Fiscal Framework, as well as the revenue potential in the Local Government Areas as part of deepening the policy process but are not there yet.

**Institutionalizing accountability and transparency:** Almost all Local Governments in the ESA region see the need to further consolidate the systems and mechanisms put in place to enhance transparency and accountability of their financial and procurement institutions and by their officials. This will require concerted efforts by all stakeholders in mobilizing resources for capacity development to instill practices of fiscal discipline, accountability, transparency and integrity in those entrusted with the management of Local government resources.

**Devolution of powers and functions to sub-national governments:** Most decentralization policies and Local Government Acts in the ESA countries provide legal frameworks for the gradual devolution of sectoral functions to sub-national governments over a number of years, based on the preparation of individual sectoral devolution plans. The challenge is to sustain and support this devolution process.

**Building Democratic Local Governments:** The main challenges on decentralization arising from the political transformation and post-conflict process relate to: (a) capacity to provide long-term civic education, primarily because of resource constraints within governments, NGOs and civil society; and (b) capacity to build a democratic culture among the elected members of sub-national governments to be accountable to the electorate.

**Achieving Local Empowerment and Popular Participation:** Securing the active participation of the people of ESA in governance and development is one of the main aims of decentralization. Whilst the Policies and the Local Government Acts have established solid legal frameworks for institutionalizing participation, more needs to be done to establish appropriate institutions, systems and procedures for participation. The presence of a vibrant civil society will go a long way in facilitating genuine participation. But the publics need to be assisted and nurtured to overcome their fear of the establishment and to learn to be assertive.

### Overarching Lessons

Countries of ESA have gone through various stages of decentralisation policy processes and analysis, which provide a variety of lessons learned. One of the major lessons is that decentralization is no different from other public policies in stimulating resistance to change and evaluation. A change of governments at the center could in some cases threaten the whole policy process, especially if political groups used to maintaining support through patronage return to power and seek to reinstate local government positions as part of the currency of patronage.

The other major lesson concerns the institutional and management arrangements put in place for the implementation of decentralization in ESA countries. These are multi – sectoral and multi – institutional in nature so as to acknowledge the plurality of interests and the need for forums for continuous consensus building around the aims and objectives of decentralization. These institutional forms have created conducive environments for open and broad based consultations on issues that affect the States.

Finally, multiple processes have guaranteed success in the decentralisation policy formulation processes. A combination of factors ranging from the political commitment to the entrenchment of multi-party democracy; the adoption of a new constitutions that provides a comprehensive Bill of Rights and the establishment of local governments, have created the enabling environment for the implementation of decentralisation and devolution in a number of ESA countries. Local governments, in partnership with other civil society organisations, are seen as potential viable institutional forms for the cost effective provision of local public goods and services and, for the promotion of a democratic culture at the local level.

Thank you.

Jockely Mbeye  
Policy Specialist  
Government Restructuring & Civil Service Reform

# Florian Steinberg

Asian Development Bank

6 September

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## *What are the Challenges in Terms of Governance in the Asia-Pacific Region for the Coming Years?*

2. Many local governments have undergone tremendous transformations in the course of decentralization which has brought devolution of new powers, roles and functions, and at times more authority over taxes and revenues while responsibility for investments has grown substantially. The challenge for many local governments will be to carry the decentralization process forward. In order to be able to increase their investment capacity beyond the current level, many local governments have a big agenda ahead of tax administration reforms; particularly this refers to property and land-related taxation forms, and the introduction of modern and transparent revenue administration. However, in order to achieve further quantum jumps in investment in public goods, innovative modalities for partnerships with the private sector, through special purpose vehicles (SPVs) or formation of urban regeneration agencies need to be crafted.
  
3. Institutional reform and capacity building is a related area which will require substantial inputs. Capacity building requires ownership and local leadership. It can become a sustainable process if government commits to prioritize capacity building investments on a regular basis, either as part of routine budgets or under its investment programs. At the outset of planning and preparing for capacity development it is essential that comprehensive assessments are being undertaken of organizational and institutional roles and capacities, of the network of stakeholders which are relevant for urban management, and the assessment of existing and required core competencies. Governance studies and sector assessments should be undertaken in a participatory manner, and lead to capacity building action plans. It needs to be recognized that such action plans be oriented towards essential performance benchmarks of agencies and a city's service sectors as a whole. Based on this comprehensive approach it is compelling that capacity building which is narrowly focused on training, will not be able to address organizational and institutional weaknesses or problems in the relationship between key stakeholders. Capacity building, like other developmental activities, need to be covered by accountability, and measurable development results should be the aim of these interventions. Capacity building action plans need not only be translated into operations which are budgeted for, but which are defined through measurable results and outcomes. While the establishment of a sound and well-anchored process is relevant for the sustainability of the capacity agenda, the ultimate emphasis has to be on performance. Performance indicators can be the delivery of certain services and the behavior and responsiveness of organizations to clients or the application of new urban management tools.

Thank you.

Florian Steinberg

Urban Development Specialist

# Lara Yocarini

UNDP/BDP/CDG HQ

6 September

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Dear all,

Allow me to add some experiences from Benin to this very interesting discussion.

The decentralisation process in Benin finally took off in 2003, when 77 (mostly rural) municipalities were created and the first local elections were organised. The municipalities (or *Communes*) are led by elected mayors and councilors who are responsible for local economic development, primary education, and basic health care, to name but a few.

To manage these responsibilities effectively and to the benefit of their population, each municipality is obliged, by law, to elaborate a five-year municipal development plan using a pre-determined methodology that runs from sensitization and communication, to data collection and analysis, visioning, strategy development, programming, budgeting and finally implementation and m&e.

Several organisations stepped in to help elaborate such plans. Their support ranged from advisory services to the provision of funds to hire a planning expert or local NGO to facilitate the planning process. Some municipalities opted for a very participatory process, which often lasted more than one year and involved a series of workshops that brought together all relevant stakeholders in the municipality. Others simply hired a local consultancy firm to write the plan for them.

Some of the key challenges that emerged during the more participatory planning processes:

- the politicization of the planning process – although some programmes supported strong participation of different stakeholders, when priorities had to be set and decisions had to be made (mainly during the programming and budgeting phases), it became clear that the mayor and his councilors would not automatically support the decision of the majority. This led to some frustration amongst the stakeholder groups.
- Lack of capacity – although many stakeholders were invited, they often lacked the capacities to participate in a meaningful way. Even some of the councilors were illiterate and were unable to use the more complicated planning tools.
- The heavy methodology – the fact that plans had to be elaborated using the government-prescribed methodology did not leave a lot of room for flexibility or adaptation to the local context.

Yet despite these difficulties, the balance seemed to be in favour of using a participatory methodology since it helped create support for the eventual plan and raised broad awareness (also through the use of community radio, sensitization meetings etc), which in turn led to a greater willingness to help implement the plan.

Once the plans were ready to be implemented other challenges emerged, the most important being lack of (government support and) funding and capacities to carry out the, sometimes ambitious, projects that had been identified. As observed also in the response from Trinidad

and Tobago, the central government was not very willing to transfer resources to the local level and local governments struggled to mobilize their own resources (whether through local taxes or external sources of funding). A large World Bank programme was launched to provide funds to the poorest communities, but this created a parallel financing structure that bypassed the official local governments. Also, the Bank's decision to only fund the poorest municipalities, made some of them attempt to come across as poorer in their plan than they actually were.

In terms of the support needed for local government and decentralisation, this will of course depend on local demand, which will in turn be influenced by how far the decentralisation process has evolved and how well it is working out. In the case of Benin, support was initially focused very much on local development planning and only later moved to support for implementation and resource mobilization. The latter, especially, turned out to be very important, since the central government was not transferring sufficient funds and there were high expectations that local development would take off. Since even basic capacities – for budgeting or project development – tend to be very weak at the local level, this should be another priority.

If you would like to read more about the decentralisation process in Benin and the challenges and opportunities involved, you may wish to look at the following booklet *'Démystifier la Planification'* (which unfortunately is only available in French):

Many thanks and congratulations on a very good discussion.

With best wishes,

Lara Yocarini  
United Nations Development Programme  
Capacity Development Group

# Thusitha Pilapitiya

Casals & Associates-USAID, Malawi

6 September

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Dear Colleagues,

The main challenges faced in promoting local governance and decentralization are an innate reluctance by the central government to devolve real power; lack of a financial base at the local level and the reluctance by central government for financial devolution; and a lack of capacity at the local level. The key lessons learnt in brief are that while one can increase capacity at the local level through technical assistance and training, it is more difficult to persuade central governments to let go of administrative power and practice real financial devolution. In many countries, the constitution allows for devolution of power, and therefore the area of focus should be how to implement the provision of the constitution. Such implementation is also made difficult by the fact that most local governments do not have a tax base or a way of raising revenues, and the central government also does not have the necessary resources to support the local structures. There are more challenges when the decentralization has been the result of external actors, or political movements. In such cases, the central government is even more reluctant to devolve power.

This is almost a duty bearer and right holder situation, where the local governance structures have the constitutional right to have power devolved, and the central government is the duty bearer who is constitutionally bound to do so. As in all cases where we apply a Human Rights Based Approach, technical assistance and support programmes must address both the duty bearers, i.e. the central government and the right holders, i.e. the local government structures.

At the right holder level, training programmes focus on creating awareness among the local government officials, both elected and appointed, of their statutory rights awarded by the constitution and other legislation such as Local Government Acts; creating income generation avenues such as deepening the tax base; and as practiced very successfully in rural Sri Lanka creating partnerships between local government agencies, local civil society organizations, and communities to design and implement development programmes at the local level. These three way initiative in Sri Lanka focused on protecting the environment and finding income generation methods that did not have a negative impact on the environment, but the value of this approach is that this can be applied to other key issues such as HIV/AIDS, MDGs, etc. as well. The three groups came together to identify key issues, propose remedial actions, develop action plans, implement and monitor the plans. It was a totally participatory approach where every stakeholder had a strong element of ownership, and this was the factor that lead to the success of these programmes.

At the duty bearer level, i.e. the central government, similar technical assistance and training programmes on the provisions of the constitution and statutes are essential. However, what works better is to find a catalyst/s at the highest level of the senior government who is seriously committed to bring democracy and stability through local governance structures and strengthen his/her hands to carry out the development agenda at the local level.

Talking about my current duty station, Malawi, the factor that threatens local governance structures the most in this country is corruption. Malawi is presently struggling to strengthen local government structures supported by many international donors. The government has wisely built the local structures along existing lines such as the system of Village Chiefs. One of the main scandals of the country at present is how the Village Chiefs corruptly used a fertilizer subsidy to enrich themselves, their families, and friends. In a country whose main income is from subsistence agriculture, this is a huge problem and has created distrust and disillusionment with the whole local government system. There are also district assemblies in each of the districts who are also accused of corruption with regard to allocation of social benefits. When local governance structures are 'competing' to establish their credentials in a developing world dominated by central governments, the issue of decentralized corruption creates an additional burden on citizens who already have to deal with corruption in the central government as well.

One of the reasons leading to corrupt practices by officials at the local level is the very low pay of these persons. This is a problem endemic to all developing countries. Due to the low financial resources of the country, governments are unable to pay reasonable salaries. There seems to be almost a tacit understanding between the central and local governments, that it is alright to charge a 'fee' for services from the citizens to make up for the anomaly created by low salaries. In an extremely poor country such as Malawi, this creates a situation where citizens do not want to access the meager services offered by the local governments, and local government structures become redundant and irrelevant to the citizens they are supposed to serve. This is a very dangerous situation not only for local governance but for democracy as a whole.

The support for local governance that my current work gives is through rigorously attacking the problem of corruption at the local level. We apply a human rights based approach where in this instance we have identified the local government structures as the duty bearers, and the citizens they serve as the right holders. The District Assemblies have monitoring and evaluation officers who are being trained in using modern technologies such as databases to monitor the services that are given to local people. As most corruption occurs in providing health and education facilities at the decentralized level, the M&E officers are specifically trained to track services in these areas through databases, and creation of records for tracking purposes so that special privileges are not given, and theft and misappropriation of goods by local officials are reduced. As some of the corruption occurs during procurement by local authorities, Internal Procurement Committees have been created at the district assemblies and these officers are given training in procurement rules.

At the right holder level, there are several awareness programmes for villages conducted through the Anti Corruption Bureau of Malawi. While the anti corruption bureau is plagued with anomalies in prosecuting political persona, the bureau is free to conduct educational programmes freely, which we are supporting the bureau to do. We also have a CSO programme supporting local NGOs to conduct awareness programmes for local people on fighting corruption and demanding transparency from their local officials and agencies. A media programme has proven to be very successful especially over the radio as many villagers have access to radio over newspapers since literacy levels are low. The level of frankness expressed by citizens through public meetings broadcast over radio has been impressive. Villagers hitherto cut off from mainstream services are now made aware of what their rights are, and are able to demand services from local authorities. We also target school children in local areas by organizing anti-corruption days where the children sing, recite, and act using themes of anti-corruption. Sports activities are organized through a CSO to popularize anti-corruption principles and concepts.

An annual corruption perception survey supported by us also indicated that even when villagers are aware of corruption, and know that they have a right to complain, they do not know how to, who to complain. The Anti Corruption Bureau now carries out many outreach programmes about their services, and through all anti-corruption programmes inform people that complaints can be made by phone or by writing. Another problem especially associated with the village level, where everyone knows everyone, or are indeed related to everyone, there is a strong need to assure anonymity. The bureau has also assured people through their outreach programmes that this anonymity will be protected. We have currently developed for the bureau a communications strategy through which the bureau can increase their communications at the local level.

The thrust of my argument is that eradicating corruption and increasing transparency and accountability are critical to the credibility and value of local governance structures in a democracy.

Thusitha Pilapitiya

Chief of Party/Senior Anti Corruption Specialist

Strengthening Government Integrity in Malawi Project

Casals & Associates (USAID Contractor)

# Ernesto Bautista

UNDP Pacific Center

7 September

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Dear Colleagues,

Like most countries Pacific Island countries (PICs) share many challenges in implementing decentralization and local governance reform processes. While most PICs have some form of Local Government Act, local governments in the Pacific (with the exception of some of the Melanesian countries, eg. Papua New Guinea, Solomon Island, and in some respect Fiji) because of their small population, very limited resource base and geographic size are largely dependent from the central government for financial resources and personnel. Local governments rely on seconded staff from the central government ministry responsible for local governments and or from sectoral ministries and have no fiscal transfer system in place. With few exceptions local activities are implemented and funded by central ministries. Local governments and for that matter PICs face the challenge of the great distances separating islands contributing to their relative isolation. This makes coordination a major challenge as well as expensive.

Another challenge in the Pacific is the presence and strong influence of ‘traditional’ governance system characterized by chiefly/big man structures and system. Although features of the “traditional” system has been formalized in some of the constitutional arrangements of some of the countries of the region (e.g. Fiji, Samoa, Vanuatu, PNG) local governments in many countries of the region co-exist with traditional authorities where they often do not play a meaningful part in the local government processes yet exert strong influence on the local communities. This influence is based on traditional authorities’ control over land and other local resources, and hence their important role in conflict resolution. Indeed in many parts of the Melanesia, e.g PNG and Solomon Islands, traditional authorities have more credibility and exert significant influence over local communities. The strong influence of traditional authorities is in part due to the relative isolation of most communities which contribute to the lack of presence of the government and its instrumentalities, and of the fragmented nature of these societies that are still strongly organized along lineage and clans. Identifying ways to “harmonize” traditional system and with the formal government system is a major and continuing challenge that face countries in the region.

A related challenge to decentralization and local governance is the existence of parallel structures and mechanisms. In Fiji as an example, provincial councils are under the Ministry of Fijian Affairs while city and town councils under the Ministry of Local Government. On the other hand, in the Solomon Island, while provincial governments are under the Ministry of Provincial and Rural Development, the establishment of Constituency Development Fund which support projects of the constituencies national MPs serve to undermine the viability and effectiveness of local governments. The same situation is present in Kenya where the MPs’ Constituency Development Fund (CDF) is better capitalized than the local government’s Local Authorities Transfer Fund (LATF).

An effective local governance system requires civil society and civil society organizations (CSOs) which have the capacity to articulate the needs of citizens, engage local governments and serve as a mechanism for social accountability. International development experience indicate that a vibrant and capable civil society and CSOs are an important element in minimizing elite capture due to unequal power relationship especially at the local level. In many of the Pacific which are

“ An effective local governance system requires civil society and civil society organizations (CSOs) which have the capacity to articulate the needs of citizens, engage local governments and serve as a mechanism for social accountability ”

still emerging from their post colonial history, civil society organizations are in their nascent stage of development. CSOs face many challenges in terms of weaknesses in their internal governance structures, lack of funding, weak capacity and the strong influence of culture and tradition. In some of the PICs where custom and traditional is strong and where everybody knows everyone, CSOs find it difficult to exercise monitoring functions on government and or report violations of human rights. Strengthening civil society and CSOs is a key pillar to effective local governance and decentralization.

Integrating cross-cutting issues such as HIV/AIDS, MDGs, etc is facilitated if approached through local governments' processes. Developing and or strengthening statutory mechanisms of local governments (e.g. planning, budgeting, local assembly's / parliamentary processes, etc) through which these issues can be addressed and internalized provides greater chance of being actioned or implemented.

I hope this contribution will enrich the already interesting substantive discussion.

Best regards.

Ernesto Bautista  
Regional Governance Adviser

# Katharina Huebner

**UNDP Cambodia**

7 September

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Dear all,

I am enjoying reading and learning everyday about the achievements and challenges in all different parts of the world. In Cambodia UNDP is very involved and supportive of the decentralization and deconcentration process. My contribution will focus on one aspect of our work: support with the establishment of a local government association.

The first local government (commune/sangkat) elections in Cambodia were held in 2002. Already within their first mandate (2002-2007) commune councilors, supported by government, especially by the Ministry of Interior, and development partners, succeeded in 2006 in establishing provincial associations of commune /sangkat. Also in 2006, these first 11 provincial associations (out of 24 provinces) together established the National League of Commune/Sangkat, as a federative umbrella of the provincial associations at national level. Until now, August 2007, a total of 15 provincial associations have been established, and 9 remain for the next 1-2 years.

With support of the EC and UNDP funded project “Democratic Decentralized Local Governance” the national and provincial associations have developed their own Statute and internal rule, and are presently developing their own administrative and financial policies and guidelines. This policies and guidelines will support a transparent, efficient and accountable use of donor contributions and the membership fees that the commune councils have agreed to pay. The fees are not very high in total but there are considerable based on the present income of commune/sangkat and, what is more important, the introduction of fees is establishing a process and culture of membership payment and contributing to the ownership of the association by the members.

With the funds from the membership fee and donor contributions, the National League and Provincial Associations will implement their strategic plan in the next years. The five strategic areas in brief are:

1. Capacity building and horizontal learning: provide input into the government capacity building plan, broker between commune council training needs and training providers, organize best practice award and horizontal learning.
2. Financial sustainability: define membership fee and implement collection process. Develop and implement financial and administrative mechanisms.
3. Strengthening national and provincial associations: training for leaders, establishment of Secretariat, regular meetings, development of annual plan, budget and M&E system, expansion to all provinces.
4. Communication/Awareness raising: relations/meetings with stakeholders, development partners and the media,
5. Advocacy: establishment of commune councilor dialogue forum, advocacy with provincial and national government, contribute to sub national reform process

Through these activities the associations aim at fulfilling their goals (as indicated in the statute):

- Enhance the status and capacity of Commune/Sangkat Councils
- Achieve a democratic and decentralized administration that is effective, sustainable, transparent, accountable and self reliant.

In addition to the support for the definition of the National League and Provincial Associations statute and internal rule, the strategic plan, and the membership fee, the EC-UNDP project has provided support within the 5 strategic areas: development of a local government best practice award concept, communication and leadership training for association leaders, development of annual plan and budget for national and provincial associations, establishment of offices and bank accounts and developing of a short information leaflet and linking with partners to raise awareness on the associations.

We believe that one of the key factors in the process of establishing the association in Cambodia was the involvement of different development partners that supported the idea and exposed government officials and commune leaders to the experiences from other countries. From the beginning, the idea to establish an association of local government has been supported by different donors: EC- UNDP, KAF, GTZ and VNG. They all organized study tours for government officials to see how the associations work in other countries in Europe and within the region (Indonesia). They also organized experts visits to present the idea in Cambodia. Different approaches have been shared and the associations in Cambodia are benefiting from a range of approaches and choosing and adapting them to their situation. Also the Training of Trainers on Local Government Associations provided by the UNDP Regional Centre in Bratislava provided the project with a great opportunity to learn from the approaches in other countries and is contributing to further develop the concept in Cambodia.

In future, in cooperation with VNG regional project, we plan to link the association in Cambodia to the associations in other countries in the region (Indonesia, Nepal) to continue sharing experiences and learning from each other. This provides the leaders of associations with the unique opportunity to realize that the challenges they face are similar to the ones of their colleague leaders in other countries, and also that the achievements that others celebrate they can also achieve. Contacts have also been established with FCM (Canadian Federation of Municipalities) for future support. Bringing together all these different partners to support the associations has been a rewarding challenge.

Many more challenges lay ahead for the associations as well as for the sub national reform process in Cambodia. But as big as the challenges are, is the motivation and enthusiasm of the commune councilors who have taken the additional task and commitment of being leaders of the associations. Of this organization that represents their interests and that they have established to contribute as a partner in the dialogue with national government for the development of their country and to deepen local democracy and good governance.

Katharina Huebner  
Local Governance Advisor  
EC-UNDP Project

# Bayramgul Garabaeva

UNDP Turkmenistan

7 September

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Dear colleagues,

I have been following the discussion and find it very interesting. The topic of this discussion as well as the timing is very relevant to the Turkmenistan context.

At the moment UNDP CO in Turkmenistan is about to launch a new programme of cooperation with the Government of Turkmenistan (GoT), which will address different aspects of local governance. The signing of the programme has been preceded by a long-term intensive dialogue and advocacy and given the specific country context and political sensitivity of the issue this can be considered a true accomplishment and concurrence of challenges.

Before providing answers to the specific questions, I would briefly describe the issues in the area of decentralization and local governance in Turkmenistan. With regard to decentralization, there has been no clear intention of the GoT to initiate decentralization processes within the past years of independence. Although Turkmenistan has already developed several key legislative acts on local self-government, which has empowered local governments to step forward socio-economic planning, budgeting, local taxation, rational use of natural resources and wider civic engagement in decision making processes, there remain many inconsistencies in the overall regulatory framework, which result in that local governments have distinct functions, but many are not exclusive and overlap with those assigned to departments and agencies of central government. Major responsibilities for planning local-level investments are assigned to large central government agencies.

Besides, nationwide elections of local councils (Gengeshi) held in July 2006 has offered a political platform and potential to develop Gengeshi as responsive and effective local development institutions. However, with the further development of local self-government system in the country, it is essential to improve institutional framework and build capacity of Gengeshi for undertaking the assigned functions properly.

Nevertheless, since recent change in the country's leadership there has been a new drive initiated by the GoT towards rural development and designing an integrated national strategy on local development. This would most likely be translated into addressing not only socio-economic issues, but also the issues of local democracy, good governance.

In this background, UNDP programme on local self-governance is seen to be well placed within present government priorities that are essential for national ownership.

***What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged?***

Following the discussion I have noticed that the most experiences are focused on implementation challenges. Those country experiences are extremely important for our CO and will be taken into consideration while implementing the programme. I would rather focus more on challenges we have faced while designing the assistance programme.

Since Turkmenistan is a very special country due to the limits of democratization, strong presidency and still centralized government system, obtaining political support is essential for undertaking any development initiative. Particularly such areas as decentralization, democratic governance are very challenging endeavors to undertake due to their high political sensitivity.

While designing the programme, the main challenges were:

- i. Lack of political will and low awareness level of government officials on benefits of decentralization and local governance.
- ii. Limited access of international and national UNDP staff to officials in central government to discuss and explore possible entry points for joint cooperation as well as to the fields to carry out the assessment of needs and priorities of local governments and communities.
- iii. There is no authoritative ministry in the Government responsible for local governments to approach and advocate for. There is a Committee for Gengeshi (local councils) in the Parliament of Turkmenistan which deals with local self-governance bodies. But it was impossible until recent to get in touch with the Committee due to the absence of official permission from the Ministry of Foreign Affairs.

Lessons learned:

- i. Political will is a must for any international aid programme.
- ii. Continuous advocacy and awareness raising efforts at the highest level of the Government are essential.
- iii. There is a great need in human resources and expertise at central and local levels to facilitate the progress at the local level of governance

***What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.***

Briefly, the base line for the joint UNDP – GoT initiative on local self-governance is:

1. Newly introduced local self-governance entities with lack of institutional framework and organizational capacity
2. Legal framework exists but lacks mechanism of implementation of the laws
3. Lack of participation on the part of communities in local planning and budgeting and implementation of local development plans
4. Lack of coordination between elected local governance bodies and governmental departments on service delivery
5. Low level of awareness of decision-makers and communities on local development issues

Based on the above, the following areas of assistance required to strengthen local self-governance have been incorporated into the programme:

- i. Improvement of legal and policy framework for self-governance through provision of international expertise with immediate objective to support Government in the elaboration of the legislative acts that strengthen political and financial capacities of local governments in the country
- ii. Institution and capacity building to promote effective local governance system through the capacity development of local government and elected authority and by forging partnership with local communities and other local actors
- iii. Participatory local development planning with the objective to promote more effective, participatory and inclusive planning and budgeting systems which are developed and used by local governments
- iv. Social mobilization and partnerships for quality service delivery to promote social mobilization and partnerships at local level through limited financial support for the realization of the socio-economic projects and initiatives identified, planned and prioritized by the local governments in partnership with communities based on the local needs of the people
- v. Scaling up through advocacy and communication to inform national policy on the results and lessons learned derived from the programme.

In addition, the areas of intervention have been selected based on the feasibility and immediate priorities of the country. There are many challenges ahead expected but we believe that gradual approach to development issues in Turkmenistan will prevail our efforts.

And finally, I would like to thank the moderators for launching the discussion and very interesting contributions, which encourage thinking more about different approaches to local development initiatives.

With best regards,

Bayramgul Garabaeva  
Programme Officer

# Sonia Duran

UNDP SURF Panama

7 September

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Dear colleagues,

I am pleased to have the opportunity to share with you some thoughts in this interesting e-discussion, from the perspective of Latin America in the design and implementation of assistance programs in decentralization and strengthening of management at the local level. Also, I would like to highlight this natural “community of practice” being formed through the exchange of views and experiences where, in spite of particularities in different countries and regions, we encounter similitude in difficulties, challenges and approaches to assist Country offices, and through them, our natural clients, national and sub national governments, organizations and social actors.

Despite regional progress made so far in public administration reforms, among which decentralization has had a broad but dissimilar implementation, such processes still lack the steadiness required to achieve results in terms of improved social cohesion and inequality reduction, construction of gender sensitive public policies, strengthening of democratic practices and inclusiveness, and focalization of public expenditure, among other issues. In some countries of the Latin American region, effort is being done in deepening and reorienting processes. In others with incipient approach to decentralization initiatives, assistance is provided in building capacities and strengthening management at the local level.

1. In the design and implementation of assistance programs, several challenges are faced:
  - First and foremost, the lack of real political will and priority of decentralization as public policy in traditionally centralized countries. Also, regional priorities (included decentralized countries) shift to other areas where international cooperation resources are allocated (e.g. security issues).
  - Current institutional and structural weaknesses at sub national levels, particularly among financially weak-performing municipalities, support central government reluctance to move ahead in transferring resources and distribution of competences. This issue, besides the traditional central political capture of sub national levels of government, poses constraints to the implementation of decentralization initiatives.
  - Timid approach in the design of flexible solutions to help overcome capacity deficit, in particular in strengthening administrative, fiscal and financial management of local governments.
  - Inaccuracy in the distribution of competences and transfer schemes. Sustainability of fiscal decentralization remains fragile and thereby inhibits the ability of local management to properly assume its social expenditures.
  - Lack of coherence with national contexts and observance of principles as gradualism, heterogeneity and fiscal neutrality (correspondence between competences and transfer of resources).
  - Absence of control mechanisms and transparency have spurred the growth of phenomena such as corruption or the inadequate use of resources.

2. Two major lessons emerge: first, there is a shift from “best practice” to “best fit” (J.Frank WB). K-products have to be adjusted, contextualized and piloted. Second, local strategic alliances, e.g. with universities, municipal associations, CSO’s etc. prove to be indispensable associates in advocacy and building and transfer of capacities.
3. For deepening or reorientation of decentralization processes in LAC SURF we have developed and disseminated 3 main k-products: a How-to-guide for the design and implementation of administrative and fiscal decentralization processes; Tools for strengthening the administrative, fiscal and financial management of local governments, with emphasis in public services, territorial planning and land-use, and budget and financing; Tool to diagnose performance of decentralized public administration, analyze inter-governmental relations and diagnose of local capacities and conditions to facilitate the design of schemes for transferring administrative and sectoral competences.

Best regards,

Sonia Duran

Decentralization and Institutional Reform Adviser

# Lealem Berhanu Dinku

UNDP Sudan

7 September

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Dear all,

I would like to take this opportunity to extend my appreciation for Democratic Governance Practice Net and the moderators for organizing this timely and valuable E-discussion on “Towards a Local governance and Development Agenda - Lessons and Challenges.” I would like to contribute to this very interesting discussion by sharing with you some experiences from the work of UNDP in South Kordofan State (Sudan).

## *1. Background/Context*

The signing of the Comprehensive Peace Agreement (CPA) between the Government of the Sudan (GOS) and the Sudanese Peoples Liberation Movement/Army (SPLM/SPLA) in January 2005 marked the end of a 17-year civil war in Sudan, and the beginning of sustainable recovery through reconstitution of a viable and trusted state authority. However, this trend presents new challenges and opportunities for South Kordofan State. As the challenges and opportunities continue to multiply, capacity for effective governance, decentralization and public administration stands as a high priority. For a stable, lasting peace to take place in the Sudan, citizens had to develop greater confidence in the legitimacy and openness of the governance system. In accordance with the CPA a general election will be held in 2008, this is a taunting task that requires multi faceted support to ensure efficient administration of the electoral process and guarantee a free and fair election with effective participation of eligible voters. To address these critical requirements, the government of South Kordofan must improve the legal, regulatory and institutional frameworks to deepen the ongoing decentralization process as stipulated in the CPA.

Since 2006, UNDP has been actively involved in local governance capacity building to support the emergence of democratic, accountable, responsive, client-oriented public institutions and processes in South Kordofan. The training of more than 200 government officials in public sector management and service delivery, the provision of necessary equipments, the provision of technical advisor to the government, support to the establishment of South Kordofan CSOs Umbrella body, inter alia, are some major achievements of the project. In February 2006, the GoSK developed and approved the “State Five-year Strategic Plan” that puts forward a comprehensive vision for post-conflict reconstruction, rehabilitation and development in light of the decentralization and deconcentration reform stipulated in the CPA. As stated in the “State Five-year Strategic Plan” Capacity building of the State institutions” for deepening the decentralization and democratization process is one of the strategic priorities of the Government.

Accordingly and in support of the State Strategic Plan, the Local Governance Capacity Building Project aims to “contribute to the creation of effective State and local governance structures which are transparent, accountable, accessible, efficient, representative and sustainable.” The specific objectives of the project are to (i) develop/strengthen human resources capacity of governance institutions at all levels in the state; (ii) Develop/strengthen effective and elaborated working systems, structures and procedures of governance institutions with an emphasis on results based management and (iii) Strengthen Legal and institutional framework for effective decentralization and empowerment of local government

2. *What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization?*

- Delay in the approval of State constitution;
- Delay in issuing appropriate laws and regulations to shape the state administration, such as the State local government law, civil service law, civil service disciplinary law, native administration law, public justice corporation law, civil service justice law, civil service recruitment committee law, regulatory framework for CSO/CBOs;
- Delay in the formation and activation of institutions and commission stated in the CPA;
- Lack of trust and harmony between SPLM and GOS resulting in poor inter-ministerial collaboration;
- Delay in the approval of structures, job description and plans of State Ministries;
- Politicized civil service;
- Shortage of trained and qualified civil servants;
- Delay in harmonized and secured civil service system;
- Existence of ethnical and patronized civil service;
- Unclear separation of power between the three branches of government;
- Unclear fiscal decentralization polices, management systems and practice in the inter-government relationship;
- The existence of gender imbalance in the civil service, especially in leadership and decision making positions;
- Poor public sector infrastructures;
- Lack of modern and participatory civil service training centre;
- Lack of E-governance capacity in all government institutions;
- Limited capacity of CSO/CBOs to engage in meaningful dialogue with government, and to effectively participate in recover and reintegration programmes;
- Neglected and disorganized local Administration.

**3. *What are the key lessons learned and good practices emerged?***

- Governance capacity building should only be provided in the context of a longer range, viable strategic plan.
- Post-conflict governance capacity building requires long-term, comprehensive, integrated and coordinated plan
- The placement of key national and international advisors in major public agencies enhances policy making, implementation and monitoring and evaluation
- Enhancing the operational and technical knowledge of public officials requires the planning and execution leaning missions and exposure visits in the South
- Post conflict governance capacity building requires continuous donor support to effectively address public sector service delivery management issues
- The sustainability and effectiveness of governance capacity building requires political will and commitment of local authorities in supporting and financing the programme
- Deepening the democratization and peace building process requires the genuine participation of CSO and citizen in the workings of the local government
- Post-conflict civil service capacity building requires the establishment of capacity building supply centre to meet the unlimited capacity demands
- The proper integration of customary governance practices and structure greatly enhance peace building in post-conflict environment
- Support to the establishment of CSOs Umbrella body helps to create a structure through which CSO can collectively engage in lobbying and advocacy programmes that helps enhance the development of pro-poor development polices
- Technical capacity building hardly contributes to the effectiveness of public institutions without the provision of appropriate working methods and instruments
- Enhancing women's participation in leadership and decision making requires the revision and enactment of laws and regulation which is supported by appropriate level of funding base
- Governance Capacity building programmes enhance the check and balance, if the capacity building is equality targeting the three branches of governance

**4. *What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.***

- UNDP should strengthen its knowledge base and amplify its framework for capacity building to better help the state prioritize capacity building activities, guide donor support, link institutional, organizational and human capacity developments and transform traditional capacity building tools to improve results;

- Ensure that guidelines and processes are in place for self and independent evaluations of its governance capacity building interventions;
  - Support the development of sector-specific guidelines on diagnosing public sector capacity needs and develop the tools for monitoring and evaluating interventions;
  - Support interventions that will enhance the culture of constitutionalism in the State;
  - Undertake programmes that enhance the capacity, transparency and accountability of governance institutions-the Legislature, the executive, etc;
  - Support the establishment of locally owned and financed civil service training institutions to effectively address and meet the huge capacity building needs of the State;
  - Integrate national and regional level lessons, experiences and best practices in the design, planning, implementation, monitoring and evaluation of the governance project;
  - All governance training programmes should be accompanied by an agreed follow-up, mentoring and coaching support system;
  - Major governance capacity building activities should be undertaken at the level of localities to enhance the process of decentralization;
  - Long-term development planning, and pro-poor budgeting/resource allocation needs to be addressed;
  - The gender technical capacity of State institutions for mainstreaming gender in the decentralization and democratization process needs to be strengthened.
5. *What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

Cross-cutting issues such as, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption are properly integrated in the design, planning, implementation and monitoring and evaluation of the Governance Capacity Building Project in the State. In this regard, the project staff ensures that all training programmes, workshops, meeting and forums systematically integrate awareness creation of the cross-cutting issues. South Kordofan Local Governance Capacity Building Project support interventions aimed at mainstream Gender concerns in the work of Public Sector institutions in the State. The project mainly aims to enhance the capacity and visibility of the Gender Department in the State Ministry of Social Welfare, Women and Children (MOSWWC) to discharge its gender equity related mandates.

The project has conducted Gender Audit of 9 line Ministries in the state and the Audit greatly helped to identify gender mainstreaming challenges and opportunities at all levels in the State. Following the Gender Audit, the project organized a workshop to validate the results and develop gender integration action plans.

The Validation and Planning Workshop participants recommended the establishment of Gender Task Force in the 10 line Ministries, the Legislative Council, the State Judiciary and the Office of the Governor. 45 (30 female and 15 male) civil servants were appointed from each of the above agencies on the basis of education and willingness to work in each Agency's Gender Task Force. The Gender Task Force has the following TOR:

- Organize gender sensitization workshop/training in public sector organizations
- Participate and contribute ideas for the incorporation of gender perspective in the drafting of public sector bills and enactment of laws
- Engage in advocacy, lobbying, networking and partnership-building activities for the promotion of gender concerns in South Kordofan State
- Participate and Audit the Gender-responsiveness of the planning, implementation, monitoring and evaluation of development policies, programmes and projects
- Participate in the development of government budget and ensure the inclusion of gender perspective into the budget planning and analysis process
- Develop and implement sector-based gender mainstreaming guidelines
- Conduct Gender Needs Assessment to identify opportunities, challenges and entry points for gender mainstreaming in public sector institutions
- Develop Gender policy and its implementation action plan in collaboration with the Ministry of Social Welfare, Women and Children (MOSWWC)
- Participate in the development and dissemination of Gender Information, Education and Communication (IEC) materials
- Develop and implement gender programmes and projects that support the Millennium Development Goal (MDGs) in public sector organizations
- Participate in the preparation and dissemination of Gender publications and Newsletters in collaboration with the Ministry of Social Welfare, Women and Children (MOSWWC)
- Participate and contribute in the gender related meetings and forums to be organized by the Ministry of Social Welfare, Women and Children (MOSWWC).

With regards,

Lealem Berhanu Dinku  
STA-Governance and Head of Office

# Klodiana Marika

**UNDP Albania**

8 September

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Dear colleagues,

Hello from Albania! Following the discussions with regard to the local governance and decentralisation process, which seems to be very interesting, especially for the countries with economies in transition and for those who are working towards the EU membership, I did some research (please see below) with regard to this process in Albania. First of all I am presenting some background situation with this regard and at the end some recommendations which are introduced in the reports of the World Bank, Sorros, USAID and so on. I think it will give you all the opportunity to understand our process.

The first steps of decentralization reform in Albania are associated with the institutionalization of the process, followed closely by the necessary legal instruments.

It was in 1998 when the most significant steps were made towards setting up institutional instruments capable of dealing with decentralization in Albania, stimulating policy-making, compiling strategies and action plans, as well as making a consistent and helpful precedent in reform implementation. The Local Government Secretariat was established under the Ministry of Interior. This was then followed by action to coordinate policy-making actors and specialists, such as the establishment of: the Inter-ministerial Decentralization Committee; the Group of Experts on Decentralization; and task groups at the ministry level at respective ministries, including the participation of civil society in all key decision making concerning the reform.

In order to “materialize” political will on decentralization reform in one strategic document, the National Decentralization Strategy was drafted in 1999, and approved at the beginning of 2000. Subsequently, the development of action plans, and steps towards decentralization and priority setting followed. To coordinate the implementation of this Strategy, paying increasing attention to the process, in 1999 the Local Government Secretariat underwent restructuring and developed into the Ministry of Local Government and Decentralization.

The reform and decentralization process has gone through several important stages, including ratification of the legal framework to create the incentive that would triggered reform, improved territorial arranging with reference to decentralization, followed by consolidation of local institutions and increased capacity-building to enable better management of a greater number of assigned responsibilities. To ensure institutional financial autonomy: greater freedom in generating revenues from autonomous fiscal resources, as well as administering expenditures according to local policies and priorities.

All the above made way for another major development in the decentralization process, accountability for a number of key public services, e.g. water supply and sewage, first aid and health, social services, accommodation, pre-university education, etc. The Albanian model of decentralization aimed to create a very strong first level of local government, municipalities and communes, and for the first time created regions, serving as the second level with a more coordinative role for constituent representatives of the first level.

Given that there are only 12 regions in Albania and the important mission the Albanian Constitution gives them to harmonize state policies with local government ones, much attention has recently been paid to them. Important institutional attempts are being made to strengthen and better organize regions. According to the National Strategy for Socio-Economic Development

(NSSED) and the Millennium Development Goals, 10 Regional Development Reports and Strategies are being compiled. On the other hand, in certain sectors and from the local government approach, inter-communal cooperation and delegation are already a legal instrument settled by the Law on the Organization and Functioning of Local Government.

Recommendations to Strengthen Regional Development Policy Performance

*Even though drafting regional development strategies has been a priority and most regions already do have strategies in place, it is important to consider the involvement of municipalities and communes through their own local strategies, as a bottom up approach.*

## **1. Planning of Regional Development**

- The process of drafting regional development plans has to be an institutionalized one with instruments which will guarantee the participation of all stakeholders, especially the municipalities and communes that strengthened their capacity to carry out basic functions, generate local resources and manage an important share of the public sector with local interest and with a vision for the development of their settlements etc.
- Municipalities and communes have to be pushed to draft their own development strategies even though with the pace of the decentralization process, a lot of other important functions are under the process of being transferred to local governments.
- Political willingness to devolve power and authority to local governments will be critical to the finalization of local strategies and regional strategies. It is necessary to stimulate the devolvement of powers towards local governments and the drafting of regional development strategies. We recommend a real interaction between these two processes, otherwise certain sectors risk not being coordinated within regional development.

## **2. Instruments of Regional Development**

Given the existing status of local governments in Albania and the legal provisions, in addition to the regional councils as instruments of regional development, the target of interested actors should be, alternatively the following:

- Joint authorities by inter-municipal cooperation
- Regional councils
- Regional agencies

### 3. Implementation of Regional Development Strategies

To start the implementation of regional development strategies in Albania, the following concrete actions should be considered and elaborated in an Action Plan for the implementation of regional development:

- Drafting of communal and municipal development strategies
- Revising regional development strategies throughout the implementation
- Breaking down the regional development

Strategies into comprehensive action plans— respective budgets and responsible actors

*b. National strategies broken into regional strategies will need political willingness to delegate those programs that cannot be realized at the national level to the regional one. This requires delegation of powers to regional councils and the financial resources necessary to carry out these programs.*

For the sake of better regional performance, we recommend the analysis of prior voluntary and mandatory delegation so that some lessons can be learned about the approaches to be used: bottom-up approach and top-down approach.

Best Wishes

Klodiana Marika  
NCSA/SLM  
Unit Manager

# Trevor Benn

**UNDP Guyana**

8 September

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Dear Colleagues,

Many thanks for affording me this opportunity to participate in the e-discussion on local governance.

I should say at the onset that the Guyana CO does not have a local governance programme. We have only recently started working with the Ministry of Local Government and Regional Development on some poverty reduction projects. In 2001 the Government established A Joint Task Force on Local government to undertake the responsibility of implementing the provisions of the Local Government Reform Legislation.

The terms of reference of the Task Force were as follows:

- To ensure the conclusion of the constitutional reform process and give effect to the new constitutional provisions regarding local democracy;
- To monitor and guide the drafting, passing and implementation of legislation to give greater autonomy to local government bodies, including the establishment of the local government commission, the formulation and implementation of objective criteria for the purpose of the allocation of resources by local democratic organs;
- To recommend measures for continuous education on programmes in the new local government system; and
- To recommend to the Local Government Commission mechanisms to monitor the work and functions of all established local government institutions and bodies.

The Task Force was mandated to hold consultations in the various Regions of the country to canvas the views of residents. The report of the Task force has only recently been submitted to the legal drafters for a bill to be prepared for submission to the Parliament.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

Local governance is increasingly been seen as pivotal to the development of the country, from the utterances of key actors of both government and non government organisations/agencies there seems to be a common recognition that local governance deserves much more recognition. The challenge we face in working in this area, however are many and may mirror some already mentioned by other colleagues, chief among them are;

Decisions in Guyana are made centrally;

- Despite the utterances of key actors there is now evidence to suggest any willingness to give more power to local government bodies;
- Although a report has been submitted by the Task Force on local governance six years after it was set up talks are continuing among its members to reach agreement on key recommendations;
- Lack of qualified staff to carry forward the work of local government bodies; and
- Because elections for Local government bodies are over due by some ten years, many people seem to have lost confidence in the system. Tax evasion is now rampant, many of the bodies are unable to meet their administrative and other needs and many home owners are taking action to resolve local government issues on their own.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

In the context of Guyana, given the current attempts at reforming local government I am of the view that technical assistance would be required in the following areas:

Capacity Building for local government officials and community leaders;

- Training in advocacy, local government management and financial management;
- Support to the local government Task Force to help it with the management of its various tasks
- Public relations support to help with the dissemination of information on new local government legislation when enacted;
- Electoral support for the hold of the long over due elections.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

The Social Cohesion Programme, which was administered by UNDP Guyana concluded in December of 2006. There were some successful interventions in the programme which addressed conflict prevention and human rights issues. In particular the Youth Focused Community Based Initiative which brought together youth leaders with their adult counterparts from various levels of the local government strata as well as political, religious and local community leaders. Training in Conflict Prevention was also conducted for councillors and administrators of the Regional Democratic Councils, the highest tier of local government in Guyana.

To support local governance and decentralisation UNDP needs to work more closely with civil society organisations, community based organisations as well as with Local government bodies directly. Currently all of our interventions are done through a ministry at the center and quite often not much gets filter down to the lower levels of government.

Trevor Benn  
Personnel Associate

# Paul Lundberg and Masood Amer

UNDP Afghanistan

9 September

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Dear Colleagues,

Support to local governance and development in Afghanistan has been limited since the fall of the Taliban in 2001 as most of the attention from the international community was placed on recreating a functioning central government apparatus. However, last week, the President signed a decree creating a new Office of Local Administrations within the Presidential Palace. Several hundred central government staff from the Ministry of Interior and Office of Administrative Affairs are being moved to this office. The Office will provide direct supervision to provinces, districts and municipalities. The note below reflects the situation to date. We hope to provide more positive comments in future dialogues.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

Here in Afghanistan, everything is a challenge: good governance for all, daily sustenance for many, survival for some. The concepts of local governance and decentralization don't exist as they are known in other countries. What you find is a classic polycentric governance framework with many nodes of power competing with one another. Local development is driven by large national programmes designed and funded by international organizations. Governors are appointed by the President under a law that grants them significant responsibility, but their de facto authority is limited by these national programme modalities and the separation of the police from the local administration. In addition, few international organizations trust the Governors as partners since most tend to be former jihadi commanders and often maintain their powerbase through personal militias. Provincial Councils were elected two years ago. Essentially, they were elected because of a constitutional requirement that members of the upper house of Parliament must be selected by local councils. Little has been done to build their capacity to carry out their legal, but limited, functions. A recent amendment to their founding legislation has granted them additional authority to monitor the work of the government, but they are poorly equipped and financed to carry this out.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

About one half of the Governors' offices are in varying stages of reorganization as a prelude to a merit based recruitment process. As this is being completed, capacity building programmes have been initiated by several donor agencies in different provinces under different conceptual frameworks. With less than 20% of the work done, the reform process at the subnational level has a long way to go. The UNDP Afghanistan subnational governance programme, initiated in 2007, has recently begun supporting restructured Governors' offices to conduct a mid year review

of implementation achievements as one of its capacity building activities. Unfortunately, most provincial line departments have little idea about their budget or their implementation targets. Assistance is also being provided by ASGP to create rudimentary office management practices and rules of procedure to guide operations and define the relations among the government units based in a province. Training at the provincial level has thus far been funded primarily by the EC, but this may change in the coming months with large USAID programs coming on line. For the past three years, the international donors have heavily funded a nationwide community development programme. Over 15,000 Community Development Committees have been formed by international NGOs and funds are channeled to them for local infrastructure development. There is concern in some quarters that this effort is deflecting attention from indigenous local governance structures.

***What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?***

A subnational governance policy framework is sorely needed. One of the significant challenges facing all development efforts is the lack of synergy at the local level because development projects and capacity building efforts are initiated in Kabul with specific sectoral targets to be achieved. Without an organic concept of territorial development or a mechanism (functional local authorities) to implement it, there is little possibility of measurable and sustained progress on basic issues such as child survival and economic growth. The lack of a generally agreed framework for conflict sensitive development has also meant that projects can end up competing with one another for clients and resources. The creation of the new Office of Local Administrations may provide a platform in the future for crafting a holistic perspective of local governance and development in Afghanistan.

***How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?***

One of the unique areas of 21st century thinking is complexity science. Our experience with local governance in Afghanistan and elsewhere convince us that UNDP would do well to help its practitioners link to complexity resources that can introduce them to concepts such as non-linearity, distributed information, non-determinism, holism, self-organization, emergence, and synergy as well as design practices that illustrate their utility for local governance and decentralization.

Local governments are classic Complex Adaptive Systems. They are complex because the context within which they operate is always changing and the socio-cognitive processes that drive their operations are distributed amongst all agents in the system. They cannot be analytically modeled or fully controlled, thus the best made plans often go astray if they are unable to remain adaptive to the changing context. A complex systems approach allows us to ‘fill the gaps’ in our understanding of socio-political systems.

A brief example: Estimates are that Afghanistan's Helmand Province alone produces more illegal opiates than all the rest of Asia combined. Helmand's production level was near zero in 2001, yet it has increased exponentially year after year despite heavy countermeasures from some of the world's largest armies. The outcomes of this system clearly illustrate the power of self-organization and synergy. In Helmand, no single entity controls the decisions of the thousands of ordinary farmers involved in poppy cultivation; nor those of the competing warlords, transporters, middlemen, opiate factory operators, smugglers, corrupt officials, and, of course, users in the developed world. Their combined, but uncoordinated, efforts have enabled the emergence of what would be labeled a development miracle...if the nature of the product were somehow different. It goes without saying that the perverse incentives generated by this complex system make it increasingly difficult for local government to operate effectively or for local development to focus on anything approximating MDGs.

Regards,

Paul Lundberg, Programme Manager, ASGP

Masood Amer, Programme Officer, DCSE

“ Local governments are classic Complex Adaptive Systems. They are complex because the context within which they operate is always changing and the socio-cognitive processes that drive their operations are distributed amongst all agents in the system ”

# Jurgita Siugzdiene

UNDP Bratislava Regional Center

9 September

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Dear Colleagues,

I am very happy to be able to participate in this interesting and very enriching discussion on LGD and share my views regarding some of the key challenges we face in Europe and CIS.

On a positive note, we can see that significant progress has been achieved in the area of Local Governance and Decentralization during the last years in Europe and CIS region. Comprehensive decentralization strategies have been developed and undergoing implementation in Bulgaria, Albania, and ambitious decentralization agenda is being implemented in Macedonia; gradual, technical reforms in Croatia, Serbia, Romania; new legal frameworks recently have been approved in Georgia and Armenia.

At the same time, in most of the countries we are observing an ad-hoc implementation of reforms and the need for more strategic and systematic approach. The key reasons behind are poor inter ministerial coordination and cooperation, lack of political will, weak policy making capacities, especially at local level. As some of my colleagues already did, here I also would like to stress the role of Local Government Associations as a catalyst of reforms. Local Government associations can and should play an extremely important role in policy making process. However, they very much lack policy making skills and technical knowledge/expertise to discuss with central government different technicalities of local governance and decentralization reform. It makes very difficult to defend the interests of local governments and provide substantive inputs into the legislation process. This is definitely the case in BiH, Croatia, Albania, and Kosovo and other countries across the region (for the training programme on LGAs see [http://europeandcis.undp.org/?menu=p\\_subpractice&SubPracticeID=27](http://europeandcis.undp.org/?menu=p_subpractice&SubPracticeID=27))

However, in order to be more strategic and be able to implement legal and policy frameworks we need to have capacity, which very much depends on the civil service reform and HRM systems at local level.

I think that personnel management and employment conditions, especially at local level, have long been a neglected area across the region. In our region, the donors, working on civil service reform, including UNDP, are tend to focus on central level and very little attention is paid to the situation at local level. Today we have a huge challenge to attract and retain competent staff and make sure that training/capacity development we provide stays in the system. Personnel management function in municipalities is generally either not developed at all or very weak and tends to focus on the administrative dimension of managing staff and record keeping. Little value is placed on the management and development of staff competencies, and not enough is done to link this with personal career plans as well as with the strategic plans and objectives of the municipality.

I want to mention here that this year BRC is planning to carry out the research in selected countries of our region on civil service and HRM systems, focusing on incentives, career arrangement and training to find out what is working and what is not. This will be implemented in cooperation with Bangkok regional center and PAR team.

Another area I would highlight is territorial and structural reforms.

We still have very fragmented structures of LG in our region and this is extremely important issue for quality of service delivery and decentralization in general. It is evident that majority of Governments are not willing to apply one of more radical strategies – amalgamation, or establishment of a second tier LG. There are different reasons for that, including old debate “participation versus economics”. What worries me that in some countries it is a fear of central government that local governments can become too powerful and too vocal and will be difficult to control them. For example in Armenia, it is clear that amalgamation is not possible; establishment of the second tier is also out of the discussion for the moment. The only way to facilitate decentralization is to establish legal and organizational framework for inter-communal associations. But for different reasons the process is extremely slow... Therefore, our support is needed to develop legal and organizational frameworks for inter municipal organizations or service delivery centers.

And finally funding

We can draw a long list of problems in this area. Just to mention some of them. Lack of reliable statistical data and objective criteria to develop equalization formulas, continued system of bargaining and negotiations with government and as a consequence a widening gap between poor and wealthy municipalities, especially in WCIS, Central Asia, Caucasus.. Weak revenue administration capacity and the need to modernize financial management techniques (provision of fiscal information, auditing, reporting). Insufficient revenue base, linking planning process with budgeting, introducing programme budgeting, etc.

All the best,

Jurgita Siugzdiniene  
Policy Advisor

# Bill Chanza

UNDP/UNCDF Malawi

9 September

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Dear Colleagues,

I am happy to join all of you in this interesting discussion to share our experiences related to the process of decentralization and local governance in Malawi.

UNDP and UNCDF have provided support to the decentralization process in Malawi through three phases: The first phase involved the piloting of decentralized management, participatory planning and local financing of development projects through the district development fund (DDF) in six districts. From the pilot, Malawi generated lessons that fed into the formulation of the national policy on decentralization and the Local Government Act of 1998. The pilot phase demonstrated the key role that districts can play in the management and planning of local development. The second phase involved the replication of the planning and financial management systems and procedures in all the districts of the country.

The National Decentralization Policy and the Local Government Act have since formed the basis of the ongoing National Decentralization Programme (NDP)—a framework that has served as a coordination mechanism and guiding tool among development partners actively supporting the decentralization process in Malawi. The NDP has defined the scope of the current phase of decentralization in Malawi to include four components: institutional development and capacity development, fiscal decentralization and financial management, local development planning and financing mechanisms; and devolution. My contribution to the discussion will focus on the first question:

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

## **The Malawi Decentralization Process has Grappled with Various Challenges and Generated a Number of Lessons**

### **Challenges related to design of programmes**

Weak linkages between decentralization and other public sector reform programme or initiative:

The Malawi programme on decentralization has largely been driven by the Ministry of Local Government that did not have an adequate intergovernmental mandate to effectively drive reforms related to decentralization. The linkage between decentralization and other public sector reforms in the country has been generally weak. As a result the efforts of the Office of the President and Cabinet (OPC) responsible for the public sector reforms, has had limited success in championing the decentralization process and dealing with resistance of sector Ministries to devolve. The lesson learned is that the right mix of institutional and implementation arrangements with a strong coordinating authority are therefore critical to the success of decentralization programme.

### **Weak linkage between decentralization and local governance**

Although the systems remain weak, the process of decentralization in Malawi has produced significant results especially in ensuring the right conditions such as the legal /policy framework, guidelines, and procedures are in place. However there have been no clear conceptual and practical linkages between decentralization and local governance in Malawi. Inadequate attention paid to issues of political accountability, transparency and corruption at the local level has rendered local governance in Malawi weak. Among other things, this is perhaps a reflection of the participation of civil society/nongovernmental organizations in decentralization process which is largely low in many areas of the country. The framework for participatory processes in Malawi has not effectively involved civil society groups and non-governmental organizations.

Although local elections are central to democratic institutions and local governance, the linkage between decentralization and local government elections in Malawi has been evidently weak. All this has made it difficult to see how decentralization has contributed to good local governance in Malawi. The lesson learned is that for decentralization to lead to improved local governance, it must incorporate and deal with such broader and mutually enforcing issues as transparency, political accountability and corruption.

### **Concentration of efforts at central government and district level**

Government and donor efforts in support of decentralization and local governance in Malawi have tended to concentrate on the district level, and at the expense of the sub-district level structures. Most investments and capacity building initiatives have taken place at this level. This has resulted in low participation levels of local communities and ownership and sustainability of projects. The challenge here is to mobilize adequate resources for decentralization programmes so as to support activities beyond the district level to community/sub-district levels in order to promote genuinely participatory local governance.

## **Implementation Issues**

### **Presence of elected local governments**

The failure to conduct local government elections for the past two years has slowed down the pace of decentralization in Malawi when progress made in the past two years is compared to that made between 2000 and 2005 when democratically elected local governments/district assemblies were in place. The lesson learned is that democratically elected officials of the district assembly play an important role in facilitating and speeding up work of local governments.

### **The role of IEC and civic education programmes**

Although seemingly unsustainable, attempts of the Government to build a democratic culture and raise the knowledge of decentralization in the community through civic education/IEC programmes has yielded positive results. The challenge has been to translate this knowledge into actions and behavior that raise the communities' demand for decentralized governance and accountability of local officials. In addition, the IEC/civic education programmes have been generally expensive which has raised issues of sustainability over time.

### **The role of grassroots participatory structures**

Where these are functional, community participation structures such as Area Development Committees and Village Development Committees have enhanced ownership of development projects. However, in very poor communities, and where civil society is not active, stakeholder participation has been very limited.

### **Capacity Building for decentralization**

Another challenge faced in Malawi, relates to sustenance of capacity building initiatives at all levels: government, district and community levels. Un-coordinated capacity building efforts that have not been based on a common framework have resulted in inefficiencies and unsustainable results. The Government of Malawi and its development partners have invested substantial amounts of resources in capacity development/building of institutions involved in the decentralization process including Government Ministries and institutions involved but the results could have been better. The challenge has been to sustain these capacity building efforts in an environment (particularly in local governments) devoid of the right incentives to retain personnel, a common and shared understanding of what constitutes an appropriate capacity building framework to support decentralized governance. This has been exacerbated by very high attrition as a result of HIV/AIDS. To address the problem of disjointed and uncoordinated capacity development efforts, the Government of Malawi has recently developed a 'decentralisation and capacity development programme' which identifies capacity building needs and sets the framework for activities in this respect. The Local Development Fund—a resource pooling mechanism for financing local development is also in the final stages of its development. It is believed that such frameworks will assist in coordinating efforts, and increasing efficiency and impact of capacity building activities and local development financing.

### **Disjointed and largely uncoordinated donor projects**

The participation of a number of development partners (UNDP, UNCDF, NORAD, ADB and GTZ) in the national decentralization programme has helped to make more resources available to decentralized governance initiatives in Malawi. However, the project approach to funding where each donor/development partner focused their resources in specifically selected districts resulted in some kind of balkanization which run counter to equitable distribution of financial resources for development. Recent efforts of Government of Malawi and development partners to focus on the development of sector wide approaches (Swaps) seem to have improved efficiency particularly of the health sector where the Swap has proven to be a very effective coordination mechanism. However, it is emerging that sector devolution with the backing of sector wide approaches is making local development coordination by District Assemblies more difficult thereby undermining the process of decentralization. This development supports the notion that if not properly planned, Swaps may undermine rather than enhance decentralization. The obvious challenge for Malawi is therefore to ensure that the design of all coordination mechanisms such as the Swaps which involve the pooling of resources have local governments, community participation and participatory planning at the centre.

## **Phased approach to devolution/gradual devolution**

Arguably our experience is that the most complex and demanding component of the national decentralization programme in Malawi has been the sector devolution component. One strategy that has proven effective in handling the devolution component is the phased approach to devolution which required Government to engage in gradual devolution of functions to district assemblies, establishing which sectors needed to devolve in which phase, and what functions would start or follow. This phased or gradual approach to devolution, although it has been viewed as slow by others, has emerged as good practice as it has allowed central Government and local governments the time to build the necessary capacities to perform their new roles and responsibilities related to the devolved functions.

## **Crosscutting Issues**

“What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?”

## **Integration of Gender and HIV/AIDS**

The Malawi experience in the incorporation of crosscutting issues such as gender and HIV/AIDS with no specific budget allocations to support specific activities related to the crosscutting issues has proven impractical. Where efforts to integrate crosscutting issues have not required extra resources, specifying what requires to be done in instruments such as guidelines or procedures has been helpful. Even then, it does require some kind of constant monitoring and perhaps enforcement to ensure compliance. The lesson learned is that future project or programme designs need to include explicit strategies on how the crosscutting issues will be incorporated during implementation. In addition there is need to set aside budget lines to achieve this even when a ‘mainstreaming’ approach is used to address the crosscutting issues.

## **Women representation**

The decentralisation and local governance programme in Malawi has attempted to handle the issue of women representation by specifying this requirement in various manuals guiding the participatory planning processes at the district level. Having the specified number of women in each committee for instance has not really brought about true representation of women in the various groups and processes. The lesson learned is that where as it is necessary to allocate quotas for women and other underprivileged groups, true representation of women is enhanced where the women chosen to represent others are themselves truly enlightened and socially and economically empowered.

### **Integration of environmental issues**

The DDF in Malawi has encouraged District Assemblies to use a specified percentage of the District Development Fund or to set aside some resources for such key issues as environment. Resource constraints at the district assembly level, has made compliance very difficult. Where it has been possible to apply the rules and invest resources in environmental protection, the challenge has been for the poor communities who depend on natural resources for their livelihood, to comply.

With best wishes.

Bill Chanza

UNCDF Programme Officer/Analyst (Decentralisation & Microfinance)

“ The Malawi experience in the incorporation of crosscutting issues such as gender and HIV/AIDS with no specific budget allocations to support specific activities related to the crosscutting issues has proven impractical. Where efforts to integrate crosscutting issues have not required extra resources, specifying what requires to be done in instruments such as guidelines or procedures has been helpful ”

# Samia Elnager

UNDP Sudan

10 September

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Dear Colleagues,

This is a very interesting discussion. Local governance is currently a great challenge in Sudan. UNDP- Sudan CO is the leading agency in providing assistance to local governance in Sudan. I am sharing with you some of the important experiences and challenges.

## Khartoum State

### **The Support for Local Governance Project (SLGP) in Khartoum State (2002-2006)**

The SLGP was conceived at a time when UNDP was changing its strategy in Sudan towards seeking to affect change in the upstream policy environment. SLGP was thus designed as an integrated locality-based experimentation and piloting effort, which would eventually constitute a 'model' that would ascend into nation-wide policy and practice.

The SLGP specific objectives are: to improve capacities of localities in Khartoum State to generate revenue; establish conducive policy environment for local governance and community empowerment; and strengthening mechanism for finance, budgeting and collection and management of information. The project interventions were piloted at three target localities

### **The terminal evaluation of the project noted the following:**

“The 2003 Local Government Act limited the possible impact of the SLGP, representing an encroachment by the regime on the very limited room of freedom that Localities were granted by the previous 1998 Local Government Act. In particular, the 2003 LG Act moved responsibility for Localities from the elected legislative councils to the constitutionally-appointed Commissioner. The Act thus helped institutionalize and legitimize a system of centralized control that extends deep into local affairs, with no more than a perfunctory autonomy left for the localities. Also, the Act's stipulation that 10% of Legislative Council seats be held by women has had the effect of institutionalizing a restriction rather than an improvement in women's involvement in decision-making”.

*“What SLGP has ultimately produced is a small number of practices that can be seen to “hold promise” – rather than actually having delivered any material, systematic and lasting change to the enabling policy and legislative foundation of LG or on national capacities. The SLGP has nevertheless to some extent performed a function not filled by any other government department – namely that of being a ‘research department’ on local government and governance issues, albeit more at the level of operational practices than policy reform. Work has been centered on certain areas of operational capacity development at the level of the three ‘pilot’ Localities. An impressive volume of training activity, workshops and seminars has been undertaken – with a total of 352 people having received training and 3062 people participating in different SLGP workshops and seminars”.*

### **Lessons Learned from SLGP drawn from success and failure stories:**

- The local governance interventions cannot have impact without conducive policy environment and legal framework. Although the piloting of SPLG has succeeded in drawing attention to the need for policy change, yet a strong political will and plans for policy reform for local governance are still not seriously considered.
- The presence of competent neutral cohesively structured and loyal staff towards the locality would be more productive in providing effective local services and community development. The local governance has to be reviewed within a broad national context of civil service reform. Localities should have the power to hire and set its contracting conditions within a national standard of competence and with motivations for locality staff.
- NGOs and CBOs are effective mechanisms to mobilize communities for interventions. However one very important limitation that should be addressed is the representation of these organizations. This is because many of the CSOs are elitist and with no accountability to communities.
- The linkages and participatory process between NGOs and CBOs and localities need a shared vision for importance of such linkage based on vision for accountability to communities. It is evident from experience that the existing linkages between civil society organizations and locality are rather weak and efforts are needed to change perceptions for coordination and cooperation.
- There is need for a national entity to care after local governance (custodian) and to help in providing successful models of preferable alternatives for State Governments to choose from. Such an entity should serve as an advisory and capacity building institution which can train different technical cadres and enable the respective local governance institutions to exchange information and experiences. The proposed entity could be the existing Ministry of Federal Government, or a council consisting of civil service organs, academic institutions, training centers and State Government or a combination of both.
- To deal with LG, it is important to ensure coordination between localities and different relevant State organs. Experience of SPLG project showed that the linkage generated through the project between target localities and Ministry Federal Government and Khartoum State Ministry of Finance has been instrumental in achieving the planned intervention. The training courses that involved staff from different Ministries and target localities promoted shared/ common understanding on basic issues of local governance.

It is unfortunate that the changes after Comprehensive Peace Agreement are not informed by the experiences and outputs of the project. Until now the Khartoum State Ministry of Local Governance and Civil Service, established according to the new State Constitution in 2006, is without a strategy or vision as to its responsibilities for promoting local governance.

### **Poverty Alleviation-oriented Governance Project in the Red Sea State (PAOGP) (2005-2008)**

The aims of the PAOGP are: creating an institutional, social and economic environment conducive to poverty alleviation through strengthening the capacity of the State administration at all levels in designing and implementing pro-poor strategies and service provision and enabling civil society organizations, the private sector and the poor to play a proactive role in the participatory development process. The project is planned to be implemented in all localities of the state in phases and areas/ villages for interventions are selected in consultation with the local leaders.

The project entry point identified in consultation with communities is to work with communities on livelihood issues combined with capacity building needed for improvement of livelihood production. During the process, governance ideas and issues are discussed and some good governance practices are introduced. The aim is to help communities for reconsidering formation of representative groups/ organizations/ committees to lead process of poverty reduction and to start linking that to improvement of governance at the community and locality levels.

The project succeeded in linking the localities to communities by intensifying their engagement. In most cases members of the localities participate in process of identification of communities' priorities. In two localities the priorities that are identified at the village level by project through a participatory process are communicated and discussed with the locality authorities and members of the legislative councils. The latter in most cases recognize these priorities and adapt/ integrate them in the locality plans. Some of the localities as a result have become sensitive to communities priority needs. However, these results are very limited and linked to specific local leaders. That is one of the reasons that the project has shifted focus to building capacity of State and localities for planning. In addition, mapping for CSOs is in process to consider capacity building of CSOs for planning.

Some of the major challenges for the Red Sea State include: the limited political and technical commitment to decentralization; the lack of institutional mechanisms that link differently tiers, localities and line ministries involved in planning and service provision; and the weak links of localities with traditional leaders and the lack of recognition to the importance of these leaders' roles in promoting local governance.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

**To strengthen local governance in the Red Sea State:**

- The Red Sea State must be taken in the context of the East and in consideration of the East Sudan Peace Agreement.
- There is need to develop an advocacy strategy to address the challenges of political commitment to effective local governance by linking local governance to conflict resolution and peace building. The commitment for implementation of East Sudan Peace Agreement avails a good opportunity for such advocacy.
- Coordination of international assistance must be considered for capacity development of governance at the level of State, locality and communities. There is need to provide technical assistance to strengthening institutional links between state and localities. That entails providing assistance to the Ministry of Local Governance and Civil Service to develop needed policies, mechanisms and procedures for effective local governance.
- Efforts for improving the local governance must consider strengthening links of traditional institutions and their effectiveness in governance processes.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

- In the Red Sea State the culture context is of great challenge specifically considering the position, segregation and mobility of women. This has been addressed by engaging women in community mobilization and by ensuring the gender and cultural sensitivity of the project staff and partner CBOs. The responses so far are very encouraging and the indicators include participation of some rural women in meetings expressing their ideas, managing their enterprises and women in development centers taking initiatives and decision for solving their problems.
- The gender power relation in the Red Sea State will remain a challenge. Despite the achievements noted in women and youth capacities and opportunities still their success is challenged by absence of a policy for gender equity that promotes women and youth participation in decision making processes and their access and control over resources and information.
- Strengthening commitment of Red Sea State Government to MDGs is a great challenge. But in the process of UNDP assistance for building capacity for planning, MDGs will be taken as framework. The opportunity to maintain commitment to MDGs at the State and local levels would be great if the new Federal Government’s initiative for strategic planning emphasized commitment to MDGs targets.
- The endorsement of women empowerment strategy at the federal level would be an opportunity for addressing gender issues in the Red Sea State if the Women’s Unit at the State level and CSOs are given technical assistance and resources to advocate for gender equity at the local level.
- One urgent needs for the Eastern region and specifically the Red Sea State is to consider consultation on East Sudan Peace Agreement at the local level and to promote consensus on development agenda for the East. Efforts for developing conflict transformation processes are needed with consideration of assessing the impact of conflict on traditional conflict prevention mechanisms and how to strengthen these mechanisms and make them effective in the changing context.

Best Regards

Samia Elnager  
Senior Programme Officer

# Alfredo Teixeira

UNDP Angola

10 September

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Dear Colleagues,

I am delighted to share with you the Angolan experience, lessons and practices on the decentralization and local governance since it evidences a smooth and, certainly, slow move towards a local development approach; showing a mix of commitment and uncertainty

## Challenges

### 1. A delayed and taboo issue

In a country emerging from long period of war, decentralization can virtually play an important role for state and nation-building, national reconciliation and local development, if grounded in a functional state apparatus. Besides, decentralization can serve as a critical operational element in democratization. Indeed, in a peace agreement signed between the Government and UNITA - currently the main opposition party (Lusaka Protocol) -, in 1994, it was considered that national reconciliation implies effective decentralization, assigning to the local authorities with administrative, fiscal and economic autonomy. This principle was also anchored in the Constitutional Law.

However, decentralization never kicked off, which evidences that successful entrance of a policy reform onto the government agenda, does not necessarily mean that a favorable political decision will ultimately result. In developing countries, as it is the case of Angola, a considerable amount of political participation and accommodation of interest occurs during the implementation of policy. And often, when there is no clear and sound political will, policy makers decide on a reform but they divorce themselves from its implementation, passing clear message to the implementers. Decentralization would create potentially competing political elites, through the devolution of power and power sharing is often an issue.

### 2. Seeking for a room for maneuver; exercising advocacy: From taboo to an unclear and unsystematic national priority

In 2002, the National Strategy for Decentralization was approved by the Government. Despite, further progress was not made. But, the national policy created a room for maneuver. Then, UNDP Angola assumed that decentralization needed to become an agenda for discussion (public agenda) and sufficiently expanded to gain a place on the institutional and formal (government) agenda. Therefore, UNDP embarked upon the process of identifying key players in the policy sub-system in order to smoothly identify and influence the key-players in agenda-setting process in this specific subject.

In the field we need to understand that bureaucrats are the keystones in the policy process and the central figures in many policy systems. In fact, very often the key actors that influence policy decision-making are not the line ministries, but some key person that are not the executive. UNDP succeeded in partner with a high level advisor, who was a kind of champion and enthusiastic in decentralization and local governance issues. This exercise is crucial and

very sensitive because while you can the support from the key outsider players you may harass line ministries, whose support is needed to carry out the policies through concrete actions once entered onto formal agenda. This approach was well-managed in Angola. As a result, a national strategy came up.

### **3. Sharing of vision: An issue; a real challenge**

The approved National Strategy was not perceived as collective and shared government vision. The key government branches, such as Finance, Planning and Local Government Ministries are not on the same page on this issue. However, it is an important avenue for UNDP and other international partners' support to the process. A request was addressed to UNDP to support the decentralization and local governance in Angola.

### **4. International partners' coordination mechanism needed**

Once embarked on the exercise, there was a need that international partners be perceived as coherent vis a vis to the Government. In Angola many actors were working (still work) in the field of local development, supporting the municipalities in capacity building, planning and budgeting exercise, poverty reduction, water and sanitation, mediation and conflict resolving. Then, the challenge was: how to build a broad partnership and synergies comprising local and central Government, National Assembly, NGO, churches, traditional authorities and other partners. Therefore, UNDP succeeded to create a Decentralization and Local Governance Working Group (DLGWG), building a basis for a broad and inclusive partnership, involving all the key central and local partners. The DLGWG has been perceived as a forum for dialogue and information sharing, DLG observatory and even as donor coordination forum.

### **5. Overall positive partnership with the Government**

Despite many constraints faced by UNDP in its support to the Government, the overall assessment is positive. Recently it led to: i) the transformation of the municipal administration to the budgetary units, providing them with a certain level of fiscal autonomy, ii) the approval by the Government of a Municipal Development Programme; iii) establishment of bank facilities at the municipalities; iv) rehabilitation of key municipal, social and economic infra-structures; v) allocation of USD300,000 to each municipalities.

Alfredo Teixeira

Deputy Country Director for Programme

# Charlotte Laurence

**UNDP Guinea**

10 September

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Dear Colleagues,

Thank you for launching this interesting discussion - I thought I would share some thoughts on your first question, focusing on the lessons and challenges based on the cases of Guinea.

In Guinea, good governance is a challenge despite the fact that local governance and decentralization are since 1985 among the priorities of the Government. Most of international contributors have developed national programs but there are still some weaknesses in the coordination of the respective actions. However on the ground UNDP and UNDCF have developed a strategic partnership in one of the poorest region of the country: the Upper Guinea.

The PDLG “Programme de Développement de la Guinée” is working for more than five years with the grassroots’ populations in 23 rural communities of the Upper Guinea. Along with the communities they developed social and economic infrastructures. Steering committees are functioning to manage the communities infrastructures with both communities and donors representatives work together. One of the key elements is trust and confidence.

A joint program on mainstreaming gender into the PDLG was executed in 2005. Up to that date, very few women had access to the projects funds. In one year more than 1 800 women and 480 groups were trained and registered. They were also trained to open an account, to elaborate a project, to do the follow up and to have some information on citizenship. A campaign to access to the identity card was carry out as more 70% of women seems to have no access to that right. At the end of the project almost 48 groups acceded to the PDLG funds.

In January and February, the country’s main trade unions, called for general strikes to protest against deteriorating living. Thousands of Guineans took to the streets as the strikes evolved into political protests for the resignation of the President. More than 100 people died and 1,800 others were severely injured following violent repression of the protests by the army. In protest, most of the symbols of the State such administrative infrastructures were destroyed in more than 30 prefectures on 33 prefectures at the national level. In most cases, damages were extremely severe. In the 23 CRD where the project was been executed, the civilians themselves protected the infrastructures.

Another good practice comes from the creation of centers of proximity information. These centers were coupled with the judicial system in order to reinforce access of the poor and vulnerable citizens to justice. The Ministry of Justice gave the infrastructure for CPI in two regions and the Prefecture gave others in two others regions. From 2006 to now more 600 peer educators were trained mostly youths and women in communication, leadership and citizenship.

They were chosen directly in the communities where there live. They are working with the rural radios and through talks shows, theater, conferences to mainstream governance information at the prefecture level. At the time of the political protests they were actively involved in the peace and the reconciliation process. In partnership with the “Réseau des Femmes du Fleuve Mano pour la paix”, they were involved into the training of 150 peers educators in Conakry on peace and reconciliation. They are still proactive in many others sectors mostly bringing people to talk together.

Training at all levels of the prefecture, sub-prefecture, district and village level may have a better impact if the programs are associated with income generating projects. It's difficult to talk about rights and duties to someone who is fighting for a daily survival. The combination of the two actions can bring durable change.

Regards,

Charlotte Laurence  
Governance Programme Advisor

“ Training at all levels of the prefecture, sub-prefecture, district and village level may have a better impact if the programs are associated with income generating projects. It's difficult to talk about rights and duties to someone who is fighting for a daily survival. The combination of the two actions can bring durable change ”

# Dejana Popic

UNDP Regional Center Bangkok

10 September

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Dear colleagues,

Let me please build on Henrik Larsen's contribution on our regional level support in the area of Decentralization and Local Governance from the Regional Centre in Bangkok.

More specifically, I would like to highlight our experience with establishing the Regional Expert Network on Local Democracy in Asia-Pacific, as part of the Regional initiative Local Democracy in Asia: Representation in Decentralized Governance.

The aim of the broader initiative is to assist countries in Asia in developing more inclusive and accountable sub-national councils and assemblies. It supports policy-makers in the analysis of the frameworks for representation in elected local governments.

The Regional Expert Network on Local Democracy was established in September 2006. The purpose of the Network was to engage key central and local government professionals, CSOs, UNDP practitioners and other interested stakeholders in discussions related to the development of local democratic institutions, with a view to distilling and presenting new knowledge from within and between countries in the region. The Network also aimed to facilitate new contacts among the participants with a long term vision for continued exchange of information. The 120 participants were identified together with the COs including a number of CO colleagues engaged in DLG programming.

Five e-discussions took place during the period of September 2006 to February 2007 with a total of more than 55 contributions.

The five e-discussions covered topics that were simultaneously analyzed as part of five country studies including in Iran, India, Pakistan, Philippines and Thailand, to be made available as part of a regional comparative study later this year. As such the Network was time-bound and the contributions also served to inform the ongoing broader analysis on the issues of representation and accountability. These topics are:

1. More inclusive and accountable representation at the local level (Sept 1-29, 2006);
2. Women and the disadvantaged groups in local politics (Oct 3-Nov 2, 2006);
3. Electoral systems at the local level (Nov. 3- Dec. 12, 2006);
4. The role of political parties at the local level (Dec 15 -10-Jan, 2007);
5. Development of local elected bodies in conflict and post-conflict situations (Jan 19 - Feb 26, 2007).

Consolidated contributions are publicly available: Synthesis of E-Discussions.

I would also like to share with you our observations on the challenges of conceptualising, establishing and facilitating this type of a network and share with you some insights gained from the members' evaluation of the network:

- The sensitivity in some countries of the issues in question has to be taken into account when exposing an external Network publicly, in an effort to engage in genuine discussions. (As such only the consolidated paper is made available to the public)
- The network showed that there is a very strong need for such regional platform for knowledge and experience exchange to exist and for networking to take root.
- A core group of active expert members emerged through the process, which will be absorbed into the future work under the regional initiative.
- Another limitation on the ability of member to contribute has also in some instance been English language deficiency.
- This type of an external network is essentially supply-driven, especially at start, and sufficient resources must be allocated in order to make it sustainable.

For further information on this experience please do not hesitate to contact us.

Best regards,

Dejana Popic  
Programme Specialist, Democratic Governance  
Decentralization and Local Governance

# Sharad Neupane

UNDP Nepal

10 September

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Dear Colleagues,

I am pleased to share some of our experiences from Nepal with regard to local governance and decentralization. I hope I will not be repeating the same thing other colleagues have already contributed.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

This is an area where many donors (bilateral, international NGOs and UN agencies) are interested to work. However, different agencies including the national governments and donors understand decentralization differently. Some consider going directly to communities is a kind of decentralization while the other view that implementing programme and projects through local government structure and transfer of fiscal, administrative and political power from the centre to the local government is decentralization. In this reality, I find that there is a need for a uniform understanding on the concept of local governance and decentralization among the major stakeholders in the country.

In early 2000 it took almost 18 months for UNDP Nepal to bring all the donors together in designing a national programme which could not be materialized once the tenure of elected local government was terminated resulting into a political vacuum. The following lessons can be learned from Nepal:

1. Without a strong political and bureaucratic will decentralization and local governance may remain only in paper.
2. All the donors in the country must have a uniform understanding on the concept of decentralization and should work together with the national government rather than designing and implementing small projects here and there in the name of decentralization.
3. There are always some people against decentralization and some for it. The central level officials mostly oppose this idea. We should try to bring few key people together from the government and donors and work with them to push the agenda. Some regional forums and south-south exchange have proven effective in changing the mindset of key people.
4. There is a need for a very strong legal framework to push decentralization. In case of Nepal, the Local Self-Governance Act of 1999 has created enough space for decentralization. However, it could not be fully capitalized due to conflict and the absence of elected local governments.

5. To have positive impact of decentralization and local governance programme, it is necessary to work with both level of governments (centre and local governments) and the local communities. Without a strong state and robust local governments and vibrant community organizations, we can not expect effective and efficient service delivery and greater accountability and transparency in the business of local governments.
6. Decentralization will not work unless the local governments have the authority to hire and fire their staffs. This has been one of the reasons for our failure on the ground.
7. Many people understand that the centre becomes further weak after decentralization which is not true. This needs to be communicated well.

***What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.***

In Nepal, we have been implementing programmes to address the issues related to public financial management, transparency and accountability of local government by establishing system and procedure for fiscal transfer, enhancing their capacity in planning, programming, budgeting and revenue mobilization. Their capacity has been also strengthened in the areas of co-ordination, effective implementation as well as monitoring of development programmes. We have achieved some good results so far but there is a long way to go and requires lot of patience and continuous engagement. With regard to the capacity of elected leaders since most of them do change with every new election, we have to orient them time and again. Capacity building need also changes from districts to districts and time to time and we should not use one single formula.

Further more, the concept of decentralization and local governance can not be realized unless the people at the grass-roots understand about their role as citizens, their rights and the obligation of local governments. This can be achieved only through social mobilization or civic education programme.

Based on our experience, the type of technical assistance should be aimed at both demand side of local governance (mobilization and organization of people and building their institutions) and the supply side (strengthening of the system and procedure) of it. The short term advisory support based on demand, exchange visits within country and out side, training and workshops for staffs, political leaders and community leaders (both man and women), networking among local governments and their associations, system of public hearing and social audit have been found effective. The partnership with media has been found very important to push this agenda in the right direction and make the local government (political leaders and staffs) more accountable.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

Taking these cross-cutting issues forward through decentralization and local governance programme has been found quite cost effective in Nepal mainly due to large networks on the ground. The issues of gender equality and social inclusion have been one of the agenda for local government which was not the case before. With small support, more than 2 million people were reached through HIV/AIDS awareness programme. Most of the local governments (District) have now allocated funds for HIV/AIDS awareness programme and gender budgeting.

Through these programmes, the MDG based plans are being prepared in five districts and there are attempts to mainstream energy and environmental issues in the local government’s structure, plan and programmes. The access to justice has been enhanced mainly through community mediation and para legal committees. The large number of community organizations has become effective in mediating local disputes and prevent further conflict. The mechanism of public hearing and social audit has been found effective for improving citizen’s interface with the local governments. These mechanisms although not popular among the officials have enhanced confidence among the people to question the authorities and their leaders and have created some sense of responsibility for duty bearers.

In the future we should continue to take up these issues and move forward.

Hope you will find the above contribution useful.

With regards,

Sharad Neupane  
ARR, Governance

“Based on our experience, the type of technical assistance should be aimed at both demand side of local governance (mobilization and organization of people and building their institutions) and the supply side (strengthening of the system and procedure) of it”

# Joachim Bonin

**UNDP Tanzania**

*10 September*

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Dear colleagues,

In 2003 Tanzania hosted more refugees than any other country in Africa. To address the strain experienced by refugee hosting communities in the border regions to Burundi, Rwanda and DRC, the UN country team in 2005 initiated a multi-agency and multi-sector Human Security Programme for affected regions. The programme was funded for two years by the UN Human Security Trust Fund.

This Human Security project aims to empower and support communities that host refugees. The focus of the project is to prepare host communities for the transition to a post-refugee situation. Particular attention is given to efforts to enhance people's capabilities for a post crisis recovery. Strengthening local governance structure has identified as a crucial element in this approach, a particular focus was put on local government authorities to manage the transition from a refugee hosting/humanitarian operations environment to sustainable development.

This Human Security project aims to empower and support communities that host refugees. The focus of the project is to prepare host communities for the transition to a post-refugee situation. Good local governance will be a decisive factor for successful transition management. Therefore strengthening local governance structures was identified as a crucial element of this programme. A particular focus was put on technical support to local government authorities to manage the transition from a refugee hosting/ humanitarian operations environment to sustainable development.

The programme consists of five interconnected components; namely

- a. Reduce illicit arms and light weapons
- b. Improve environmental security
- c. Improve food security
- d. Improve life skills of vulnerable groups
- e. Strengthen Sustainability by supporting local governance

The components of the programme have been selected to take into account the multisectoral demands of the crisis in Northwestern Tanzania and are based on a human security approach to programming. Six UN agencies work together to achieve the five goals outlined above. UNDP acts as the coordinator of the programme and focuses on small arms reduction and good local governance.

## PHASE I — (AUGUST 27-10 SEPTEMBER): LOCAL GOVERNANCE AND DEVELOPMENT - LESSONS AND CHALLENGES

**Q:** *What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

- During the inception of the programme a national local government reform programme (decentralization/ empowerment of district administrations) was being implemented. Starting a region-based programme with local authorities as the key counterparts during a change process posed considerable challenges. As government rules and responsibilities of governance entities changed in the course of the reform, previously agreed and tested implementation arrangements had to be revised and adapted to new government procedures. This particularly applied to fund disbursement, financial reporting and M & E roles and responsibilities.
- In the case of the specific regions targeted by the programme, delivery and local ownership of UNDP supported activities substantially increased when responsibility for fund management and implementation oversight followed the national decentralization reform and was placed at the local district level.
- In the area of capacity building, the retention of local government staff who have been provided with training to strengthen/improve capacity of the local government entity in which they are working in, is among the challenges. If the personnel movement involves transfer to another district office within the same region, somehow one is assured that the capacity provided would remain to be for the benefit of the local government in the region. The cycle however, of transfers and replacements would require the local governments the capacity to take over in implementing effective capacity building programs.
- Bureaucracy in government down to the local level has been and will always be among the setbacks in implementing initiatives in governance. Based on the experience of the National UNVs placed at the District Offices, government bureaucratic procedures tend to delay some project activities. Part of the means in addressing this challenge is patience as well as developing the ability deal with specific personalities of government counterparts.

**Q:** *What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

- UNDP support was provided in NEX modality with the government entity for Regional and Local Government as the key implementing partner. Due to weak capacities of governance institutions on district level and because district authorities were chosen as key implementing entities, it was decided that programme associates should be placed within each implementing district administration
- In cooperation with UNV a distinct programme support model was developed, that had four key objectives:

- Ensure delivery on targets and results
- Ensure accountability and support good governance
- Minimize programme support costs
- Provide employment opportunities for university leavers/ young professional in Tanzania
- It's key element was to place National United Nations Volunteers in each district, implanted in the district administrations. The NUNV's hold the position of programme associates and supported the districts in implementing programme activities, encouraged good governance practices and acted as the point of contact for UNDP programme staff.
- The experiences made over two years with this programme support model have been overwhelmingly positive. By now other UNDP supported programmes in Tanzania have adapted a similar approach with NUNVs place in local government entities.

Kind Regards,

Joachim Bonin

Focal Point for Crisis Prevention and Recovery

Coordinator of the Human Security Programme for Northwestern Tanzania

# Khalif Farah

UNDP Somalia

10 September

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Dear Colleagues,

UNDP Somalia is pleased to share its experience in local governance to this important e-discussion.

With the collapse of central government in early 1991 and start of the civil war, Somalia moved from highly centralized system of governance to anarchic decentralization and radicalization of local polities and subsequently to an organic growth of local governance, mostly informal and anchored in traditional systems which served as a coping mechanism to survive out of chaos. Hence, decentralization did not stem from any reform process by a central authority, but rather as result of civil war and out of necessity to fill the vacuum left by the collapse of the central government.

The country currently operates under three legal frameworks namely, Somaliland in North which declared its cession from the rest of the country but still not internationally recognized; Puntland in Northeast with an autonomous administration and; the Transitional Federal Government (TFG), the de jure national authority mainly controlling South-Central of the country (All the three have constitutions/charters and local government laws). Local governments started operating in all the three zones with Somaliland having organized local elections in 2002, while Puntland and TFG used clan caucus and consensus to establish local governments.

UNDP support for local governance aims to establish and operationalise regional and district governments; develop their capacity to build systems and structures for general administration, planning, financial management and resource mobilization; assist the three administrations develop local governance policy at state/federal level and; to develop platforms for service delivery, productive and social investments. Currently, UNDP Somalia's local governance portfolio comprises two sequentially-linked projects. A UN Joint Programme on local governance, to be launched in 2008, will integrate the existing UNDP initiatives.

**District-Based Peace and Reconciliation Project (DBPB):** This UNDP-managed, UNOPS-implemented project supports the Somali Transitional Institutions (TFIs) and local leaders to effect clan conflict resolution and reconciliation dialogue processes that will lead to the establishment of local and regional authorities. The process of establishing district councils has so far been successfully implemented in two regions and is being rolled out to other regions in South-central Somalia. Although not related to this project, support is also provided for the establishment of more district councils in Puntland and inclusion of additional women in the existing councils.

**Community Based Peace Support Project (CBPS):** This pilot project supports district councils in Somalia established under the DBPB project in three areas: a) rehabilitation of community infrastructure including district/regional office blocks and meeting halls; b) the delivery of basic office equipment, (like office furniture, computers, generators etc), and c) institutional capacity development through the training of district and regional council officials in basic administration, leadership and fiscal resource mobilization and management. UNDP support to local

governments under the three areas is intended to enable them acquire certain basic minimum capacities necessary to improve service delivery, and consequently to improve their credibility and public image. The project also aims to empower communities to participate in setting community development priorities, problem solving and subsequently contributing to longer-term peace, reconciliation and reconstruction.

**UN Joint Programming:** UN Joint Programme on Local Governance and Decentralised Service Delivery (LGDSD) for Somalia is a 5-year Programme to be implemented by ILO, UNCDF, UNDP, UN-HABITAT and UNICEF. The LGDSD envisages achieving as wide coverage in Somalia as resources and conditions allow with a comprehensive approach to rendering local governments as credible and professional service providers, increasing public investment in basic services, and strengthening civic awareness and participation in local decision-making and development.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive?*

**Absence of coherent national policy:** in the absence of an overall national framework that guides the decentralization process it is difficult to design and implement a long-term coherent local governance programme in Somalia. Any intervention has to be context- specific- and there is more than one context in Somalia (in reality, there are three countries in one) and flexible enough to respond to the varying needs of the different zones with different levels of absorptive capacity and with varying stages of decentralization.

**Creation of additional districts without economic viability:** communities perceive having a district in their area will attract resources from governments and international aid agencies. More importantly, it is a symbol of pride for clans to have a district of their own. Before the fall of central government in 1991, there were about 80-90 districts in Somalia. Currently, there are more than 150 districts and more and more continue to be dished out for political reasons. The creation of more local governments increases the demand for office infrastructure and administrative cost without the corresponding benefit of increased efficiency in service delivery. The challenge is to overcome the reluctance to amalgamate these non-viable districts into viable service units

**Financial constraints for local governments:** there is none or little transfer of resources from central/state governments to local governments, and local governments do not have capacity to generate local revenues. In such circumstances, and without the capacity to provide basic services, local governments are not visible and are lacking strong public confidence. This leaves the local councils, in some cases, to serve as 'traditional chiefs' managing disputes at best or paper authorities without any significant impact on the lives of the people at worst.

**Tendency to focus support on local communities' vis-à-vis local governments:** There is strong tendency by the international community to perpetuate the distrust syndrome of governments and engage directly with communities and civil societies which have been the main conduits for external support in the last several years. By so doing, they avoid direct engagement with the nascent local governments. This denies the local government the credibility they need as representatives of the people and reinforces the general distrust in government institutions and the perception that whatever is “government” is bad after decades of oppressive and extortionist governments.

**Major lessons:** a) local governments are good instruments in peace building as evidenced in the experience of Somaliland and Puntland, and in the most recently established district administrations in South-central Somalia. Even where they do not provide services as yet, local governments have proved effective in dispute settlements and areas with local administrations are less prone to conflicts; b) for local governments legitimacy is not enough, they have to be credible and accountable. With the ability to provide services, the local governments can turn their legitimacy into credibility.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience?*

In the context of Somalia, technical assistance is required at both central and local government levels. At the central level, ministries of local government or interior need capacities to establish and operate local governance systems and inter-ministerial coordination mechanisms to elaborate policies, review legal frameworks and organize local elections. Local governments need support in managing citizen participation and public relations, fiscal resource mobilization and management, integration of development planning and programme/project management. Inter-governmental relations is also another area where support is required.

Given the pressure for results and the financial limitation of the LGs, external assistance should go beyond technical assistance (which is what UNDP mainly does) and provide resources for service delivery, and where possible even meet the recurrent costs of the nascent local governments to render them the minimum operating capacity. Capacity is best delivered through learning-by-doing. Funding from international resources can help the start-up of the cycle: service delivery – increased confidence and credibility in government – increased local resource mobilization – increased services delivered.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

In a patriarchal society like Somalia- and with the codified clan power-sharing formula famously known as “4.5”- the women have less chances of representation as only male members are mostly allowed to represent their clans. UNDP Somalia lobbied with the highest leadership of the Somali authorities and succeeded in getting the Transitional federal Government (TFG) and Puntland authority to issue decrees that mandated all local governments to introduce a quota of 30% for women’s representation in their local councils. However, the additional women councilors are added on the top of the existing numbers to avoid any disruption of the existing power sharing system, and they are selected on merit rather than on their clan identity. In Puntland, where Ministries of Local Government and Women and Family Affairs jointly and aggressively pursued the implementation of the quota in the new local councils, the number of women councilors already exceeds the set quota. The addition is currently based on decrees, but there is an ongoing effort to enact it into law.

Best Regards,

Khalif Farah  
Governance Team

“ There is strong tendency by the international community to perpetuate the distrust syndrome of governments and engage directly with communities and civil societies which have been the main conduits for external support in the last several years. By so doing, they avoid direct engagement with the nascent local governments ”

# Sugumi Tanaka

**UN-HABITAT Kenya**

*10 September*

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I think one of the main challenges in implementing governance programmes is to maintain the momentum of capacity building and civic mobilization that the programmes helped to create. In applying Urban Governance Index, for example, the greatest challenge is to link the assessment outcomes with follow-up actions for improving governance practices. It's a missed opportunity when an intervention becomes a stand-alone exercise. Perhaps, governance interventions in general, and assessment/monitoring in particular, need to be positioned more clearly in the overall programming to achieve development goals – assessment to be part of the programme cycle, feeding back to the programme activities through specific follow-up actions, with resources set aside.

As governance is intangible, it needs some tangible activities that anchor the governance process, be it service delivery, environmental management, or local economic development. Local governance is a methodology and an entry point for many of our programmes. A challenge is not to lose sight of governance related goals and processes in pursuit of more tangible goals. Another challenge is again to keep the governance process going, especially after the programme closure. Our experience has been that fostering the capacity of a focal point (in local government) who will lead the follow-up helps maintain the momentum, so does bringing civil society closer to the institutional actors.

Sugumi Tanaka

Urban Development Branch

# Christian Fournier

UNCDF Senegal

10 September

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UNCDF have realized a capitalization studies covering six countries in West Africa. Some topics or lessons learned you submitted are covered by this synthesis. I would like to share with you our work. Secondly our regional team will be preparing some reflection about all questions you have submitted.

## Synthesis

The projects co-financed by UNCDF in the six countries of West Africa (Benin, Burkina Faso, Guinea, Mali, Niger, and Senegal) concern pilot projects in support of decentralization and local development, particularly in rural areas. They are included in national poverty reduction strategies, which result from the international commitments of these countries, and refer to the Millennium Development Goals (MDGs).

The descriptive and analytical synthesis developed emphasizes the following lessons learned:

### 1. Institutional context and political-administrative architecture

The texts composing the legal framework for decentralization and local development in the sub-region are rooted in national constitutions, resolutions from national conferences, and programme statements (as in Guinea). All the Constitutions have established the principle of free administration of local authorities by elected councils and affirm that these communities constitute the institutional framework for exercising local democracy. This principle was reaffirmed in the legal arsenal specific to decentralization in these countries.

The institutional architecture of local government organization shows three levels of deconcentration for Senegal, Burkina Faso, Guinea, Mali and Niger, and one for Benin. It includes four levels of decentralization for Senegal, three for Mali and Niger, two for Burkina Faso and Guinea, and one for Benin.

Local and regional elections in these countries are mainly controlled by political parties; the leadership of local public life is strongly influenced by the political class in power, which becomes a monopoly of one class to the detriment of others. Different consultative forum for dialogue have been established, however, to foster dialogue among various local actors. Also, with few exceptions, such as Mali, candidacies independent of political parties are authorized in local and even national elections.

The powers that have been transferred to local authorities are those considered important for combating poverty and promoting local development. They include the civil registrar, the administrative police, the management of local development projects, land use planning (bidding for public services in water, health, education, etc.), environmental protection and sustainable management of natural resources. Also included are coordination of investments and development activities, promotion of local economic development, inter-community affairs and decentralized cooperation. In Senegal, however, some essential administrative powers such as the productive sectors (agriculture, livestock farming, fisheries, etc.), rural water supply, sanitation and transport, have not yet been transferred to local authorities.

Decentralization has given rise to many fears and questions among the local populations. Today, interest in its expansion can be observed everywhere. While the competences transferred are justified by the failure of state centralism and difficult living conditions of the communities, on the other hand, the political will to support implementation of decentralization should be more strongly represented in order to reverse the trends of the past. Indeed, a legal framework and a variety of instruments to make decentralization concrete are certainly essential but not sufficient to promote sustainable local development. This reflects an inadequate phasing of interventions by different public and private actors within the framework of a coherent policy linking decentralization and deconcentration. In this regard, the transfer of resources is not going smoothly in all the countries concerned, but the long-term perspectives are optimistic.

## **2. Intervention areas**

The geographic characteristics of the intervention areas are as follows: (i) they are very far from the capitals (up to 1,500 km in the case of N'guigmi in Niger); (ii) they are located in areas with low rainfall or right next to the Sahel and subject to recurring ecological and food crises; and (iii) they have a very high agricultural potential but are isolated and not considered for improvement, such as in Benin and Guinea.

All the projects are involved in decentralization and support local authorities and local organizations. It can be observed from examining the overall features and issues below that choices of intervention areas were determined by their advanced degree of poverty: (i) famine and malnutrition; (ii) monetary poverty; (iii) the production base in rural areas relying on depleted natural resources; (iv) adult illiteracy and low schooling rates of children; (v) difficulty in accessing drinking water and health care; (vi) low level of socio-collective investments, poor hygienic conditions, and deplorable conditions for improving living standards; and (vii) lack of institutional and organizational capacity to promote local development.

These characteristics of the intervention areas show the importance of decentralization in allocating responsibility to local actors for managing local affairs. In particular, they demonstrate the value of land use planning to allow each local government to become a part of the country's development process, irrespective of its geographical situation. Ultimately, decentralization offers new possibilities for reducing inequalities in access to basic collective services among the different regions of a country and allows the specific conditions of each area to be taken into account on the basis of national solidarity.

## **3. Main tools**

The local planning exercise produced three documents in the UNCDF partner communes:

- the communal development plan (CDP), which is a long-term guidance and framework tool covering a period of five to six years;
- the multi-year investment programme (MIP), which operationalizes the CDP by programming the investment needs and investment resources to be mobilized over the next three years;
- the annual investment plan (AIP), which serves as a budget programme for the year and allows for the implementation of the CDP from a results-based approach. This approach leads an annual evaluation of communal performance to assess the performance level of local development objectives.

These local planning documents are prepared in a participatory manner. The MIP is supported by the Local Development Fund (LDF).

The financial mechanism is based on the LDF and is included in a budget support scheme to local governments. Communal project management and the principle of budget support ensure that all bidding process and contracting procedures take place at the commune level. In contrast to conventional interventions where work, equipment delivery and services provision are centralized in the project management unit, here each commune carries out the procedures for realizing its investments. In countries where the communes are not yet active, the inter-village land use commissions (IVLUCs) exercise their powers with the limitation of not being legally authorized to mobilize local resources through taxation.

Eligibility for the LDF leads to the determination of financial allocation to communes, evaluation of the performance of the communes at the end of each year, the principle of budget support to strengthen traceability, transparency and co-financing. In addition to these intervention procedures, the UNCDF expert advisory mechanism, which was made up of the project team and the service providers, have allowed for better structuring of services expected by partner communities. In particular, a toolbox is created for each project to: (i) develop planning and budgeting instruments; (ii) formulate, propose and protect micro-projects; (iii) develop expertise in the management procedures for the various LDF counters; and (iv) manage facilities.

The LDF is a financial tool that offers many distinct qualities: (i) integration into the public finance circuit of each country to familiarize the communes with financial and accounting procedures required by the laws on decentralization; (ii) a lever effect on the financing system; (iii) mobilization of local financial resources; and (iv) a multi-purpose tool focusing on social-community services, the local economy, natural resource management (NRM), food security, a reduction women's burdens, and capacity-building of actors (public and private) involved in local development.

The implementation of a system of planning and promotion of local governance and LDF has had the following impacts: at the social level (participation of marginalized groups and impoverished communities in the decision-making process, access to community services); at the financial and economic level (professional formation of local workers, creation of income-generating activities (IGAs), increased tax and non-tax revenues in the commune); at the environmental level, through reforestation activities, soil protection and restoration; and at the land use level through an fair distribution of investments on the basis of objective and agreed criteria (educational and health maps and networks of water points), limiting the influence of favouritism or political-partisan clientelism.

Nevertheless, it should be pointed out that due to the inadequate level of many locally elected officials and agents of local governments, these various tools have yet to be fully utilized. The progress made is still due to major reliance on the expertise of advisory groups and project structures. This situation is understandable considering that very few communes have qualified technical services. Most communes are just getting started and assistance will be necessary for several years to come. The duration of the planning process needs to be highlighted, which often represents a constraint in project start-up for the populations concerned.

#### 4. MDGs

The approaches to assistance used by the UNCDF projects have led to the promotion of an open process that includes the poor and marginalized groups, and that allows the interests of all actors involved and all social strata to be taken into account in local planning.

The organization of the communes and the composition of the established structures transcend all traditional divisions (social and, particularly, political membership; place of residence, etc.) and take into account the interests of the various groups involved, irrespective of their power relations. This inclusive process occasionally corrects the lack of representation on communal councils observed in most countries.

Finally, the nature and functionality of the investments realized are indicators of the voice of the poor because they show that the needs of local populations have been taken into consideration. These voices are what help prevent the failure of development projects. The achievement of the MDGs depends on the active role and responsibility of the poor in the decision-making process in general, and in the development of their community in particular.

In light of the above, the UNCDF projects distinguish between different levels of investment: (i) investments at the local level of general community interest and/or specific to an organization working on a particular activity; (ii) investments on a supracommunity scale, between the village and the commune; and (iii) investments to strengthen institutional capacities of communal institutions, involving the town council offices and their intermediaries only.

“ Experience has shown that marginalization of local representatives of decentralized state services in the implementation of projects creates frustration and blockages in the field. At the same time, the procedures for involving these technical services are rarely explicit in the project formulation documents. Only flexibility in the financial structure of this component allows for the use of expertise that can be mobilized among this category of actors ”

Although it has been well established that the records on UNCDF project achievement are fully in line with the MDGs, it should be emphasized that the internal monitoring and evaluation system for these projects and the communes themselves is not yet linked with the MDGs as far as reference indicators are concerned. It would be useful to conduct a reference study on partner communes concerning MDG criteria and indicators in order to follow their evolution. When such a system becomes operational at the commune level, the MDGs would need to be brought to the local level to strengthen the monitoring of planning tools, even for projects that began before the MDGs.

## 5. Partnership

In the implementation of support programmes for decentralized local development in West Africa, UNCDF and its project teams develop partnerships at the local, national and international levels. UNCDF believes partnership is more than a necessity; it is a fundamental choice in the poverty reduction strategy to achieve the MDGs.

These partnerships take several forms: institutional, operational, formal and informal. They have given UNCDF projects leverage in investment financing, knowledge sharing and joint initiatives.

UNCDF experience has shown that marginalization of local representatives of decentralized state services in the implementation of projects creates frustration and blockages in the field. At the same time, the procedures for involving these technical services are rarely explicit in the project formulation documents. Only flexibility in the financial structure of this component allows for the use of expertise that can be mobilized among this category of actors. But the underlying problem is found in the weakness of national deconcentration policies, especially at the budget level, which prevents the decentralized state structures from operating optimally.

## Synthèse en Français

Les expériences documentées des projets cofinancés par le FENU dans six pays d'Afrique de l'Ouest (Bénin, Burkina Faso, Guinée, Mali, Niger, and Senegal) portent sur des projets pilotes d'accompagnement de la décentralisation et du développement local (surtout en zones rurales). Ils s'inscrivent dans les stratégies nationales de réduction de la pauvreté, celles-ci découlant des engagements internationaux de ces pays, et se rapportent aux Objectifs du Millénaire pour le Développement (OMD).

La synthèse descriptive et analytique fait ressortir les enseignements suivants:

### 1. Contexte institutionnel et architecture politico-administrative

Les textes organisant le cadre légal de la décentralisation et du développement local dans la sous-région trouvent leur fondement dans les Constitutions nationales, les résolutions des conférences nationales, des discours-programmes (cas de la Guinée). Toutes les Constitutions ont prescrit le principe de la libre administration des collectivités territoriales par des conseils élus et affirment que ces collectivités constituent le cadre institutionnel pour l'exercice de la démocratie à la base. Ce principe a été réaffirmé dans l'arsenal juridique spécifique à la décentralisation de ces pays.

L'architecture institutionnelle de l'organisation territoriale dégage quatre niveaux de déconcentration pour le Sénégal, trois pour le Burkina Faso, la Guinée, le Mali et le Niger contre un niveau pour le Bénin. Elle comprend quatre niveaux de décentralisation pour le Sénégal, trois pour le Mali et le Niger, deux pour le Burkina Faso et la Guinée et un pour le Bénin.

Les élections locales et régionales dans ces pays sont principalement contrôlées par les partis politiques et l'animation de la vie publique locale est fortement influencée par la classe politique au pouvoir et devient le monopole d'une classe au détriment des autres. Toutefois, différents cadres de concertation sont institués pour permettre le dialogue entre les différents acteurs locaux. Aussi, à quelques exceptions près comme au Mali, les candidatures indépendantes des partis politiques sont autorisées dans les élections locales, voire nationales.

Les compétences qui ont été transférées aux collectivités locales relèvent des domaines retenus par ailleurs dans le cadre de la lutte contre la pauvreté et la promotion du développement local. Celles-ci concernent l'état civil, la police administrative, la maîtrise d'ouvrage du développement local, l'aménagement du territoire (offre de services collectifs : hydraulique, santé, éducation, équipements marchands...), la protection de l'environnement et la gestion durable des ressources naturelles, la coordination des investissements et des actions de développement, la promotion du développement économique local, l'intercommunalité et la coopération décentralisée. Toutefois, dans le cas du Sénégal, certaines compétences essentielles telles que les secteurs productifs (agriculture, élevage, pêche, etc.), l'hydraulique rurale, l'assainissement et le transport ne sont pas encore transférées aux collectivités locales.

La décentralisation avait suscité beaucoup de craintes et d'interrogations de la part des populations. Aujourd'hui, on note partout un intérêt pour son épanouissement. Si les compétences transférées sont justifiées par l'échec du centralisme d'Etat et les conditions d'existence difficiles des communautés, en revanche la volonté politique pour accompagner la mise en oeuvre de la décentralisation devra s'exprimer de façon plus forte pour inverser la tendance passée. En effet, l'existence d'un cadre juridique et d'une diversité d'instruments de concrétisation de la décentralisation est certes indispensable mais insuffisante pour promouvoir un développement local durable. Ce constat traduit une mise en phase insuffisante des interventions des différents acteurs publics et privés dans le cadre d'une politique cohérente articulant la décentralisation et la déconcentration. A ce propos, le transfert des ressources bat de l'aile dans tous les pays concernés, mais les perspectives sont optimistes.

## **2. Zones d'intervention**

Les zones d'intervention des projets présentent les caractéristiques géographiques suivantes : (i) très éloignées des capitales (jusqu'à 1500 km dans le cas de N'Guigmi au Niger), (ii) situées dans des zones à faible pluviométrie ou carrément à la porte du Sahel et soumises de façon récurrente à des crises écologiques et alimentaires, (iii) très fortes potentialités agricoles mais enclavées et peu valorisées comme c'est le cas des zones d'intervention au Bénin et en Guinée.

Tous les projets sont articulés avec la décentralisation et viennent en appui aux collectivités locales et aux organisations à la base.

Il se dégage de l'ensemble des caractéristiques et problématiques examinées que le choix des zones d'intervention a été déterminé par leur niveau élevé de pauvreté : (i) la famine et la malnutrition, (ii) la pauvreté monétaire, (iii) la dégradation des ressources naturelles servant de base productive au monde rural, (iv) l'analphabétisme des adultes et le faible taux de scolarisation des enfants, (v) l'accès difficile à l'eau potable et aux soins de santé, (vi) la faiblesse des investissements sociocollectifs et les conditions d'hygiène et d'assainissement du cadre de vie déplorable, (vii) le manque de capacités institutionnelle et organisationnelle de promotion du développement local.

Ces caractéristiques des zones d'intervention montrent l'importance que revêt la décentralisation pour responsabiliser les acteurs locaux dans la gestion des affaires locales. Surtout, elles démontrent l'utilité de l'aménagement du territoire afin que chaque collectivité locale puisse s'insérer dans le processus de développement du pays, quelle que soit sa situation géographique. Au bout du compte, la décentralisation offre des perspectives nouvelles de réduction des inégalités entre les différentes localités d'un même pays en ce qui a trait à l'accès aux services collectifs de base et permet de prendre en compte les spécificités de chaque milieu dans un contexte de solidarité nationale.

### 3. Principaux instruments

L'exercice de planification locale génère trois documents dans les communes partenaires du FENU

- i. le plan de développement communal (PDC) qui constitue un outil d'orientation et de cadrage à long terme couvrant une période de cinq à six ans ;
- ii. le programme pluriannuel d'investissement (PPI) qui est une opérationnalisation du PDC par la programmation des besoins d'investissement et des ressources d'investissement à mobiliser au cours des trois prochaines années ;
- iii. le programme annuel d'investissement (PAI) qui tient lieu de budget programme au titre de l'année et permet de mettre en oeuvre le PDC suivant l'approche de gestion axée sur les résultats. Cette approche induit une évaluation annuelle des performances communales pour apprécier le niveau de réalisation des objectifs de développement local.

Ces documents de planification locale sont élaborés de façon participative. Le PAI est soutenu par le fonds de développement local (FDL).

Le dispositif financier est articulé autour du FDL et s'inscrit dans une logique d'appui budgétaire aux collectivités locales. La maîtrise d'ouvrage communale et le principe de l'appui budgétaire font que toutes les procédures de passation des marchés et de contractualisation se déroulent au niveau des communes. A la différence des interventions classiques où les travaux, la livraison des équipements et la prestation des services sont centralisés au niveau de l'unité de gestion du projet, dans le présent cas, chaque commune engage les procédures de réalisation de ses investissements. Dans les pays où les communes ne sont pas encore actives, ce sont les comités intervillageois de gestion de terroirs (CIVGT) qui exercent ces compétences avec la limite d'être non qualifiés légalement pour mobiliser des ressources locales par voie fiscale.

L'éligibilité au FDL induit la détermination de la dotation financière des communes, l'évaluation de leur performance à la fin de chaque année, le principe de l'appui budgétaire pour renforcer la traçabilité, la transparence et le cofinancement. En plus de ces modalités d'intervention, le dispositif d'appui-conseil du FENU constitué de l'équipe de projet ainsi que des prestataires de services a permis un meilleur formatage des services attendus par les collectivités partenaires. En particulier, une boîte à outils est constituée au niveau de chaque projet pour (i) élaborer les instruments de planification et de budgétisation, (ii) formuler et défendre des microprojets, (iii) maîtriser les procédures de gestion des différents guichets du FDL, (iv) gérer les équipements...

Le FDL est un outil financier qui présente plusieurs mérites : (i) intégration au circuit des finances publiques de chaque pays pour familiariser les communes avec les procédures financières et comptables prescrites par les lois sur la décentralisation, (ii) système de financement à effet de levier, (iii) incitation à la mobilisation des ressources financières locales, (iv) un FDL à vocation

multiple axé sur les services sociocollectifs, l'économie locale, la gestion des ressources naturelles (GRN), la sécurité alimentaire, l'allègement des activités des femmes, le renforcement des capacités des acteurs (publics et privés) impliqués dans le développement local.

La mise en oeuvre du système de planification et la promotion de la gouvernance locale et du FDL ont eu des impacts aux niveaux social (participation des groupes marginalisés et des communautés pauvres au processus décisionnel, accès aux services collectifs), financier et économique (professionnalisation des ouvriers locaux, création d'activités génératrices de revenus, accroissement des recettes fiscales et non fiscales de la commune), environnemental à travers les activités de reboisement, de défense et de restauration des sols, de l'aménagement du territoire par une répartition équitable des investissements sur la base de critères objectifs et consensuels (cartes scolaire, sanitaire et maillage des points d'eau...) limitant l'influence du favoritisme ou du clientélisme politico-partisan.

Cependant, on peut noter qu'en raison du niveau assez perfectible de nombre d'élus locaux et d'agents des collectivités locales, l'appropriation de ces différents outils reste à parfaire. Les avancées identifiées sont encore dues à un recours important à l'expertise des bureaux d'études et des structures de projet. Cette situation est compréhensible quand on considère que rares sont les communes qui disposent de services techniques qualifiés. Dans tous les cas, les communes sont pour la plupart à leur début et l'accompagnement sera nécessaire pour plusieurs années encore. Il y a lieu de signaler la durée du processus de planification qui, pour les populations concernées, constitue souvent une contrainte dans le démarrage des projets.

#### 4. OMD

Les approches d'accompagnement mises en oeuvre par les projets FENU ont conduit à la promotion d'une démarche ouverte et inclusive des pauvres et des marginalisés, ce qui a permis de prendre en compte les intérêts de tous les acteurs en présence et de toutes les couches sociales du milieu dans la planification locale.

La structuration des espaces communaux et la composition des structures mises en place transcendent tous les clivages traditionnels (appartenance sociale et surtout politique, lieu de résidence...) et prennent en compte les intérêts des différents groupes en présence quel que soit leur rapport de force. Cette démarche inclusive corrige parfois les déficits de représentation des conseils communaux observés dans la plupart des pays.

Enfin, la nature et la fonctionnalité des investissements réalisés sont des indicateurs de la voix des pauvres car elles traduisent la prise en compte des besoins des populations. La voix des pauvres est celle qui permet de limiter l'échec des projets de développement, c'est dire que l'atteinte des OMD dépend du rôle actif et des responsabilités des pauvres dans le processus décisionnel en général et dans le développement de leur milieu en particulier.

En cela, les projets FENU distinguent différents niveaux d'investissements : (i) investissements au niveau des communautés à la base d'intérêt général et / ou spécifique à une organisation autour d'une activité, (ii) investissements à l'échelle supra communautaire et se situant entre le village et la commune, (iii) investissements de renforcement des capacités institutionnelles de l'institution communale et ne concernant que les bureaux des mairies et de leurs relais.

S'il est parfaitement établi que les profils de réalisations des projets FENU sont en parfaite adéquation avec les OMD, il convient de souligner que le système de suivi-évaluation interne de ces projets et des communes elles-mêmes n'est pas encore articulé avec ces OMD en ce qui a trait

aux indicateurs de référence. Il paraît utile de réaliser une étude de référence sur les communes partenaires concernant les critères et indicateurs des OMD afin de pouvoir suivre leur évolution. Lorsqu'un tel système sera fonctionnel au niveau de la commune, il restera à le faire entériner par les projets d'appui. De toutes façons, il faudrait une traduction locale des OMD pour renforcer le suivi des instruments de planification et ce même pour les projets qui ont démarré avant l'avènement des OMD.

## **5. Partenariat**

Dans la mise en oeuvre des programmes d'appui au développement local décentralisé en Afrique de l'Ouest, le FENU et ses équipes de projet développent des relations de partenariat tant aux niveaux national et local qu'international. Plus qu'une nécessité, le partenariat est pour le PNUD/FENU une option fondamentale dans la stratégie de lutte contre la pauvreté pour atteindre les objectifs du millénaire pour le développement.

Ces partenariats prennent plusieurs formes : institutionnel, opérationnel, formalisé ou non. Ils ont permis aux projets FENU d'avoir des effets de levier tant au niveau du financement des investissements, du partage de savoir-faire que des initiatives conjointes.

L'expérience du FENU a montré que la marginalisation des services déconcentrés de l'Etat dans la mise en oeuvre des projets engendre des frustrations et des blocages sur le terrain. En même temps, les modalités d'implication de ces services sont rarement explicites dans les documents de formulation des projets. Seule la flexibilité du montage financier de cette composante permet de valoriser l'expertise mobilisable au niveau de cette catégorie d'acteurs. Mais le problème de fond se situe au niveau de la faiblesse des politiques nationales de déconcentration, surtout au niveau budgétaire, qui empêche les structures déconcentrées de l'Etat d'avoir un fonctionnement optimal.

Christian Fournier

Regional Technical Advisor

# Claudia Melim-Mcleod

UNDP Oslo Governance Center

10 September

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Thank you for launching this interesting discussion - I thought I would share some thoughts on your first question, focusing on the *lessons and challenges* based on the cases of Serbia (already very well described by Tomislav Novovic from the Serbia CO) and Timor Leste

Having a legal framework to work on decentralization is a basic condition to work with national partners in this area. However, even where a legal basis is there, strengthening local governments commonly has an effect on power relations between central and local levels, which can exacerbate internal tensions in contexts where the concepts of devolution, subsidiarity, etc, meet political resistance on central level.

Serbia is one such case: although there is a legal basis for working on local governance and decentralization, this is considered sensitive for a variety of reasons due to recent history. The challenges for UNDP then are two-fold: First, finding an adequate framework to engage with local governments and secondly, doing so while maintaining a positive working relationship with central level authorities, with whom we may also be partnering on other projects. A very refined understanding of the political situation in-country is crucial here and testifies to how capacity development is much more than a technical issue. Who are the players, who wants what, and who is doing what to whom to obtain what they want? Having a good overview of the political landscape is crucial if we are to navigate these tricky waters.

In contexts such as the Serbian one, there may just not be an entry point to engage with central authorities on issues pertaining to decentralization. Engaging with CSOs such as local government associations and providing support through them outside central level mechanisms is one possible option, and one that was commonly used in Serbia. In that context, many international organizations actually chose to offer support directly to the Standing Conference of Towns and Municipalities, as this is an association of local governments perceived to be a reputable CSO and more effective channel for aid. From a donor perspective, this provided a much more convenient avenue for project implementation, reducing the need to deal with the complex national political environment at large. However, it can be argued that this also decreases the pressure for effective decentralization and national dialogue, since it is also easier for local actors to rely on external aid rather than to push for a real decentralization process across the political landscape. In another case, that of post-conflict Timor Leste in 2000, where there was no independent central government and civil society was only beginning to (re-) structure itself, some international NGOs offered support directly to local governments, as they were seen as being 'closest' to the people. Lack of coordination, notorious in post-conflict contexts, also caused its share of damage in this case. As some local governments received large amounts of assistance, others were bypassed, which led to grievances and heightened tensions.

“ There is a risk that external support can actually delay decentralization (including fiscal decentralization, implementation of the principles of devolution, subsidiarity, local accountability, etc), if external assistance is seen as a substitute for resources that could and should be allocated from central levels. UNDP must exercise judgment very carefully in these cases, balancing short and medium term objectives and quick wins with longer term ”

In conclusion, while working directly with local governments in such contexts can bring quick results (while being potentially more handy and expedient from a delivery point of view), it also entails some important risks: a) Direct assistance to local governments, if not carefully done, can decrease the need for dialogue and negotiations between central and regional/local levels that are part and parcel of a democratic processes; b) National inequalities can be inadvertently widened, exacerbating local tensions; c) Finally, there is a risk that external support can actually delay decentralization (including fiscal decentralization, implementation of the principles of devolution, subsidiarity, local accountability, etc), if external assistance is seen as a substitute for resources that could and should be allocated from central levels. UNDP must exercise judgment very carefully in these cases, balancing short and medium term objectives and quick wins with longer term, cumbersome, yet crucial democratic processes.

Claudia Melim-Mcleod  
Governance and Learning Advisor

# Serdar Bayriyev

UNFPA Turkmenistan

10 September

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Congratulations with this very much needed initiative. From UNFPA perspective I would like to highlight the fact that all consideration related to public service delivery at local levels and the strengthening of local government will need to be done having in mind a very rapid process of urbanization that is taking place all around the world. Consciousness of urban processes, intention to improve urban management and the need to tackle urban problems with service delivery is an important challenge that we all in the family of UN agencies should regard as very important. Specially now that growth of urban population has achieved unprecedented levels in several regions. This is particularly important from the perspective of urban management policies to tackle urban poverty. For that see Chapter 1 of the State of the World Population 2007 “Unleashing the potential of urban growth” referring particularly to the increasing reality of “Smaller Cities”, which is a reality in several countries of this region.

## Smaller Cities: Home to Half the Urban World

“Although smaller cities are less often in the news, 52 per cent of the world’s urban population continues to live in settlements of less than 500,000 people..... smaller cities have always had more than half of the total urban population during recent decades. Moreover, they are expected to account for about half of urban population growth between 2005 and 2015. .... larger cities slowly increase their slice of the urban pie over time, but, for the foreseeable future, the smaller cities will predominate”. State of the World Population 2007 “Unleashing the potential of urban growth”

I hope the discussion will support efforts to strengthen One UN at country level.

Serdar Bayriyev

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# Helga-Bara Bragadottir

UNDP Fiji

10 September

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Dear colleagues,

I am pleased to have the opportunity to contribute to this discussion from the perspective of UNDP-Fiji Multi Country Office. It specifically adds to the contribution by Ernesto Bautista at the UNDP Pacific Centre on challenges and key issues in Pacific Islands Countries.

UNDP-Fiji has been running a Local Governance Project in Isabel Province in Solomon Islands since late 2003. This project is coming to a close at the end of this year, but there is already a design of a new local governance project underway. Parallel to a design of this new project, UNDP-Fiji is currently preparing for a Final Evaluation to be done later this year. That Evaluation will among other things address questions from both phase 1 and phase 2 of this e-discussion. We hope to share the findings by the end of this year, and through that contribute to an ongoing dialogue on this important topic.

At this point, we would like to share with you the key findings and recommendations of a midterm evaluation that was conducted in beginning of 2006:

Key success factor for the project was the commitment of the provincial leadership in pushing forward its implementation. The strong political will of the executive and his commitment to institute reforms for improved governance set the tone for instituting change in the province. Another key factor was the strong leadership in informal structures such as the Isabel Council of Chiefs and the Church, which were harnessed through a tripartite committee with representatives from local governance/chief/church. This helped in charting the course of project implementation. Pressing issues concerning the province and the communities were often discussed and addressed in this forum.

Clear delineation of roles and functions facilitated a good working relationship between the legislative and the executive, the traditional leaders and the community, and among the different committees at the village level. Clear roles and functions also promote transparency and accountability as evidenced by Isabel's experience in planning-budgeting which involved the different stakeholders within and outside the Isabel Province Government

Initiatives to improve local governance need to be linked to the national level as policy reforms and programme support are needed in strengthening capacities for effective and efficient governance at the sub national level.

Development and planning processes that are initiated using available resources and existing capacities are more manageable and sustainable compared to developing comprehensive plans that are anchored on expectations for outside funding support. Plans that are owned by the stakeholders are more likely to succeed as they take responsibility in making sure it gets implemented.

Tools and skills are necessary in effecting change. People need to be equipped with the necessary mind set, new skills and tools to help them adapt to change. Information and communication is important in the management of the change process as it alleviates fears and facilitates support and understanding among peers.

Democratic governance that allows for decision making at the lowest effective level helps promote peace and stability. Traditional structures though not part of the formal government system are effective mechanisms in promoting participatory decision making.

Establishing links to the community does not automatically equate to delivery of basic services and provision of concrete and tangible projects such as potable water supply. Experience in Isabel show that communities appreciate having access to relevant information and having the opportunity to provide information and participate in discussions and decision making that affect their lives. Furthermore, information and communication technology links together people from across the islands of Isabel Province and helps facilitate delivery of services to the remote villages. This was proven based on the experience of PFNet rural email stations and HF radio programmes.

Access to justice is an important component of good governance and an essential element for a rights based approach to development. Without a just and secure environment, efforts towards sustainable livelihoods and development will be thwarted.

Locally based project management that is supported by capable staff complement is essential for the efficient and effective implementation of the project. A good and well prepared project document is an important tool in providing direction and guidance in implementation. A monitoring and evaluation framework should be part of the document in order to set the parameters for evaluation during the course of implementation and after the project life.

Kindly note that the full report is available at the Evaluation Resource Centre.

Best regards,

Helga-Bara Bragadottir  
Governance Analyst/Evaluation Focal Point

# Durafshan Chowdhury

UNDP/UNCDF Bangladesh

11 September

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Dear Colleagues,

This was a great discussion launched and I am glad to get the opportunity to enhance my knowledge and learn from the information shared by different programmes/projects and countries.

In Bangladesh, UNCDF and UNDP have been supporting decentralization and local governance through a joint pilot project known as Sirajganj Local Governance Development project (SLGDP) since 2000 which just successfully ended. And a new country wide project known as Local Governance Support Project (LGSP) supported by World Bank, UNDP, UNCDF, EC and Danida- the second generation of SLGDP started with the aim to provide i) UP-performance linked financing arrangements; ii) local public expenditure management procedures; iii) local accountability institutions; iv) UP human resource development and training and v) national policy development covering all the 64 districts and 4500 Union Parishads in five years time.

Within the broader LGSP, UNCDF, UNDP, EC and Danida would be jointly piloting a Learning and Innovation Component (LIC) field testing in six districts, the successful innovations already pioneered in SLGDP and feed these second generation innovations in to the national LGSP.

SLGDP was piloted in Sirajganj, one of the most poor and vulnerable district with 82 rural elected local governments called Union Parishad. UNDP and UNCDF targeted all the 82 UPs of Sirajganj aiming to promote decentralized funding, people's participation in planning, monitoring, implementing and decision making process along with building capacity of UPs and ensuring accountability and transparency. The start up process was not very smooth and it took a while to convince the central Government officials that given the opportunity and an enabling environment, the local governments could deliver services to the community in a faster and better way. And throughout its implementation period, SLGDP could demonstrate the potential benefits of efficient service delivery promoting local infrastructure that involved peoples participation, transparency and accountability.

For more information please visit

[http://www.undp.org.bd/projects/proj\\_detail.php?pid=50](http://www.undp.org.bd/projects/proj_detail.php?pid=50)

What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization?

The main challenges which were faced during design and implementation stages and some of them still persists are,

1. Mind set of civil bureaucrats against decentralization and devolution of authority to local governments.

2. Limited revenue assignment to the UPs
3. Strong existence of government line agencies in parallel service delivery
4. Donors channeling fund through NGOs rather than elected LGIs
5. Contradictory instructions to local governments from the Ministry
6. Lack of coordination/accountability of development agents to local governments

***What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization?***

The pilot initiative in Sirajganj, assisted the UPs in betterment of its performance and managing its office and involve people in its decision making process. To this end, a series of technical assistance programme such as Participatory planning and budgeting, office management, financial management, gender and leadership training, open budget meetings for ensuring transparency and accountability, audit, enhancement of local revenue, performance of UPs etc were undertaken. At the same time, initiatives were taken to involve the central government officials of the Ministry, District and Sub-districts as resource team for monitoring and promoting decentralization. As it was felt that without the support from central bureaucracy it will not be possible to promote decentralization in Bangladesh. Initiatives were also taken to send the GOB officials and elected representatives together for exposure visits to the region. Specially to West Bengal and Kerala to see the Local Panchayat systems. These visits proved to be great investments in team building and human capacities. Initiatives were also taken to train officials including officials from Ministry of Finance on Fiscal Decentralization. The FD training proved to be so beneficial that after which, M/O Finance announced channeling direct block grants to UPs. As a result, now World Bank has signed an agreement to provide credit of US\$ 130 million for the new Local Governance Support Project ( LGSP) which is based and built on the best practices of SLGDP.

The learning from SLGDP is that decentralization needs to be practiced. Authority and responsibility should be given along with devolved functions, funds and functionaries with freedom to practice power and authority. Some form of pilot demonstration is required as was done in case of Bangladesh.

For deepening democracy, associations and forums are great instruments. SLGDP, promoted two associations, 1. UP womens members association called UP Women Development Forum and 2. Chairmen's Association. The Women members forum faced no obstruction from the government officials and has been adopted in the new LIC component of LGSP. However, the district GOB Officials were opposed to some form of association by the Chairman. Although we found the association to be very constructive and fruitful. In the new project, Government did not agree to the Chairmen's forum

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

**Gender equality and women’s representation:**

Since 1998, Government made provision for directly electing women members to three reserved seats in each union, covering three Wards of the union. It may be mentioned here that each UP has nine Wards and women members were directly elected covering three Wards against some reserved seats. However, no role description or any responsibilities were assigned to them. And the women representatives were frustrated. SLGDP boosted their morale by supporting the women members to form their own Forum. The UP Elected Women Members Forum as it is called, is registered, has its own constitution and bank account, conduct regular AGMs and elect their own Executive Committee through secret ballots. They have learned how to conduct meetings, write minutes, raise their issues in the UP meetings, become Chair of Ward Development Committees and other different Committees, supervise implementation of schemes. 30% of SLGDP block grants were given for developing pro-women schemes identified by women to be implemented and managed by women.

The very women members who would only complain that they were not given any responsibility now has created their own position, are good leaders, provide advise and advocates against child marriage, dowry, violation against women and their rights, encourage gender equality and so on. A platform to raise their voices have empowered the women members so much that the attitude of the Chairman and other members, common people and government officials towards the UP women members have transformed from that of disrespect to admiration and encouragement.

**Access to Justice and anti-corruption:**

The open Budget meetings, performance assessment of UPs by the people of the area, complain box, providing information to people through pasting it on the Notice Board, disclosure of audit reports, etc have reduced corruption and injustices. Studies showed that the people now take more interest on the activities of the UPs, they are now more aware about their rights and raises their voices against injustices and corruptions in the open meetings and in the score card developed for assessment of the performance of the UPs. The revenue earnings of the UPs in some cases have increased by two hundred percents. This two way communication also provided UPs an opportunity to correct their behavior as their performance is also directly related to receiving enhanced Block Grants.

### **How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?**

There is much to learn from each others programme. This launching of e-discussion was a great way of initiating this learning. Regular sharing of information, requesting for suggestions/ advise, asking questions for better understanding and responding to the queries, visiting each others projects, arranging for annual/biannual workshops could strengthen UNDP Community of practice on LG and decentralization.

Thanks.

Durafshan Chowdhury  
Programme Manager, Local Governance

“ The open Budget meetings, performance assessment of UPs by the people of the area, complain box, providing information to people through pasting it on the Notice Board, disclosure of audit reports, etc have reduced corruption and injustices. Studies showed that the people now take more interest on the activities of the UPs, they are now more aware about their rights and raises their voices against injustices and corruptions in the open meetings and in the score card developed for assessment of the performance of the UPs ”

# Liliana Proskuryakova and Alessia Scano

UNDP Russia

11 September

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Dear colleagues,

We are happy to contribute to the discussion with experiences from the Russian Federation.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

The Russian Federation has undertaken a number of broad structural reforms during the transition period since the early 1990s. One of the most relevant issues is the division of political, administrative and fiscal competencies between the Federal state, the subjects of the federation (regions) and different tiers of local self-governance.

The Institution of local self-governance is recognized as an independent structure of public authority in the 1993 Constitution of the Russian Federation. Short after this, in 1995 the Federal Law “On the General Principles of Local Self-Government Organization in the Russian Federation” introduced a system of local self-government terms and concepts, identified competences and the final basis for the implementation of local self-governance. In 1998 Russia signed the European “Charter on Local Self-Government”, undertaking further commitments to promote this institute of authority in the country.

The Law “On General Principles of Local Self-Governance” was adopted on 6th October 2003. However, the full enactment of the Law, initially previewed for 1 January 2006, was postponed till 1 January 2009. This 3 year “grace period” allowed regions and municipalities to fulfill the basic institutional and structural prerequisites.

The project of “Support to Local Governance Reform in the Russian Federation” currently implemented by UNDP and the Ministry for Regional Development of Russian federation promotes the Federal Law factual implementation and provides an opportunity to evaluate its effects and first implementation steps in pilot regions.

## **Main Challenges Addressed Since the 2003 Federal Law**

1. Securing the important constitutional right of the citizens to participate in decision making at local levels, which was not consistently secured by the factual development of local self-governance in Russia over the decade 1993-2003;
2. Coexistence of various models of local self-government: local self-governments at the city and rayon (sub-regional) levels, rayon governments that are extensions of regional state bodies, with local governments at the sub-rayon levels, and two-tier structures with local government bodies extending to the sub-city and sub-rayon levels. This multi-faceted environment presents a number of issues to be addressed, such as overlapping definitions of municipal unit competencies and a poorly defined territorial organization of local self-government;

3. The need to guarantee financial independence of local self-government bodies in executing their competences (significant gaps exist between resources available to local governments and mandated duties and services) and to enable development of efficient interbudgetary relations and sustainable local development:
4. Spreading information among the population, with particular attention to bridging the digital divide in order to ride over physical distances between local self-government bodies and remote population;
5. Enhancing capacity of newly recruited local self-government staff (municipal deputies), and interaction between State authorities (federal and regional level) and local self-government (sub-regional) administrative bodies.

### **Key Lessons Learned/Good Practices Emerged**

Apart from providing a framework to study the impact of the new Federal Law on the pilot regions and the consequent amendments and reviews, the project has provided a fertile ground for an increasing involvement of local civil society groups in the self-government reform process. Firstly, experts assessing the needs of the pilot regions are Moscow-based and local think-tanks, civil society organizations and networks. Moreover, most relevant achievements in the pilot regions are the involvement of civil society organizations in the reform process through formalized civic engagement mechanisms, as well as increased opportunities for access to information on the reform for population. One key point to be underlined is the focus on training/education and information activities which tend to have a considerable proliferation effect. More precisely, the indirect beneficiaries' number outstrips the target group's one, partly because the involvement of civil society representatives renders the project more rooted into the environment and highly sustainable.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

Together with strengthening the enabling legal framework and developing the capacities of pilot regional administrations and local governments to provide responsive, high-quality services, strong emphasis on increasing public awareness of, and civic engagement in, the local governance reform process and the changing role of local governments in the RF is needed.

UNDP CO's support in this issue materializes in a number of activities aimed both at spreading information and at enabling population to access them, and to get more involved in the local self-government and needs assessment processes. Concrete examples of this approach are the activities currently scheduled for the Republic of Karelia: development, publication and distribution of manuals and booklets for the population of one of Russia's regions, the Republic of Karelia; development and realization of a complex of measures to support civil society in municipal and regional organs of executive authorities in Karelia Republic; provision of consultations and surveys, methodological and informative support to the existing and forming civil unions in Karelian municipal administration.

Moreover, development and promotion of a thematic website will provide free and quick access for all the population to the most updated information concerning local self-government in the region. As regards the web access for the population, a concrete example is the project implemented in another Russia's region, the Republic of Buryatia, which consists in using municipal libraries as centers for Internet access, providing as well courses to enable the population to access and use Internet resources.

The above mentioned activities result in the strengthening of local government by enhancing civic engagement, most needed in vast regions where inhabitants are not only distant from central government institutions, but even from local government ones.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women's representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

The need for substantial support to local governance reforms reflects in the attention our office has dedicated to the specific achievements and challenges each Russia region has encountered in pursuing the realization of the MDGs. The NHDR for Russian Federation published in May 2007 is in fact devoted to the analysis of 20 Russia's regions in the seven Russian Federation districts in reference to the MDGs + (MDGs adapted to the country's context). This report provides a large amount of facts and figures which constitute a relevant support to governance planning at the regional and local levels. A deep knowledge of the specificities of each region can in fact enhance the implementation of intently targeted projects which would address more effectively MDGs issues.

Best regards.

Liliana Proskuryakova, National Program Officer  
Alessia Scano, Democratic Governance Intern

# Barbara Wolff

UNV Germany

11 September

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Dear colleagues,

I am glad to be able to contribute to this rich discussion with contributions from all over the world. The UNV Programme is supporting directly or indirectly a broad range of local development and decentralization programmes. In the context of the ongoing discussion, I would like to refer to one experience in Guinea-Bissau where UNV is promoting local participation for the establishment of a waste management system in Gabú as integral part of a larger Local Development Programme funded by UNCDF and UNDP.

The project has mobilized a large number of community volunteers and has facilitated the creation of community-based committees in order to pilot a participatory approach throughout project planning, implementation and monitoring in the region, and to enhance service delivery. By establishing systematic consultation and collaboration mechanisms between local public and traditional authorities as well as civil society organizations, it serves as a pilot experience for good local governance. In the long run, the established structures will feed into the larger UNCDF/UNDP programme to enhance service delivery at local and regional level.

## *What are the main challenges, key lessons learnt, good practices?*

I would like to focus on three areas:

### **Participatory Governance**

- In line with many other colleagues, I would like to stress the importance of civil society participation (both men and women) in local development processes. (Volunteer-based) civil society organizations can play a key role in service delivery at local level, in particularly if public structures are weakened by political instability, as it is the case in Guinea-Bissau. While the UNV project has therefore strengthened capacities of non-public partners in service delivery, roles and responsibilities of all stakeholders need to be clearly defined in order to avoid undermining the responsibilities of public authorities.
- Apart from civil society, work with local Governments should also include traditional leaders in order to enhance sustainable local ownership.
- As already mentioned in the case of Chad, extensive sensitization and awareness raising campaigns throughout project implementation have been crucial for the successful involvement of local communities in the project.
- However, one of the major challenges is the lack of actual leadership at local level – as already pointed out by some other colleagues. The exit strategy of the UNV-project is therefore very much focusing on enhancing leadership skills among local stakeholders.

- Another challenge (not only in Gabú, but also in other African countries where UNV is supporting local development processes) is that participatory planning, implementation and monitoring of development interventions does not necessarily happen in a very systematic and continuous manner. Although many development stakeholders express their willingness to apply participatory approaches, in practice, participation often happens only on ad-hoc basis. This is partly due to the lack of capacity of local stakeholders. But it should also be considered that a participatory approach is time-consuming and costly. This needs to be reflected accordingly in project plans and budgets.

### Capacity Enhancement

Following my argumentation above, capacity building initiatives should include a broad range of development stakeholders including local governments, civil society and traditional leaders.

In the case of the UNV-project in Gabú, it has been important that capacity enhancement in terms of participatory planning and management of local development interventions have gone hand-in-hand with technical assistance in terms of waste management. As the technical capacity of the project team in this domain has been limited, technical assistance has been provided on a voluntary basis throughout project planning and implementation by the French company Suez (via their NGO Aquassistance) through regular short term missions and distant advisory service.

### Replicating, Mainstreaming or Upscaling Achievements

While the approach of the UNV-project has been replicated by various development partners in the region of Gabú, involvement of the central government of Guinea-Bissau has been rather limited. There is a need to establish mechanisms to upscale project achievements, and to transfer lessons learnt to the central level.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.?*

In order to respond to the post-conflict situation in Guinea-Bissau, UNV is piloting the implementation of the Do no harm (DNH)-methodology throughout project planning, implementation and monitoring with support from an external consultant. The DNH-approach is providing a framework for analyzing the development context of a given country, and is aiming at identifying potential sources of conflicts on the one hand, and unifying elements within a community on the other hand. As many local governance interventions are empowering people, and thus might change local structures and established orders (both at local level, or between local and central level), local governance programmes risk to create minor or major conflicts within a given context. The DNH-approach can help anticipate these risks, and avoid conflicts.

*How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?*

In addition to the suggestions from my colleagues, I believe that it is very important to facilitate knowledge and experience sharing with other development stakeholders (such as international, and bilateral donors, and International NGOs).

Barbara Wolff  
Programme Specialist

“ In order to respond to the post-conflict situation in Guinea-Bissau, UNV is piloting the implementation of the Do no harm (DNH)-methodology throughout project planning, implementation and monitoring with support from an external consultant. The DNH-approach is providing a framework for analyzing the development context of a given country, and is aiming at identifying potential sources of conflicts on the one hand, and unifying elements within a community on the other hand ”

# Siphosami Malunga

UNDP Oslo Governance Center

11 September

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Dear Colleagues

Many thanks for initiating such an important discussion and for all the insightful contributions thus far. I would like to add a few words regarding decentralisation/local governance and its implications on conflict to answer in part the last question:

Experience has shown that many of the world's conflict are caused by competition for access to state authority or power and resources. In many cases, secession or some form of autonomy has been the key demand of belligerents. To that extent, decentralisation has been very instrumental in resolving some of the most intractable of conflicts. This has added a new dimension to the instrumentality of decentralisation or local governance beyond the traditional administrative and political reform arguments for it. There is thus far no definitive evidence that decentralisation alone as a strategy actually works to prevent conflict in all situations in the long term.

In order to succeed it is important that there is clarity as to why decentralisation is being sought as a solution to a conflict situation. It may very well be that other solutions may be required such as improved access to resources for marginalised groups, improved access to decision making, improved legal protections etc and other key requirements. In all cases, the mere act of decentralising on its own is usually unable to resolve the key or root causes of conflict. Decentralisation would therefore need to be accompanied by real changes in the way decisions are made at the local level, resources accessed, and services delivered. Decentralisation and stronger local governance is more likely to succeed in diffusing conflict or preventing it where:

1. It results in improved service delivery at the local level resulting from real access to required resources and their equitable distribution. Token decentralisation without access to wealth for local populations is not sufficient.
2. Local authorities fully understand the dynamics of the conflict, and are empowered to address these dynamics in an accountable and participatory manner
3. Local authorities ably respond to the reconfiguration of minorities/majorities that are ushered in by decentralisation. Decentralisation results in the redistribution of power and new minorities can be created with new grievances of their own resulting in resurgence of violence if the new decentralised/local authority is not responsive to the needs of all groups.
4. Local decision making is truly representative and not a mere extension of the central state.
5. There is strong political commitment and support from the central state for local government or the decentralised entity.

“ Experience has shown that many of the world’s conflict are caused by competition for access to state authority or power and resources. In many cases, secession or some form of autonomy has been the key demand of belligerents. To that extent, decentralisation has been very instrumental in resolving some of the most intractable of conflicts. This has added a new dimension to the instrumentality of decentralisation or local governance beyond the traditional administrative and political reform arguments for it ”

Given the obvious advantages of proximity to the local populations, local governments are clearly best placed to address the myriad of problems that many countries recovering from conflict may face, including promoting public participation, reconstruction, provision of basic services including security, and restoring government legitimacy. A focus on understanding how decentralisation impacts on all our development work including on conflict and how strengthening local governance is an important element of recovery from conflict is indeed an imperative for UNDP. I look forward to the next part of this discussion.

Many thanks again.

Siphosami Malunga  
Governance and Conflict Advisor

# Second Week Highlights

**The Moderation Team**

11 September

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Dear Colleagues,

We would like to express our sincere appreciation to our colleagues from around the world for substantive e-discussion contributions. For your information, in the second week of exchange we've received 21 contributions covering distinct trends and issues. We also received two team contributions and notes from colleagues in partner agencies such as UNICEF (East Asia & Pacific), and the Asian Development Bank.

This last week we saw a good response from colleagues bringing regional and global perspectives. This was done by colleagues in different UNDP units such as - the Human Development Report Team, the J'burg Regional Center, the Caribbean Sub-regional Resource Facility, the SURF Latin America, Bratislava Regional Center, and the Bangkok Regional Centre.

Country experiences highlighted in this occasion were – Afghanistan, Guyana, Albania, Sudan, Turkmenistan, Cambodia, Malawi (2 contributions), Nicaragua, Pakistan, Chad, Uganda, Mozambique, Barbados and the OECS, Europe & CIS.

As a way of refreshing our views on the debate during the last week (3-9 September), we have decided to make a selection of excerpts, and critical points from each of the contributions.

## **Relevant points raised during the second week of the ongoing e-discussion 3-9 September Bill, UNDP/UNCDF Malawi**

The Malawi decentralization process has grappled with various challenges and generated a number of lessons:

- Weak linkages between decentralization and other public sector reform programme or initiative
- Weak linkage between decentralization and local governance
- Concentration of efforts at central government and district level
- Lack of donor coordination

Un-coordinated capacity building efforts that have not been based on a common framework have resulted in inefficiencies and unsustainable results. The Government of Malawi and its development partners have invested substantial amounts of resources in capacity development/building of institutions involved in the decentralization process including Government Ministries and institutions involved but the results could have been better. The challenge has been to sustain these capacity building efforts in an environment (particularly in local governments) devoid of the right incentives to retain personnel, a common and shared understanding of what constitutes an appropriate capacity building framework to support decentralized governance. This has been exacerbated by very high attrition as a result of HIV/AIDS.

## **Jurgita, UNDP Bratislava Regional Center**

In most of the countries we are observing an ad-hoc implementation of reforms and the need for more strategic and systematic approach. The key reasons behind are poor inter ministerial coordination and cooperation, lack of political will, weak policy making capacities, especially at local level. Local Government associations can and should play an extremely important role in policy making process. However, they very much lack policy making skills and technical knowledge/expertise to discuss with central government different technicalities of local governance and decentralization reform. It makes very difficult to defend the interests of local governments and provide substantive inputs into the legislation process. This is definitely the case in BiH, Croatia, Albania, and Kosovo and other countries across the region.

I think that personnel management and employment conditions, especially at local level, have long been a neglected area across the region. In our region, the donors, working on civil service reform, including UNDP, are tend to focus on central level and very little attention is paid to the situation at local level. Today we have a huge challenge to attract and retain competent staff and make sure that training/capacity development we provide stays in the system. Personnel management function in municipalities is generally either not developed at all or very weak and tends to focus on the administrative dimension of managing staff and record keeping. Little value is placed on the management and development of staff competencies, and not enough is done to link this with personal career plans as well as with the strategic plans and objectives of the municipality.

## **Paul & Masood – Afghanistan**

The concepts of local governance and decentralization don't exist as they are known in other countries. What you find is a classic polycentric governance framework with many nodes of power competing with one another. Local development is driven by large national programmes designed and funded by international organizations.

Training at the provincial level has thus far been funded primarily by the EC, but this may change in the coming months with large USAID programs coming on line. For the past three years, the international donors have heavily funded a nationwide community development programme. Over 15,000 Community Development Committees have been formed by international NGOs and funds are channeled to them for local infrastructure development. There is concern in some quarters that this effort is deflecting attention from indigenous local governance structures.

A subnational governance policy framework is sorely needed. The lack of a generally agreed framework for conflict sensitive development has also meant that projects can end up competing with one another for clients and resources. It goes without saying that the perverse incentives generated by this complex system make it increasingly difficult for local government to operate effectively or for local development to focus on anything approximating MDGs.

## **Trevor - UNDP Guyana**

From the utterances of key actors of both government and non government organisations/agencies there seems to be a common recognition that local governance deserves much more recognition. To support local governance and decentralisation UNDP needs to work more closely with civil society organisations, community based organisations as well as with Local government bodies directly. Currently all of our interventions are done through a ministry at the center and quite often not much gets filter down to the lower levels of government.

## Klodi - UNDP Albania

Local governance and decentralisation process seems to be very interesting, especially for the countries with economies in transition and for those who are working towards the EU membership. The reform and decentralization process has gone through several important stages, including ratification of the legal framework to create the incentive that would trigger reform, improved territorial arrangement with reference to decentralization, followed by consolidation of local institutions and increased capacity-building to enable better management of a greater number of assigned responsibilities. To ensure institutional financial autonomy: greater freedom in generating revenues from autonomous fiscal resources, as well as administering expenditures according to local policies and priorities. All the above made way for another major development in the decentralization process, accountability for a number of key public services, e.g. water supply and sewage, health, social services, accommodation, pre-university education, etc.

## Lealem - UNDP- Sudan-kadugli Field Office

Key lessons learned

- Governance capacity building should only be provided in the context of a longer range, viable strategic plan.
- Post-conflict governance capacity building requires long-term, comprehensive, integrated and coordinated plan.
- Post conflict governance capacity building requires continuous donor support to effectively address public sector service delivery management issues
- The sustainability and effectiveness of governance capacity building requires political will and commitment of local authorities in supporting and financing the programme
- Deepening the democratization and peace building process requires the genuine participation of CSO and citizen in the workings of the local government
- Post-conflict civil service capacity building requires the establishment of capacity building supply centre to meet the unlimited capacity demands
- The proper integration of customary governance practices and structure greatly enhance peace building in post-conflict environment
- Support to the establishment of CSOs Umbrella body helps to create a structure through which CSO can collectively engage in lobbying and advocacy programmes that helps enhance the development of pro-poor development policies
- Technical capacity building hardly contributes to the effectiveness of public institutions without the provision of appropriate working methods, instruments, and processes
- Enhancing women's' participation in leadership and decision making requires the revision and enactment of laws and regulation which is supported by appropriate level of funding base

### **Bayramgul - UNDP Turkmenistan**

In Turkmenistan technical assistance is required to ensure the improvement of legal and policy framework for self-governance; Institution and capacity building to promote effective local governance system through the capacity development of local government and elected authority and by forging partnership with local communities and other local actors. We are also aiming at addressing participatory local development planning with the objective to promote more effective, participatory and inclusive planning and budgeting systems which are developed and used by local governments; Social mobilization and partnerships for quality service delivery to promote social mobilization and partnerships at local level through limited financial support for the realization of the socio-economic projects and initiatives identified, planned and prioritized by the local governments in partnership with communities based on the local needs of the people; Scaling up through advocacy and communication to inform national policy on the results and lessons learned derived from the programme.

### **Katharina EC-UNDP Project / Ministry of Interior. Cambodia**

One of the key factors in the process of establishing the association in Cambodia was the involvement of different development partners that supported the idea and exposed government officials and commune leaders to the experiences from other countries. From the beginning, the idea to establish an association of local government has been supported by different donors: EC- UNDP, KAF, GTZ and VNG. They all organized study tours for government officials to see how the associations work in other countries in Europe and within the region (Indonesia). They also organized experts visits to present the idea in Cambodia. Different approaches have been shared and the associations in Cambodia are benefiting from a range of approaches and choosing and adapting them to their situation. Also the Training of Trainers on Local Government Associations provided by the UNDP Regional Centre in Bratislava provided the project with a great opportunity to learn from the approaches in other countries and is contributing to further develop the concept in Cambodia.

### **Jockely – UNDP J'burg Regional Center**

Many decentralization policies, strategies and programmes are advocated or justified, at least in part, on the ground that they will increase popular participation in the planning and implementation of development policies and programmes. This leads to a preoccupation with institutional reforms for decentralized/local governance at the expense of the broader systemic/structural reforms necessary for a holistic decentralization/ local governance process”

There is also need to understand what is meant by centralization, decentralization, re-centralization and over-centralization since all these explain complex forms of relationships, which may or may not reinforce the variety of ways in which decentralization might be perceived and understood. Understanding the various ways in which decentralization is defined and perceived helps in clarifying its various complexities, as a concept, and also opens avenues for its proper application in describing geo-political and socio-economic issues, let alone for purposes of policy analysis and prescription.

### **Joachim – UNICEF East Asia and Pacific Regional Office**

It is important to involve children and young people in local governance. However, little is being gained from one-off and short-lived initiatives. We need rigorous evaluations. Experience shows that efforts to involve young people in governance have to be maintained over many years. They have to gradually increase the level of control that children and young people have over public decisions. Aiming too high too soon may lead to a backlash, which may reduce the space for children's involvement in local governance for a long time to come. We have to be adaptive and creative and support a step-wise process. There is no substitute for dedicated and experienced adults who can support children and young people in local governance.

### **Thusitha – USAID Contractor, Malawi**

The main challenges faced in promoting local governance and decentralization are an innate reluctance by the central government to devolve real power; lack of a financial base at the local level and the reluctance by central government for financial devolution; and a lack of capacity at the local level. The key lessons learnt in brief are that while one can increase capacity at the local level through technical assistance and training, it is more difficult to persuade central governments to let go of administrative power and practice real financial devolution. Eradicating corruption and increasing transparency and accountability are critical to the credibility and value of local governance structures in a democracy.

### **Isabel – UNDP Nicaragua**

The greater challenge of the process is to ensure that the decentralization process is seen as a reform process within the Central Government to decentralize its actions and to be able to improve the articulation and coordination of policies and national programs of the fight against the poverty with the policies of the regional and municipal governments for local development, thus allowing greater use of the capacities and comparative advantages of the municipalities in the fight against poverty.

### **Juan Manuel – UNDP Surf Latin America, Panama**

Local governance/ decentralization assistance programmes are intertwined with all UNDP Focus Areas. This attribute stresses the need for a realignment of UNDP resources to assist decentralization and local development processes. Conflicts between local and national interests have marginalized local authorities from the design and implementation of national poverty reduction strategies. That is the case of conditional cash transfer programs. Where those programs have been adopted, national governments have undervalued the potential of local authorities to contribute to their efficient implementation. This approach dismisses the link between decentralization and poverty reduction and ignores the comparative advantages of local authorities (including the potential to promote strategic alliances and mobilize local resources and institutions).

### **Alvaro, Farhan, Shirin – UNDP Pakistan**

Research suggests that devolution often empowers local elites to capture resources from the poor as they become the ‘new voice’ of the people, and that the functioning of formal democratic structures (for example reserved constituencies of women) at the local level can be substantially undermined by informal power relations such as patronage.”

There are several important lessons emerging from the devolution process in Pakistan. The most significant being that it is not enough for development partners to only advocate and support policy design, it is essential that a strategic and sustained support to implement the policies is also provided. Often the government is able to design and announce policy packages but it lacks capacities to be able to implement these policies. Implementation is often a difficult and slow process that requires capacity development of multiple partners, including those in civil society and private sector and at different levels.

### **Tim – UNDP Human Development Report Team**

Given the impact of decentralization processes on those most vulnerable, the study encourages UNDP programming to continue to:

- target gender issues and marginalized groups defined by rural-urban, ethnicity, religion, age, and physical and mental ability;
- support inclusive, participatory processes that include marginalized groups as part of longer-term capacity development initiatives;
- take into consideration the role of local traditions and cultures and help formulate local and national advocacy strategies accordingly;
- support national efforts to gather and assess quantitative and qualitative information disaggregated by gender, region, sector, etc.;
- help incorporate such data into statistical offices and other agencies and institutionalize this work with legislation and training.

### **Allassoum – UNDP Chad**

It is necessary to concentrate on what is essential and feasible in the short term. The choice of actions must also take into account the complementarity of the programmatic interventions by other partners.

## **Nadine - UNDP Caribbean Sub-regional Resource Facility**

In the first 20 years after Independence there was an over concentration on centrally planned socio-economic development which relegated Local Government to a passive agent of Central Government. There was little confidence in Local Government's ability to contribute meaningfully to socio-economic development. Despite all the policy prescriptions by successive administrations purporting to enlist Local Government as an active partner in the development process, the reform of the sector has been very slow and ineffective and not results driven. Central Government is not really ready or willing to release power and authority to local authorities. Another key challenge is the level of private sector involvement in the entire process and how their involvement will work after reform is implemented. This is integral with to the whole concept of sustainable communities.

One of the key areas of additional support needed to strengthen local governance is capacity development with an emphasis on the establishment of a Local Government Training Strategy. Local UNDP offices can draw on the expertise and practical experiences of other UNDP offices world wide and can offer methodologies, provide experts and share some of its worldwide experiences.

To date the local government reform process in Trinidad and Tobago has attempted to be all embracing. Efforts have been made to include gender equality and women's representation, the MDGs and environmental protection. Elements such as justice, anti-corruption and Human rights elements have been discussed, however not very directly- perhaps there needs to be some review of the reform process bringing some of these issues to the fore front. There has been no emphasis on incorporating HIV/AIDS, climate change and conflict prevention into the discussion. It is interesting in light of Deodat Maharaj's comments earlier, that the issue of conflict prevention has not been dealt with directly – perhaps there is a fear to broach the topic directly.

## **Henrik – UNDP Bangkok Regional Centre**

In Asia-Pacific, Decentralization and Local Governance is a major area of support (the second most important service line accounting for more than USD 50 mill. of programme resources in 2006). Our support reflects the highly diverse context; it includes assistance to countries with very different paths of development and policies on state-building as it relates to the sub-national level. In many of the countries in South Asia, as well as for example Indonesia and the Philippines, the policy and legal frameworks for decentralization are largely in place, and the focus is more on promoting more appropriate systems, capacities and accountabilities within these parameters; in others, the focus is rather on considering more basic policy options on sub-national government role and structure, and implementing the preferred option, as is the case in Cambodia, Maldives, Mongolia, Bhutan, Timor-Leste and Afghanistan. The three key areas of interventions are:

- Inclusiveness and accountability of the local democratic institutions
- Strengthening local service delivery for the MDGs –
- Decentralized governance in support of peace-building and post-conflict recovery

### **Jenifer – UNCDF Uganda**

Among main challenges - Concentration on capacity building ... leaving out direct support to local governments to implement specific projects thereafter; limited involvement of local governments in co-ordination and resource control function; inadequate financial and human resources at the lower levels of government to facilitate the participatory processes; no capacity building for component managers at the centre on their roles and responsibilities, lack of an inbuilt plan on how the programme outputs would be rolled out from the national to local government levels; responsibility for the learning aspects of the programme; corruption and accountability flaws in procurement processes; cultural practices that affect women's participation outside the home, Personnel/politicians turnover after every election; declining spirit of volunteerism; of recent recentralization of the appointment chief administrative officers.

Major lessons include: the importance of partnerships in policy- oriented development work; the effectiveness of intra-governmental collaboration, between ministries and between local governments and central government; the need for "policy champions" such as the Ministry of Local Government in this case; the need for a "collaboration champion" among the donors; the effectiveness of goodwill in translating pilot results into policy; and the importance of tapping into already existing institutions and practices; and programmes can only be effective if the people see the need for them and directly benefit from them.

### **Jacob – UNCDF/UNDP Mozambique**

Local administrations and institutions possess numerous advantages and opportunities for building a local capacity for mainstream cross-cutting issues. With decentralization, much of the responsibilities for service delivery are transferred to local governments. While several local governments are able to maintain the "quality" of services deconcentrated to them, it is unable to improve beyond its present capacity and has limited success in getting the communities involved in addressing local needs and demands. Some experiences in programming local governance initiatives with the integration of cross-cutting areas include: HIV and AIDS: HIV and AIDS is considered a national emergency and there is a strong need to mainstream it in all processes and plans, including close monitoring of interventions taking place at the local level. Gender: The main goal is to have "a process of participatory planning, monitoring and evaluation in Mozambique, whereby women and men participate equally, that takes into consideration the cultural diversity, the diverse needs of the different development proponents and that permits transparent and good governance". Environment: Public policy in Mozambique has long appreciated that environment and access to shared or 'common' natural resources is crucial to local livelihood strategies.

Decentralization has been considered as one of the most important strategies in public sector reform agenda. This is because decentralization is a strategy that brings service delivery closer to consumers, improve the responsiveness of the central government to public demands and thereby reduce poverty, improve the efficiency and quality of public services and empower lower units to feel more involved and in control. The key intervention should focus on building capacity on: Decentralization and Local Governance; Public Administration and Services Reform; Democratic Governance; Capacity development reforms; Civil society & community empowerment; Local Economic Development; Integrated Local Development:

## Paula - UNDP Barbados and the OECS

Effective local government, rooted in strong local governance, is valuable regardless of the size of the state or constituency involved. Local government in the Caribbean region is currently absent or undermined by overly-centralized systems that have tended to limit its actual capacity, functions, and powers. Institution-building for local government will crucially entail building its structural capacity, resilience, degree of autonomy, and access to appropriate resources. It will equally entail gaining and justifying the confidence of all citizens that it has well-defined functions and powers that it can fulfill. The recommendations below follow from this analysis.

The role, functions, and powers of local government should be clearly stated and entrenched in constitutional and legal settlements. Top-down (re)institution of local government will be ineffective without equal bottom-up participation and validation from local communities in defining its parameters and how it can best serve them. Bringing people into the process of local governance and local government requires investment in better communication and education about what it is, what it can do, and how they can get involved. Establishing or revitalising local government will mean (re)defining its modern role. Where the traditional model of service provision was characterised by monopoly, hierarchic central control, direct management of services, and standardised service, the contemporary model is more likely to be characterised by competitive service provision, devolved management, and flexible, customer-tailored service. The central task of local government and governance in the region will be sustainable human development, balancing creative entrepreneurship with good environmental management. To change perceptions of local government, appropriate investment and appropriate incentivisation are crucial: proper pay for local government officials, reduced bureaucracy in decision-making. Greater autonomy must, however, be balanced by greater financial and administrative transparency and accountability. A new, energetic rhetoric of local government should encode its value as the first sphere of governance rather than the lowest tier of government.

With best wishes

The Moderation Team

# Extension of Deadline

**The Moderation Team**

*11 September*

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Dear Colleagues,

In view of the high demands expressed by the DG community of practice to continue the first phase of the e-discussion, we are extending the deadline until 14 September. The second phase of the e-discussion will be launched on 17 September instead of today, 11 September.

Thank you very much for your support, understanding of the e-discussion processes, and very active participation. It has been an intellectually stimulating engagement, and we look forward to receiving your additional inputs to the process.

On behalf of The Moderation Team

Monjurul Kabir and Lenni Montiel

# Lenni Montiel

UNDP/BDP/DGG HQ

12 September

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Dear Colleagues

Let me jump at this stage in the discussion to share with you my great surprise for the unexpected high levels of participation that this eDiscussion has created so far in the first 10 days of its activity. I hope this will continue in the days to come. This is again showing the importance that local governance and decentralization are having in the future of the countries and cities where we work. Consequently this is making more urgent the need to improve the way bilateral and multilateral agencies organize our assistance programmes to strengthen local government capacities and to support decentralization efforts around the world.

At this point I would like to highlight some few points that I think are important for our consideration while thinking about the key issues and e-discussion questions that will/should guide our action. I will bring them as significant challenges that practically all countries are facing today in the cities. These are issues that are challenging capacities on urban governance in most cities in developing/transitional countries.

The points will focus on Urban trends in the world, the growth of urban poverty and there impact on the international assistance to local governance and decentralization. In my view they are issues so relevant that we cannot and should not spare resources to tackle them together and in a strong coordinated manner. Among others, I will highlight the following cross-cutting issues based on emerging urban trends:

- The water crisis and its implications on sanitation and urban poverty – key issue for the purpose of poverty reduction
- Climate change as a major concern for Cities around the world
- Personal safety as a central obstacle for poverty reduction and progress in cities
- Respect for diversity and human rights of minorities in cities
- Increase of HIV/AIDS in cities with high levels of poverty
- Urban Violence against Women and Children
- Children and young people as the future generations of citizens

In my view we should all join efforts to effectively put attention to this set of cross-cutting issues that are affecting our work on local governance, poverty reduction and efforts to improve decentralization initiatives.

For more than 20 years UNDP and UN-HABITAT have worked together (1986 – 2006) very positively and with great results and impact on the Urban Management Programme. See Habitat Debate December 2005 on the legacy of the Urban Management Programme. This was a very good example that we should look at and try to revive as efforts, resources and possibilities will allow. UNCDF and UNDP have a long lasting and a very productive relationship of cooperation.

UN-HABITAT and UCLG have also a very good story of mutual collaboration. At times when several UN agencies are trying to improve the way we work together at country level and at times when our work is being enhanced with strong partnerships with local authorities and bilateral and multilateral agencies, we shall look for lessons from these long term interactions to see how to renew long-term productive and effective relationships that will allow us to improve the work we do on local governance.

Details of my contribution follow below.

### Urban Trends in the World

According to UN-HABITAT's estimations 2007 is a crucial year for the human race.

- This year for the first time in its history, the majority of the world's population is living in cities. This is a major consideration for the work we do supporting Countries in their efforts to reduce poverty. Among other things this means that we have to develop long-terms strategies to be able to respond effectively and timely to the many challenges that will be emerging for the increase of urban poverty around the world.
- 2007 is also the year where according to forecasts the global number of slum dwellers will reach the 1 billion figure around the world. This implies that the pace of urbanization has increased and as things stand today it will not decrease. As per UN-HABITAT's projections "by 2030, both Africa and Asia will cease to be rural continents as the majority of their citizens will have migrated into cities and towns. In terms of numbers, the Asian region is already home to half the world's slum population of 581 million. Urban poverty is a severe, pervasive – and largely unacknowledged – feature of modern life." Today 75 % of Latin America is urban.
- "As the locus of poverty shifts from rural areas to urban centres, UN-HABITAT's report provides concrete data that shows that the world's one billion slum dwellers are more likely to die earlier, experience more hunger and disease, attain less education and have fewer chances of employment than those urban residents that do not reside in a slum". IN other words "the urban poor suffer from an urban penalty: Slum dwellers in developing countries are as badly off if not worse off than their rural relatives".

The rapid pace of urbanization in developing countries and the chaotic patterns of this process imply that it is cities in developing countries the one that growth faster. Consequently, it is there where poverty/slums also growth faster around the world. As it has been put by many recently - the issue now is NOT that we should forget support to rural development. But, with a great level of concern we shall put attention to the challenges that are systematically emerging from this irreversible process of rapid/chaotic urbanization around the world.

- "Governments and development agencies have traditionally emphasized the improvement of rural areas, because that is where the vast majority of the world's poor live. But as rapid urbanization continues, similar energies are needed in urban areas. The problem is not urbanization per se, but the fact that urbanization in many developing regions has not resulted in greater prosperity or a more equitable distribution of resources. Indeed, efforts to improve the lives of the urban poor have not kept up with the rate of urbanization..... Rural poverty has long been the world's most common face of destitution. But urban poverty can be just as intense, dehumanizing and life-threatening" Kofi A. Annan. UN Secretary-General

These urban trends, their impact in poverty at national levels and their implications to international development efforts have been extensively highlighted in two consecutive reports published by UN agencies in 2006 and 2007. These are (i) the UN-HABITAT State of the World' Cities Report 2006/7 ; and (ii) the UNFPA State of World Population Report 2007: Unleashing the Potential for Urban Growth. An additional report on the same subject - "State of the World 2007: Our Urban Future" has been prepared by the WorldWatch Institute.

Some challenges for the attention of governments and aid agencies in cities of developing/ transitional countries

It is obvious that rapid urbanization is having many significant consequences. Among many the following are crucial because of the relatively new but very significant challenges they do represent for organizations that want to support poverty reduction in cities so as to make them livable, healthy, safe, peaceful, diverse, productive and sustainable places for women and man to live and work.

- "A water crisis is deepening around the world. More than 1 billion people lack clean water for drinking, and 2.6 billion lack sanitation. Every day, nearly 5,000 children die and countless other people fall ill, unable to attend school or work, because of water-related disease". From - Human Development Report 2006 -Beyond scarcity: Power, poverty and the global water crisis. – These are mainly urban dwellers and this undoubtedly affects significantly not only poverty reduction efforts in general but also progress towards MDG achievements.
- The 2007 Human Development Report will focus on Climate Change. That will follow several initiatives already started by UNDP in this area, for instance - Poverty and Climate Change: Reducing the Vulnerability of the Poor through Adaptation (together with UNEP, World Bank, ADB, AfDB, GTZ, DFID, OECD, EC). Climate change is a major concern for Cities around the world, involving developed and developing countries. See C40 Large Cities Climate Summit; the UCLG Declaration of Paris on Climate Change and Local Governments (March 2007) and one of the main themes of the coming UCLG World Congress in Korea in October 2007 will be "Cities the future of humanity; addressing climate change". See also some statements about UN-HABITAT Contribution to the Discussion on Climate Change.
- Many cities today are a hub for crime. Reasons are many, but certainly chaotic growth, unemployment, lack of opportunities for the youth, organized crime – human trafficking, drugs, prostitution are a major concern in many cities in Latin America, Africa, Asia and Eastern Europe. The big challenge is that there can be no progress on poverty reduction and making cities livable, healthy, productive if people do not feel safe, if women and children as well as men and the elderly do not have conditions to carry out their normal activities on a daily basis because the lack of security. Local governance will always be challenge if there is no security. UNDP has been working significantly on this subject particularly in Latin America and the Caribbean.
- During a recent UNDP Administrator's visit to Honduras, the issue of citizens' security was high on the agenda and the subject is of a major concern in the strategy of the Regional Bureau for Latin America and the Caribbean. See Citizens' security and civil culture at the UNDP Regional Project on Local Governance; in addition UNDP helped to set up center for crime research in Jamaica. The UN-HABITAT and UNDP Urban Management Programme in Asia and in Latin America in urban Crime Prevention initiatives at the end of the 1990s.

- The World HABITAT Day 2007 – 1st of October - theme is “A SAFE CITY IS JUST A CITY”.
- The International Conference on the State of Safety in World Cities 2007 UN-HABITAT, will take place in Mexico, 1-5 October 2007; and debates will around the UN-HABITAT Global Report on Human Settlements 2007: Enhancing Urban Safety and Security
- Accommodating people’s growing demands for their inclusion in society, for respect of their ethnicity, religion, and language, takes more than democracy and equitable growth. Also needed are multicultural policies that recognize differences, champion diversity and promote cultural freedoms, so that all people can choose to speak their language, practice their religion, and participate in shaping their culture so that all people can choose to be who they are”. From- HDR 2004 Cultural Liberty in Today’s Diverse World a key challenge for rapidly growing cities. This is also an issue of attention of The State of the World’s Cities Report 2004/2005 Inclusion, equality and diversity are major concerns in today’s cities. Lack of proper policies and incentives as we have seen lead to conflict and violence. Violations to human rights of minorities are mostly a situation that takes place in cities. The International Council on Human Rights Policy has prepared a very good paper - “Local Government and Human Rights: Doing Good Service” (thanks to Patrick Van Weerelt for the reference). UNDP has been active in this area, although not only, particularly in the Balkans for instance in Albania and in Bosnia and Herzegovina with the Rights Based Municipal Programme. (thanks to Emilie Filmer-Wilson for the reference). UNDP Bratislava Regional Centre currently is working on a toolkit on Local Governance, Human Rights and Gender. An interesting place to visit, for general information in this area, is CIVILIA.ES the city of civil rights (in t language only). UN-HABITAT and UNESCO has worked on ‘Urban Policies and the Right to the City’ focusing on “the necessary conditions of a satisfying, dignified and secure existence in cities by both individual citizens and social groups”.
- It is in cities with high levels of poverty where HIV/AIDS spreads faster. Today local governments have to adequate their capacities to cope with the epidemic and to provide services to those affected and their families in cities/municipalities/districts with high levels of prevalence. This is a very severe reality in several cities in Africa and the Caribbean, but it is also affecting selected cities in Eastern Europe and in Asia. UNDP and UN-HABITAT under the Urban Management Programme supported very valuable HIV/AIDS initiatives in Africa and the Caribbean since 1998 till the beginning to the 2000s. UNDP, the European Section of United Cities and Local Governments Council of European Municipalities and Regions (CEMR) as well as the Commonwealth Local Government Conference supported the initial steps of The Alliance of Mayors and Municipal Leaders on HIV/AIDS in Africa AMICCAL. A key product of the UNDP/UN-HABITAT Urban Management Programme together with the World Bank and the “Cities Alliance: Cities without Slums” was the handbook - “Local Government Responses to HIV/AIDS: A Handbook. A handbook to support local government authorities in addressing HIV/AIDS at the municipal level”. UNAIDS has also supported AMICCAL. UCLG has also a worldwide campaign to stop HIV/AIDS and has partnered with AMICCAL too.
- Violence against Women and Children, Domestic violence is particularly serious in cities. Today The Congress of Local and Regional Authorities of Europe urges local and regional authorities across Europe to make the fight against violence against women – including violence in the family or domestic unit – a priority under the campaign Stop domestic violence against women- The role of local and regional representatives in the fight against

domestic violence, following a campaign launched in Nov 2007 by the Council of Europe. UNDP has been supporting different initiatives in Albania, Argentina, Jamaica, and Ukraine as illustrations. Initial work in the preparation for programming guidelines on working with local authorities to prevent and provide services on “violence against women” has already been initiated by UNDP. UN-HABITAT has raised awareness on violation of human rights of women in urban areas and the Habitat Debate Issue of March 2005 was devoted to the question of Women in Cities highlighting that “even in the best of times, women are constantly in danger”. Although this is not the key topic we need also to highlight issues related to women participation in urban policies. UN-HABITAT has worked gender mainstreaming, UN-INSTRAW has worked on political participation at local level in collaboration with the Spanish Agency for International Cooperation (AECI), UNDP in Latin America has a portal on Gender Issues called AMERICA LATINA GENERA and an important part of its work and references are related to women’s participation in local government or in local policy-making (thanks to Alejandra Massolo for the reference). UCLG has over the years accumulated a very good track of work on Promoting women in local decision-making, and they hold best database on Gender statistics in local government around the world.

- Children and young people are the future of cities, however a significant portion of them leaving in poverty are specially affected because Children, are Slums’ First Casualties according to UN-HABITAT, who has also explored the question of Youth, Children And Urban Governance; the UNDP-Spain MDG Achievement Fund (MDG-F) Thematic Window for Youth, Employment and Migration was set up recently and it is obvious that it is aimed at addressing issues of concern to the urban youth. UNICEF has promoted Child Friendly Cities.

Whereas Europe, North America and Latin America experienced intense urbanization – the increased concentration of people in cities rather than in rural areas – and rapid urban growth through the mid-20th century, the trend has now shifted to the developing regions of Asia and Africa. In-migration, reclassification and natural population increase are contributing to a rapid urban transformation of these regions.

- Annual urban growth rates are highest in Sub-Saharan Africa (4.58 per cent)
- Followed by South-Eastern Asia (3.82 per cent), Eastern Asia (3.39 per cent), Western Asia (2.96 per cent),
- Southern Asia (2.89 per cent) and Northern Africa (2.48 per cent).
- The developed world’s cities are growing at a slower pace, averaging 0.75 per cent a year. Thus Asia and Africa will continue to dominate global urban growth through 2030.
- Currently the least urbanized regions in the world, with 39.9 per cent and 39.7 per cent of their populations living in cities in 2005, respectively, by 2030, both regions will become predominantly urban, Asia with 54.5 per cent of its population living in cities, and Africa with 53.5 per cent of its population urban.
- Asia alone will account for more than half the world’s urban population (2.66 billion out of a global urban population of 4.94 billion);
- The urban population of Africa (748 million) will by 2030 be larger than the total population of Europe at that time (685 million).
- Small cities with less than 500,000 inhabitants and intermediate cities with between 1 and 5 million inhabitants, not megacities (defined as cities with 10 million or more people), will continue to absorb most of the urban population around the world well into the future. More than 53 per cent of the world’s urban population lives in cities of fewer
- than 500,000 inhabitants, and another 22 per cent of the global urban population lives in cities of 1 to 5 million inhabitants.

UN-HABITAT State of the World’ Cities Report 2006/7

As I said there are certainly many other challenges. Among them the typical ones related to the question of local autonomy, positive and constructive central-local relations, financial and administrative capacities of local government, capacities for the provision of social services by local authorities, local revenues and public expenditure management in local government, fiscal transfers, inter-municipal cooperation and public private partnerships for the provision of services, settlement of inter-governmental disputes, decentralization programmes, capacity development and institutional development efforts to support the strengthening of local government, the establishment of dynamic relationships between local government and community based or civil society organizations and businesses, the strengthening of participatory-representative-accountability mechanisms, the fight against corruption, land governance, etc. These are all very relevant issues undoubtedly.

However, I wanted to share with you a concern that we should all make efforts to join efforts and effectively put attention to a set of cross-cutting issues that in my view are affecting all our work on local governance, poverty reduction and efforts to improve decentralization efforts.

This is also an opportunity to highlight UN agencies partnership with local authorities around the world. Initiated so many years ago, particularly through UN-HABITAT and IULA and UTO, but now renewed through UCLG. Among other elements that we could refer to, one needs to highlight the fact that in the 2005 Summit Outcome paragraph 173 recognition has been given to the “important role of local authorities in contributing to the achievement of the internationally agreed development goals, including the Millennium Development Goals”. See the UN Millennium Campaign on what’s been done by Local Authorities and the UCLG Millennium Towns and Cities Campaign

Finally, this contribution cannot end without highlighting the important moment that we all are witnessing with the approval last April in the UN-HABITAT Governing Council of the “Guidelines for Decentralization and Local Authorities”, which is the first official document approved as a consequence of an intergovernmental consultation within the UN providing a set of normative references and guidelines on the need to strengthen local government and promote decentralization. This document was developed in closed consultation with local authorities that were invited to the Advisory Group of Experts on Decentralization (AGRED). This document will certainly strengthen the framework in which we work and will strengthen our capacities for us to assist national and local governments around the world. We shall think on what to do in each of our organizations but also collectively to support the implementation of these guidelines

Lenni Montiel  
Senior Policy Adviser  
Decentralization and Local Governance

# Mathieu Ciowela, Harbi Omar, and Hassan Ali

**UNDP Djibouti**

12 September

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Dear Friends,

We would like to join the discussions and share with you the experience of Djibouti in decentralisation /local development in a post conflict rehabilitation situation.

Challenges and problems to be addressed

Djibouti is a Least Developed Country which has suffered a severe internal conflict that taxed its already suffering populations especially in the rural areas of the three regions. Fortunately, a peace accord has been concluded in 1994 which resulted in a more peaceful environment in those regions and in a reconciliation government in which opposition groups are represented. The challenges are therefore to promote peace and bring development closer to people.

UNDP started doing an assessment to determine what is needed in terms of reconstruction and rehabilitation efforts. Based on the assessment and after consultations with all stakeholders UNDP formulated a post conflict rehabilitation project with social-infrastructure component and promotion of local development. Decentralisation was one of the demand the rebels and oppositions groups. The central government was still reluctant to hand over responsibilities to the regions for political reasons. Besides the regions were not prepared and did not have the proper capacity to implement decentralisation. Therefore one of the strategy applied was to i) address development issues to improve the living conditions of the people after the civil war and ii) pave way for decentralisation by developing capacity at the local level

This was the first project where local administration was given to play a role in decision making.

Type of technical assistance and activities carried out

UNDP's programme was articulated around the followings key objectives:

- (i) Dialogue with community for a lasting peace, establishing mechanisms of consultations to pave way for durable solution to conflict. A number of committees were created in each region and the consultation mechanisms established helped in paving way for consensus-building on important development issues. Project provided the necessary social mobilisation support which was necessary. This area of support remained important through the project as it help in focusing on processes that promoted a new culture of social dialogue. In fact, at this juncture we came to realize that focusing on processes is more important than focusing on results.

- (ii) Strengthening the capacity of the regional administration by introducing planning, training communities. Support to regional administration to develop a strategic vision for development and establishment of processes for putting in place decentralisation/local development. The objective was to create the necessary enabling environment for capacity building and at the same time pave way for the elaboration of a local development strategy in line with priorities identified by the stakeholders. The programme created at the level of each region a Planning Unit that provided advisory support to the regional administration. This Unit played a great role also in promoting cross-cutting issues especially those related to gender. Later it was realized. Planning Units were not sufficiently integrated in the national institutional framework. The project was somehow working in an isolated manner and this did not really strengthened the capacities of the local administration. For instance sometimes line ministries present at the regional level were not involved in processes or consulted. The project also did not pursue the development of tools for planning like LDPs etc.. that could have materialized the introduction of regional planning.
- (iii) Investing in social infrastructures and income generating activity. The idea is to improve the living conditions of the populations through building socio-economic infrastructures and income generating activities. The experience aimed at strengthening the capacity of regional institutions and local organisations in planning and execution of poverty reduction projects. Some of the infrastructures were rehabilitated but because of lack of critical mass of financial resources it was not possible to achieve this objective. UNDP and the government were not able to mobilise financial resources

We realised that the above objectives contributed to some extent to the MDGs

- Investing in social infrastructures in particular in rural areas where the rehabilitation of schools and health facilities contributed to enhance and improve the health status of the target communities. Furthermore the rehabilitation of water wells contributed to improve the access to water resources and therefore improving the living conditions of the local population;
- Promoting dialogue with the community and strengthening the capacity of local administration put emphasis on monitoring of development activities and governance and therefore contribute to poverty reduction in general.

### Constraints

The project was cut short because of funding. Also a number of key issues have not been covered and addressed properly for instance fiscal decentralisation, human resources (redeployment of civil servants from the central to the local level), comprehensive capacity building programmes targeting the stakeholders at the central and local level (line ministries, local authorities, local communities...). Lack of synergy with the line ministry at the local level has been also a constraint as it has in some instances hampered some initiatives. The dimension of democratic governance comes also in the picture and its concepts were not sufficiently comprehended at that time. So UNDP advocated for local development putting emphasis on community needs to gradually pave way for governance issues. One of the most important lessons learned is that focusing on processes that will lead to capacity building at the regional level is more important than focusing on project outputs. This is the only way we can guarantee sustainability and ensure that whatever activities carried out is internalised.

## Perspectives

Recently regional and communal elections took place, it seems that the government is committed to bring development and democracy closer to people. Also in line with the new “*Initiative Nationale de Développement Social*” (INDS) which is a 2<sup>nd</sup> Generation PRSP launched by the government and especially targeting the poor and most vulnerable groups, a new project supporting decentralisation and local administrations in two regions has been formulated and is expected to be launched in 2008. The project in partnership with UE, UNCDF, ACBF, and French Cooperation will draw from the past experiences and will have the following outputs.

- Putting in place institutions in charge of local development and decentralisation which are operational.
- Capacity of local institutions strengthened in planning, programming and in accessing financial resources.
- Dissemination of experience and lessons learned.

Thanks

Mathieu Ciowela, DRR, UNDP CO

Harbi Omarr, Programme Officer, Governance FP

Hassan Ali, Programme Specialist, Poverty FP

# Mona Haidar

UNDP SURF AS

12 September

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Dear Colleagues,

I am happy to contribute to this e-discussion and to share with you below few insights from the Arab region relevant to the questions raised in phase I:

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

I am familiar with two experiences in the Arab Region:

1. At the regional level: The Programme on Governance in the Arab Region (POGAR) launched by UNDP Regional Bureau for Arab States in early 2000. POGAR is dedicated to the promotion and development of good governance practices and related reforms; it works in partnership with key governance institutions including legislatures, judiciaries, and civil society organizations to identify needs and solutions. POGAR's activities include rendering policy advice, engaging in institutional capacity building, and testing policy options through pilot projects. These revolve around three main concepts: 1) Participation; 2) Rule of Law and 3) Transparency and Accountability. For more information on POGAR please visit its website at <http://www.undp-pogar.org/> which provides resources and information on governance reform, challenges and lessons learned in the Arab states.
2. In Yemen within the framework of the "Decentralization and Local Development Support Program" (or DLDSP)

DLDSP is a Programme launched by UNDP and the Ministry of Local Administration in 2003 in an attempt to move forward the implementation of decentralization reforms. After an initial phase of 16 months, DLDSP was extended for an additional 3 years (2005-2007), underwent substantial geographic and substantive expansion and was transformed into a multi-donor program to provide external support to the formulation of the National Decentralization Strategy for Strengthening Decentralization in Yemen. The Strategy focuses on introducing modifications to the local authority systems along 5 tracks: Mandates, Functions, Institutional Structures, Capacities and Local Finance/Financial management.

DLDSP functions cover: a) decentralization policy and legal framework reform, b) institutional development of the local authority system and c) support to infrastructure and the development of statutory procedures/systems for the operations of local authorities and the strengthening of their capacities, particularly in public expenditure management.

### ***Challenges and lessons learned***

The governance gap is at the root of the development gap in the Arab region. Bridging the governance gap will be a challenge for both the governments and the people of the region. But it is also an opportunity, with potentially great rewards in sustained economic growth, social stability, and human development.

Good governance for the Arab region requires a major transformation in the role of the state vis-à-vis other development actors and stakeholders. Historically, and until now in some cases, the overall model of governance in the Arab region has been one of state-led, state-centered, and state-regulated development. Over the past fifteen years, exogenous forces have pushed for reform in the Arab countries particularly the demands made by international organizations (World Bank and International Monetary Fund), the establishment of the World Trade Organization (WTO), the partnership agreements made with the European Union, and the demonstration effect of the East Asian Economies. In few Arab countries, indigenous factors and self-initiatives were forces for reform. The reforms applied were of limited impact on economic and development performance and a great deal of this can be explained by the governance and institutional factors. Policy reforms can be done relatively quickly but the institutional reform needed for proper policy implementation faces much more resistance. Correcting policies without correcting institutions brings little long run benefit. This is why major decentralization programs in the region boil down to capacity building programs or light “deconcentration” programs at the best. Governance is linked to wealth, power and authority. Decentralization of governance means decentralizing wealth, power and authority. It is still a long way to find a way out of the vested interests in the States and their institutions. Initiatives such as the ones described above are pushing in the right direction but the road is still long.

Better governance also requires more active participation by the people. The governance challenge is thus a challenge for everyone in the region. Outside the region, governments and organizations also bear a responsibility to align their relationships with Arab countries more closely to the objective of helping them meet their governance challenge, rather than supporting bad governance behaviors and institutions through self-interested aid and alliances.

***What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.***

A country-by-country strategy is needed. Nevertheless, a number of basic principles should be emphasized across the region, including human rights, political representation, constitutional checks and balances, tolerance, rule of law, women’s rights, and transparency of decision-making.

A regional Programme should consider the following lines of action:

1. Creation of a strategic vision for development: Arab leaders need to develop public, detailed “pathways to reform” that respond to the specific demands for change made by citizens within their countries. The public nature of these plans would help Arab citizens hold their leaders accountable to specific political, economic, and social benchmarks.
2. Transforming the Role of the State (Comprehensive legal reform, restructuring and reforming various state institutions and enhancing government accountability)

3. Reforming Institutions of Market-Led Development
4. Enhancing Involvement and Inclusiveness of Strategic Group/Actors: (civil society, marginal groups and private sector)
5. Enhancing Government Accountability

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

In Yemen and within the framework of the DLDSP, The Drylands Development Center, Arab States Programme is piloting an intervention in the Amran basin (North of Sanaa) to promote decentralized governance of water resources. The intervention focuses on the promotion of a watershed management approach to water resource management activating the basin committee concept. The main activities are as follows: 1)

Establishment and operation of a basin committee; 2) Building the capacity of the National Water resource Authority on IWRM; 3) Building the capacity of the newly elected Local Councils on integrated development and water management; 4) Mobilizing local communities into water user groups and water user associations.

The advantage of implementing the intervention i.e. sectoral decentralization within the framework of the national decentralization Programme is that the latter provides a backbone to support the implementation of activities and a medium to replicate the experience and share the lessons learned with the other basins. The disadvantage is that implementation is slower due to the heavier processes involved.

*How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?*

We spend a lot of time saying “this must be done and then that must be done”. At the end of the day, we have to ask ourselves what can be done realistically, where and who can do it. A community of practice should serve as the medium for discussing actual problems and solutions and coordinating actions. It needs to include the right mix of people, thinkers and practitioners to discuss what needs to be done, where and by whom. The right mix of people would give participants an incentive to join. Thinkers would perceive the participation of practitioners and decision makers as an opportunity to make their voices heard and practitioners would perceive the presence of thinkers as an opportunity to learn and discuss good practices and guiding principles.

With warm regards,

Mona Haidar  
Livelihoods Advisor

# Luigi N. Tessiore

UNDP Senegal

12 September

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I should start by saying that writing something meaningful after all these very elaborated contribution is very difficult, a challenge maybe to big for my small experience. In order to avoid tiring even more the readers, already so busy with the previous contributions, I will limit myself to a few essential elements that could maybe be elaborated more, if need be, in the second phase.

When talking about the challenges of supporting local governance and decentralization in the part of Africa where I work, I would simply say that the basic challenge is the “support to development”. And for many reasons. Some are mentioned below:

- The rationale for decentralization on which everybody agreed upon (including international financial institutions) is its comparative advantage in providing services to the citizens. Services delivery is also directly related to at least 4 of the 8 MDGs. Only because of this we have as a corporate at least two good reasons for supporting local governance and linking it to resources and investments.
- Evidently in order to provide services we need investments, capacities and resources “governed” at local level. The “good local governance” concept explicit itself on the correct management of these resources. Here two questions are important to ask: (i) how can we increase the comparative advantage of local governments if we don’t allocate to them resources? And (ii) how can we support local governments if they don’t have resources (and the Central State don’t provide them with)?
- The sub-region serviced by the West and Central Africa Surf is composed of 23 countries, 18 of which are LDCs. In the vast majority of the countries ranked among the LDC, the principal difficulty that local governments are facing is the lack of resources. None or very limited allocations from the central budget, none or very limited self capacity to collect taxes and levies, none or very limited access to donors financing. In many cases we cannot even talk about a “full decentralization” that includes the political, the administrative and the fiscal components. Despite a lot of lips’ service to decentralization and local development, the bulk of the donors’ resources remain strictly controlled by the central administrations, and the central resources don’t go to out of the Capitals! This limitation become easily and rapidly the cause for some major malfunctioning and consequent loss of credibility of the local governments. It is evident that in order to have some impact on development (through support to local governance) we should be able not only to make a huge financial effort. We should also be able to express a model, not only a number of maybe very good, maybe not so good initiatives (read projects).
- In some of these 18 countries UNCDF (UNCDF has mandate only for LDCs) in partnership with UNDP is implementing a model of programme that is known as the “LDF model” (I don’t want to say anything here. Please refer to the UNCF web site or better to the UNCDF colleagues for more info) with a reasonable success and with some very interesting positive impact on the local (i) social, (ii) institutional and (iii) fiscal dynamics. Evidently much more could be done, but this is a beginning.

- Beside this, this model (the social component of the LDF model) present the advantage of being a container easily adaptable for containing all the necessary cross-cutting issues (such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.)
- Now this model, as good as it is, with all its successes and limitations, has never become the “model”, the corporate reference, the way forward for UNDP. Why? It is a question worth to ask? I think so. But I don’t have the answer. In reality is could have been easily the “standard” for supporting decentralization, and it would have most probably produced a much better result in situation like the one I am referring to.
- What is interesting to notice is that in a situation like this, with 18 over 23 countries (potentially) supported by UNCDF through its LDF model, this has become the standard nevertheless.
- At this point the answer to the last question (How can we strengthen the UNDP role ....) is quite easy. Let’s adopt the LDF model, and adapt this to the rest of the other countries.

Luigi N. Tessiore

Decentralization & Local Governance Regional Policy Advisor

# Eugene Nkubito

UNDP Rwanda

12 September

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As the saying goes in French: “mieux vaut tard que jamais”. My contribution comes in a bit late, but hopes it is worth being posted. Rwanda has launched its decentralization programme since 2000; a lot has been achieved but there is still much to do in order to have a genuine decentralization process.

- A National Strategy Framework on Strengthening Good Governance for Poverty Reduction has been drafted
- The decentralization legal framework is put in place
- Local and municipal elections have been organized twice since 2001
- New administrative structures and management systems among which a system of decentralized financial management and accounting have been put in place
- Capacity building for local elected leaders and local technicians has been carried out
- A new territorial re-organization has been completed

The decentralization is in its 2<sup>nd</sup> phase which focuses on:

- Promotion and enhancement of effectiveness in service delivery by making the Sector a truly service delivery focal point with adequate human, material and financial capacity, and to improve collection of data and information at this level;
- Streamlining and strengthening the coordination of “public services” and local economic development at District Level by availing more technically competent personnel as well as financial resources to the District to ensure sustainable decentralized fiscal regimes;
- Streamlining and strengthen the coordination of development at provincial level;
- Establishing and strengthening coherent monitoring and evaluation systems as well as institutionalize accountability tools and systems.

The vision for the second phase of decentralization is to have modern, coherent and efficient local governments with skilled and professional staff and sound public financial management, accountable to the population, able to effectively deliver services through strengthened cross-sectoral coordination and to promote local economic development”

*1. What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

The biggest challenge to design and implement assistance programmes is probably the fact that decentralization is the single area of support where both the government and the donors have a significant stake: on one hand, the government (and especially in sub-Saharan African countries) is keen to control and manage effectively the whole decentralization process. Why? Simply because it is a highly sensitive area in terms of political oversight and control of power. On the other hand, the donors are also (sometimes overly) interested in what is happening at the grass root level: decentralization is the only area where you can both achieve democratization processes (bottom-up democratization process) and sustainable development (basic service delivery). Being able to reconcile the interests of both government and donors can prove to be tricky and in some cases impossible.

The following are the technical challenges that lay ahead of the decentralization process in Rwanda

- The re-conversion program for retrenched staff (due to territorial reform) is a difficult process and require support from all stakeholders
- The capacity building for the newly elected local leaders is also a long-term endeavor and should go beyond training to assist local governments in organizational and institutional development.
- The devolution of powers and financial resources to local governments is far from being complete
- The harmonization of accounting and financial management framework at the central level and the decentralized levels needs to be continued
- The capacity of raising revenue at the local level is still low
- The donors support need to be re visited in line with the vision of the second phase of the reform

Another challenge is the scarcity of resources (human and financial) available at the local level: management skills and fiscal resources are almost absent in remote areas, thus rendering service delivery and subsequently local development difficult if not unachievable.

Good practices to deal with this kind of challenges are the following:

- Setting up coordination mechanisms that are co-chaired by government and donors (cluster meeting on a monthly basis for example)
  - Ensure ownership by the government (consultants should work closely with the government and let the latter have a say in quality control)
  - The role of donors remain to provide technical support (where needed and required by government) to the government
  - Putting in place pooled funding mechanisms (basket funds or SWAP) and ensuring a proper M&E system that is owned by government
2. *What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*
- Providing technical support (consultancy) to formulate policies, draft strategic plans and conduct fiscal surveys for example
  - Initiate high labor intensity works in rural and remote areas to create some income generating activities and activate some form of local economies
  - Organize capacity development activities that target not only the local leaders but also the local associations (CSO) and local community-based organizations
3. *What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

In Rwanda, those cross-cutting areas are handled by specific institutions that are different from the Ministry of Local Government. The best way to integrate those activities is to create mechanisms of concertation and of joint programming and M&E. In Rwanda, the Ministry of Local Government has put in place “the joint action fora”. They are located at the level of provinces and are meant to plan, monitor and evaluate joint programs.

Eugene Nkubito  
Program Specialist, Governance Unit

# Alejandra Massolo

Women and Habitat Network of Latin America, Mexico

12 September

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## English Translation by Haley Horan, Research Analyst, BDP/DGG, NY

The municipality is the primary seat of the government of the communities and the local political-administrative institution - with a legal personality expressed in the public law - that is near and visible to the citizenry. It is the instance of political representation and administration of the corresponding territory and the one that directly takes care of the manifold and diverse public affairs relating to the daily life of the population, of the towns and the cities.

In Latin America, the tradition of the centralism long prevented the independent and democratic development of the municipality, as much in federal regimes as unitary. The weakness of the municipalities before the central State, compounded by the inefficiency, corruption, authoritarianism and clientelism of the municipal public authorities, deteriorated and discredited their institutional image in the political and social scene of Latin American countries. However, a new profile of modern, innovative and democratic local governments has begun to emerge from reforms of the State aiming at decentralization and strengthening of municipalities, as well as due to the diverse political/social changes that have followed one another since 1980 in Latin American countries.

However the municipality, as the instance of representation and government nearest the citizenry, linked to the affairs of daily life, has paradoxically not facilitated access of the women to positions of representation and decision making. Latin American local governments lack gender parity, since they are mainly headed and administered by men. One clearly does not find a positive correlation between greater proximity and greater participation of women in representative positions and management. Thus, the proximity principle that specifically legitimizes the local government does not work as a principle that promotes gender equity. At the same time, women do play a strategic daily role in local spaces, participating in social activities and organizations for the survival of families, community well-being and local development.

According to the information I have received on 16 countries and a total of 15,828 municipalities, at the beginning of the 21st century women mayors represent only 5.3% of the total number. Women councillors represent 26% (CGLU). In the municipal environment, retrograde resistance and the most virulent violations of the rights of women are still strongly rooted.

The general panorama of Latin America – recognizing the enormous heterogeneity of the municipalities and local process – show us that the policies of decentralization, municipal reform, and the new protagonism of local governments have not significantly resulted in greater openness and improved access of women to municipal power: an alarming state of gender inequality prevails in the democratic policies and local governance.

## Original Spanish Version

El municipio es la célula primaria del gobierno de las comunidades y la institución política-administrativa de base territorial - con personalidad jurídica expresada en el derecho público -que se encuentra más próxima y visible a la ciudadanía. Es la instancia de representación política y de administración del territorio que le corresponde atender directamente, los múltiples y diversos asuntos públicos de la vida cotidiana de la población, de los pueblos y ciudades.

En América Latina, la tradición del centralismo impidió durante largo tiempo el desarrollo autónomo y democrático del municipio, tanto en regímenes federales como unitarios. La debilidad de los municipios ante el Estado central, más la ineficiencia, la corrupción, el autoritarismo y clientelismo de los poderes públicos municipales, deterioraron y desprestigiaron su imagen institucional en la escena política y social de los países latinoamericanos. No obstante, un nuevo perfil de gobiernos locales modernos, innovadores y democráticos ha comenzado a emerger a partir de reformas del Estado dirigidas a la descentralización y el fortalecimiento municipal, así como debido a diversos cambios políticos-sociales que se han sucedido desde la década de 1980 en los países de América Latina.

Pero el municipio como instancia de representación y gobierno más próxima a la ciudadanía, vinculada a los asuntos de la vida cotidiana, paradójicamente no ha facilitado el acceso de las mujeres a los cargos de representación y toma de decisiones. Los gobiernos locales latinoamericanos carecen de pluralidad de género, puesto que son mayoritariamente encabezados y administrados por hombres. Claramente no se verifica una correlación positiva entre mayor cercanía y mayor participación de las mujeres en los cargos de representación y dirección. Por lo cual, el principio de proximidad que legitima específicamente al gobierno local, no funciona como principio que favorece la equidad de género. Mientras que las mujeres desempeñan un papel cotidiano estratégico en los espacios locales, participando en actividades y organizaciones sociales para la supervivencia de las familias, el bienestar comunitario y el desarrollo local.

La información recabada por quien escribe, de 16 países y un total de 15,828 municipios comprueba que a principios del siglo XXI las mujeres alcaldesas sólo representan 5,3% de dicho total. Las mujeres concejales representan 26%. (CGLU). En el ámbito municipal se encuentran todavía fuertemente arraigadas, las resistencias más retrógradas y las hostilidades más virulentas contra los derechos de las mujeres y la equidad de género.

El panorama general de América Latina – reconociendo la enorme heterogeneidad de los municipios y procesos locales – nos muestra que las políticas de descentralización, las reformas municipales, la proximidad y el nuevo protagonismo de los gobiernos locales no han incidido significativamente en la mayor apertura y mayor acceso de las mujeres al poder municipal: una alarmante inequidad de género prevalece en la democracia política y la gobernabilidad local.

Alejandra Massolo

Investigadora y Consultora en Equidad de Género y Gobiernos Locales

# Pradeep Sharma

UNDP Timor-Leste

13 September

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Dear Colleagues,

I have been following the ongoing discussion with great interest. I wish to make a few comments based on my experience at UNDP India CO where I have been working as Assistant Resident Representative (Governance) until recently before moving to Timor-Leste. Views expressed are personal and do not necessarily reflect those of the India CO.

At the outset, it might be useful to remember the distinction between various terms that we often use interchangeably. For example, decentralization and local governance are different concepts. While the former refers to devolution of powers from higher to lower (local) tiers of government, the latter refers to a whole gamut of institutions at local level that have an interface with local bodies. This distinction is particularly relevant in the Indian context as the civil society organizations working at the local level sometimes perceive that the panchayats (elected local bodies) will compete with them to share the limited local space. This fear arose from an incorrect understanding of the role of panchayats (as agents rather than third tier of government).

Further, although it is generally understood but is still worth mentioning that when we talk of decentralization we are referring to devolution - or permanent transfer – of powers to local authorities and not delegation which can be withdrawn.

## 1. Background/Context

Though the Directive Principles of State Policy of the Constitution of India provided for Panchayati Raj, it was not until the 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendments in 1992 that the panchayati raj got an impetus and a legal status. The Amendments provided for (a) mandatory three-tier system (b) direct elections to each level (c) legal status to Gram Sabha (Village Assembly) (d) reservation of seats for women (one-third) and marginalized groups proportionate to their population (e) setting up of the State Finance Commissions to make recommendations of the fiscal devolution (f) establishment of independent State Election Commissions (g) constitution of District Planning Committees to approve district plans after integration of rural and urban components (something akin to National Development Council at the national level that approves national five-year plans) and (h) devolution of funds, functions and functionaries (left to the state governments).

UNDP support to decentralization and local governance in India is based on decentralization defined as a process under which political, fiscal and administrative powers of decision-making are devolved to the local bodies (at district, block and village levels) to achieve effective service delivery, inclusiveness and accountability. It focuses on constitutionally mandated local bodies i.e., Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) and the way these interface with other local institutions, communities, self-help groups, user groups, local civil society organisations and private sector. Defining decentralization in this way was essential as Panchayati Raj has been a distinctive feature of the development paradigm in India since the mid-1990s when the constitutional amendments (73<sup>rd</sup> and 74<sup>th</sup>) paved the way for direct democracy at local levels.

A reading of various policy documents of the government of India would indicate that the ultimate goal of decentralization is to empower rural and urban local bodies with adequate funds, functions and functionaries to enable them to function as an effective third tier of government, ensuring better service delivery, inclusion/participation of marginalized social groups, and demanding accountability. In sum, the objective is to ensure that local bodies, instead of reflecting elite capture and surrogate representation, are vehicles for ensuring equity, efficiency, participation and sustainability in the development process. The goal of decentralization thus has both “intrinsic” values (participation, inclusion) as well as “instrumental” value (service delivery).

## 2. Progress/Achievements

Following the Constitutional Amendments, the State Governments have all passed their own Conformity Acts thus paving way for panchayati raj to function at state level. In 1996, a Panchayats (Extension to Scheduled Areas) Act (or PESA) was passed to empower panchayats in largely tribal areas. Though a powerful Act, its implementation remains tardy. A Task Force on Panchayati Raj Institutions (Planning Commission, July 2001) was also set up to make recommendations on how to improve functioning of PRIs followed by another Task Force on Devolution of Powers and Functions upon PRIs set up by the Ministry of Rural Development, August 2001.

Since May 2004, when the present UPA government took power it has created an independent Ministry of Panchayati Raj with the mandate to advocate for greater devolution of powers to (rural) panchayats and provide technical and financial support to states. Seven Round Tables of Ministers In-charge of Panchayati Raj have been held (July-December 2004) –agreeing on 150 action points on 18 dimensions of panchayati raj. Eleventh Plan Working Group on Panchayati Raj has been constituted by Planning Commission. On the local planning, an Expert Group on Planning at the Grassroots Level has been constituted. This Group made significant recommendations on how to improve local planning. Planning Commission has since issued guidelines to state governments based on this Group’s report.

The Ministry of Panchayati Raj had set up a Task Force on Jurisprudence on Panchayati Raj. UNDP provided support in the form of documentation of case laws on panchayati raj to formulate jurisprudence and harmonize it. Interestingly, most cases (analyzed for the entire country) pertained to elections and electoral provisions (mainly reservation of seats) and very few on the functional domain. This confirms that the interest in local elections and politics is not matched by similar interest in using the powers for local development.

Work on Indices to measure Devolution and Performance (rural) is also being supported by UNDP. The support in two phases will look at how to measure devolution (based on what funds, functions and functionaries have state governments transferred to local bodies) and performance (based on the given devolution levels). Objective measurement of (local) governance is always challenging. This will be more so in view of lack of reliable information at the local levels.

Panchayat elections are very vibrant with massive participation. Elections have been held in all but one state. Thanks to reservation, visibility of women and other marginalized groups has improved. So much so that many women are contesting and winning elections in their own right –against unreserved seats. National average of women in panchayats is around 40% as against 33% reserved seats constitutionally provided. The fears of elite capture are not borne out by the election results. Interestingly, Bihar state, one of the last states to hold first panchayat elections after 25 years, provided for 50% reservation of seats for women.

(There has been interesting debate on how the reservation of seats for women in panchayats was passed in the parliament without much debate or opposition while the reservation for women at the parliament and assembly levels is still being debated decades after it was first raised. Some ascribe this to low value assigned to women's political participation at local level and some others perceived it as an opportunity to use women for surrogate representation).

UNDP is providing support through its project on capacity building of women elected representatives and officials. The outcomes have been encouraging. Women in the project areas are beginning to assert themselves and raise issues that affect them the most. They are monitoring public distribution system, mid-day meals and integrated child development schemes and are enforcing discipline in the gram sabha meetings. Their political awareness has improved so has their participation in the elections. A major learning has been the simple, innovative and community-specific communications methods used by NGOs to create mass awareness amongst women and community at large.

State Election Commissions and State Finance Commissions have been set up in most States. In some states, SFCs have not been set up after second round of elections. District Planning Committees (DPCs) have been set up in many states –though not all. Panchayats have been given the mandate to monitor seven major programmes.

### 3. Challenges

UNDP's support to capacity building of panchayati raj will have to follow the prevailing policy regime. It has been our experience that since the extent of powers to be devolved was left to State governments, there are large variations in the degree to which states have empowered panchayats with functions, funds and functionaries. In most cases, the transfer of functions was not supported by concomitant transfer of funds and functionaries.

Another major challenge is that the Central ministries dealing with panchayat-mandated subjects are spending substantial funds at local level bypassing panchayats, largely relying on parallel structures, leaving little incentive for states to devolve powers to panchayats. Many times the donor community, being used to working with state governments and NGOs and other parallel structures (such as users associations), also finds it difficult to work with panchayats.

There are also conflicting policy signals. Some national policies / programmes are centralizing as the government is still proliferating central schemes but states are expected to devolve powers to PRIs.

The progress made by panchayats on the service delivery front is tardy. This is as much due to inadequate resources as due to lack of attention paid to panchayat level administrative structures. The key areas where panchayats should play a major role (health, water, education) continue to be controlled by central / state departments.

Economic, social and political inclusion – defined as not mere political representation but active participation in planning, implementation and oversight of local development – is still elusive (despite reservations for women and other marginalised groups). Some provisions like the “two-child norm” or the so-called “toilet rule” (which disqualifies a candidate who does not have a toilet in his/her house) clearly work against women and other marginalized groups. The provision of “no confidence motions” is also often misused against these groups.

Quality of functional devolution is poor – activity mapping is still incomplete. In the absence of this, it may not be clear as to which level of panchayats will perform what kind of activities within the same subject. Also, in many cases, the functional devolution is made through executive orders and not passed by state legislation. This may not be very stable and has an inherent risk of being withdrawn by an executive order.

Although Gram Sabha was envisaged to play a major role in local planning and providing oversight through social audit, its role remains tenuous and confined to minor functions like identification of programme beneficiaries.

PRIs are still functioning as implementing arms of line departments and not institutions of self-government. If it has to function as “government”, it should be empowered to legislate on its matters (there is no panchayat list along with union, state and concurrent lists), collect revenue and regulate. As government, it should “provide” and not necessarily “produce” basic services. It should understand the difference between providing education and building schools.

Availability of funds at panchayat level is inadequate, unpredictable and ad hoc. PRIs are highly dependent on transferred funds which are tied. Devolution is not linked to activity mapping or functional domain.

Another area not adequately attended to is the panchayat personnel who still report to line departments with little control of elected authority over them. PRIs’ administrative structure needs re-engineering and the current jobs re-profiled. The civil service reform at local level cannot be postponed. The DRDAs (District Rural Development Authorities) required to be merged with District Panchayats are still strong in many states.

There are institutional and substantive weaknesses in decentralized planning. These include lack of capacity, technical knowledge and authority and lack of focus on women, dalits and social issues in the plans and corresponding budgets.

#### **4. Lessons Learned – Global Experience**

- A “big bag approach” with comprehensive and simultaneous devolution of powers – political, administrative and fiscal - under which adequate political, resources are transferred to local bodies is more likely to work than the one where governments use lack of capacity as an argument against transferring resources to them. Experience shows that gradualist approach where governments wait for capacities to be built is not very effective and leads to loss of momentum. It is important to allow local bodies to learn by doing. Kerala’s experience in India is a case in point.
- Constitutional and legal actions by the central government to devolve powers often do no more than providing political space for local governance actors. How this space will be used and for what purpose will depend a lot on how the actors participate and local social dynamics besides other enabling conditions like transfer of financial and administrative powers to perform. “Decentralization is about potential. It guarantees nothing”.
- Having said the above, there is a two-way relationship between local power structure and institutions of local governance. In a volume co-edited by me, we have argued that it would be lazy to blame power structure for lack of decentralization outcomes as the power structure itself is affected by the legal / institutional design of decentralization as indeed has been the experience in India and elsewhere.

- Unless civil society is part of the decentralization design, and there is strong local action, decentralization is unlikely to achieve its envisioned goals like equitable service delivery or political/social inclusiveness. Without local action service delivery by public authorities is unlikely to be responsive to the needs of certain sections of society. Ensuring accountability of local governments to people also demands that systems are put in place that strengthen voice and participation.
- Not paying adequate attention to administrative and fiscal details can result in decentralization being “business as usual”. Decentralization necessarily involves transfer of powers and, experience shows, this can meet strong resistance from vested interests. A primary task is to strike a balance between what is legitimate central oversight function and what should be devolved to local governments. Functional overlaps between various tiers can also weaken decentralization. Clear definition of new roles at various levels and removing difficulties arising out of regulations of central ministries that conflict with those of the local governments.
- Empowering local governments with resources, skills and capacity ensures that they are effective instruments of service delivery. This entails putting together a system of own resource mobilization and equitable system of resource transfer; re-skilling civil servants for their new role; and providing strong technical support -especially in relation to the market and the civil society with whom local governments have had little or no past interaction.
- This may sound ironic and paradoxical, but the central governments have to often play a critical role in the design and implementation of decentralization. They have to remove legal and constitutional difficulties, provide oversight, formulate regulations (such as, with regard to borrowing by local governments) and set service standards. All this needs to be done in the true spirit of decentralization and without causing backdoor centralization.
- Though many voices against reservation are heard, it is a fact that but for reservation, the visibility and representation of women and other marginalized groups in local governance would not have been there. The need however is first to transform surrogate representation into genuine representation and then to active participation in local decision-making.

## **5. Strengthening Knowledge Base on Decentralization and Local Governance**

Since the global experience on decentralization and local governance may not be directly relevant uniformly to all countries, it is necessary that regional and country-specific knowledge networks are created to share experience among key actors including government. In this context, the Solution Exchange on Decentralization (UNCT India’s initiative led by UNDP) is particularly relevant. This has now become a large and vibrant community of practice on decentralization sharing ideas on day-to-day practical issues with active participation by the government. This also acts as a feedback to the policy makers.

## 6. Cross-cutting areas

UNDP India has considerable experience as far as support to gender equality and women's representation in local bodies is concerned. An ongoing project has documented the outcomes of the project on capacity building of women representatives. UNDP project on support to NREGA (National Rural Employment Guarantee Act) also works closely with panchayats that are closely involved with the social audit of public works under this programme. UNDP India is also working with the Planning Commission on localization of MDGs in a few districts. Panchayat capacity is also being strengthened to forge public-private partnership (such as in Dungarpur in Rajasthan). Although disaster management is not a direct mandate of panchayats, after tsunami, panchayats in Tamil Nadu state were involved in supporting local administration. UNDP is also supporting pre-migration briefing on HIV/AIDS for laborers in Orissa through panchayats.

Various thematic units within any UNDP CO need to work with the governance / decentralization unit and formulate common workplan. At the national counterpart level, there is also need to constitute an integrated project steering committee with reps from decentralization ministry and the line ministry. Getting other UN agencies on board to work with duly elected local bodies (rather than NGOs and user associations) on issues like health, education and drinking water will contribute significantly to UN system's effectiveness. This is not always easy.

## 7. A Personal Note

During my stint at UNDP India CO, I have had the privilege of interacting with key stakeholders in the area of decentralization and local governance, participating in and organizing a number of workshops. I will particularly mention two such workshops organized in collaboration with Jawaharlal Nehru University and University of Delhi. The papers presented at these workshops have been published as two separate volumes by Oxford University Press co-edited by me. The first volume (Local Governance in India –Decentralization and Beyond edited by Niraja Jayal, Amit Prakash and Pradeep Sharma, OUP, 2006) argues that there is more to local governance than decentralization. The second volume which has come out a week ago (Decentralization –Institutions and Politics in Rural India, edited by Satyajit Singh and Pradeep Sharma, OUP, 2007) recognizes that while the local power structure will continue to influence the manner in which local space is utilized, the volume argues that the institutions themselves condition the society and power structure.

There is a possibility that the third volume, based on the project on Decentralization and Poverty Reduction, supported by RCB (Under PARAGON), will be published by OUP or some other publisher. This volume contains research studies by Ghosh and Oommen examining the causal linkages between decentralization and poverty reduction in West Bengal and Kerala respectively –two most successful examples of decentralization. This work will be important as, more often than not, we advocate decentralization as a poverty reduction strategy without much empirical basis to support it.

With regards,

Pradeep Sharma

# Emmanuel Buendia

UNDP Philippines

13 September

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Dear colleagues,

Thank you for extending the deadline (we are having some problems with our internet)... congratulations for a very interesting global exchange on decentralization and local governance!!!!

## Challenges

In the Philippines, a Working Group has been set up to provide a regular forum to discuss and find solutions addressing issues and challenges related to decentralization and local governance. Convened by the national government's Department of Interior & Local Governments (DILG), it is composed of representatives from donor agencies, national governments and local government units and civil society organizations. After more than 15 years of decentralization, the Working Group of which UNDP is a part of, has identified challenges that continue to influence the way local governance is being addressed. Some of which are cited here:

1. **Legal Framework.** A number of stakeholders have expressed the need to make amendments to the Local Government Code particularly in the following areas: (a) the formula for the Internal Revenue Allotment to make it more equitable and at the same time provide incentives for LGUs to raise their own revenues; (b) the provisions on the computation and collection of real property and business taxes to realize their potential as major revenue sources for LGUs; (c) the three-year term of local government officials is not conducive for medium term development and investment planning and prioritization of projects with long gestation; (d) the provisions on the two-track delivery system for basic services need to be clarified and expenditure assignments reviewed to enhance effectiveness and economic efficiency of service delivery; and e) the supervision arrangements for some local government officials by National Government Agencies may need to be reviewed and revised.
2. **Local-National Relations.** The delineation of roles of LGUs and National Government Agencies (NGAs) in the delivery of basic services is not clear in some areas and there is no agreed roadmap or system of incentives in place for the concerned NGAs to transform themselves from direct service providers to enablers or capacity builders. The relationship of local plans and budgets to national targets and priorities is not clearly spelled out and there is a multiplicity of national goals and concerns that are being advocated by different NGAs to LGUs in an uncoordinated fashion. Other issues that need attention include: (a) review, simplification and integration of national guidelines and priorities for local planning and budgeting; (b) alignment of local and regional development plans and projects with national development and investment plans; and (c) promote consistency of various national government policies that impact on local government programs and financing.
3. **Capacity Development.** Capacity-building interventions are often seen as a "one-shot" deal rather than a part of a planned effort to move towards attaining a certain goal. Capacity building efforts for LGUs have been largely project-driven and therefore largely disjointed with weak coordination among funders, service providers and the targeted beneficiaries.

Resources have not been well spread out and benefits were difficult to sustain after project completion. A wider perspective of capacity building must be advocated, i.e., it is not limited to training nor specific activity but must be viewed as an integral part of the strategy of a locality to create and generate the outcomes and impacts it wants to achieve.

Due to the inflow of capability building programs and providers, the capability building environment for local governance has also often been characterized as overlapping, uncoordinated, unsynchronized capability building efforts leading to a general dissatisfaction of clients particularly the LGUs. While the Department of Interior and Local Government (DILG) has been mandated to build the capacities of local government units, its current capacities only allow it to monitor and direct its own programs and projects.

4. **Performance Benchmarking.** Performance benchmarking efforts in LGUs have been quite limited and capacity to generate data needed for performance benchmarking is quite weak in most LGUs. Efforts to scale up good practices in some LGUs have been quite limited.

To address this, efforts are now directed to fast track the integrated and synchronized national roll out of the Local Governance Performance Management System (LGPMS) developed by the DILG and the Local Government Financial Performance Management System (LGFPMMS) developed by the Bureau of Local Government Finance (BLGF) of the Department of Finance (DOF). The LGPMS is a web-based interactive self-diagnostic tool that can be used to prepare the State of Local Governance Report that can be a major input in preparing the local budget for the next fiscal year as well as in identifying areas that need further allocation of resources. The LGPMS has 107 indicators covering five major areas: good governance, administration, delivery of social services, economic development, environmental management. While LGFPMMS has 14 indicators covering three areas: quality and efficiency of revenue generation from both traditional and non-traditional sources, quality and sustainability of expenditures, and debt management.

5. **Local Revenue Generation.** It was noted that many local governments are not fully utilizing available local revenue opportunities, and that strengthened local revenue generation is important to improve local service delivery. About 90 percent of local governments continue to depend on the national government's despite the Code's provisions allowing them to generate resources from local taxes and other forms of resource mobilization. This dependence has weakened their capacities to deliver adequate basic services to their constituencies and made them vulnerable to political influence.
6. **Urbanization.** It was estimated that over 50% of the Philippine population would be living in urban areas by year 2002. Thus, problems of urbanization, from pollution, to traffic, to environmental degradation, etc, will have to be confronted. The Philippines continues to urbanize rapidly. Over half of the population lives in urban areas - a proportion that is expected to reach 60 percent by 2010. As housing, land markets and other basic services have not kept pace with rapid urban growth, shelter is not affordable for the urban poor with more than 40 percent of families having to live in makeshift dwellings in informal settlements, where availability of safe water, good sanitation and drainage system are grossly inadequate. While the national policy and legal framework for addressing the above issues are in place, the capacities to connect basic services to urbanization that have been devolved to local government units have remained weak.

7. **Indigenous Communities and Traditional Governance.** Despite the recognition and the presence of indigenous communities and systems, a number of indigenous peoples in the country still remain marginalized and disempowered. They continue to face threats of eviction from their ancestral domains to give way to local infrastructures and economic activities like mining. Their voices are hardly heard in local legislative bodies and other governance mechanism. A number of them suffer from grave injustice as in most cases, their indigenous systems run counter to the existing local justice system. They suffer from discrimination thus having limited access to health, nutrition and education. With a decentralization policy already in place, there is a need to revisit it and ensure that the interface of traditional and formal systems of governance lead to a better quality of life for the disadvantaged especially among indigenous communities.

### **Types of Technical Assistance**

1. **MDG Localization.** The MDG campaign is being used to highlight the importance of LGUs in partnership with CSO's and the community in the delivery of basic services and pursuit of local governance reforms. The MDG campaign is being tapped in local policy-making, planning and budgeting using the MDGs as bases for setting targets and resource prioritization. It also serves as a "Trojan horse" in pursuing local changes and paradigm shifts in the administration of health services, promoting primary education, ensuring food sufficiency, and the protection of human and gender rights among others. By using this "bandwagon effect", we are able to excite some of our LGU partners to get involved and "compete with the rest of the world". This approach seemed to have facilitated the efficient and effective delivery of services to some targeted communities-in-need.
2. **Network-Building of Local Institutes for Capacity Development.** Expansion of Local Governance Training and Research Institutes as a nationwide network that serves to provide local hubs for continuing learning and knowledge development, generation and sharing at the community and inter-LGU levels. They do not only provide skills training and mentoring but also conduct local policy studies that can inform national and local legislation. Having strong knowledge and policy centers, LGUs are able to access immediately technical and policy advise on how to perform better and produce substantive results..
3. **Recognition of Best Practices.** Awards Programs are incentives that may be considered instrumental in successfully disseminating and encouraging good, and best practices, at the local level. Since the enactment of the Local Government Code, various awards programs recognizing local initiatives and innovations have been launched. Recently, apart from the many awards that aim to recognize outstanding and innovative local programs at the local level, a Local Leadership Award was launched to focus on the key role of leadership in good local governance. Current efforts are now geared at promoting these best practices and have them replicated/adopted by other LGUs through a process of coaching/mentoring and exchange-visits.

## Integration of Cross-Cutting

1. Rights-Reforms for Results (RRR). The RRR strategy was designed with the intent of ensuring that both the need to capacitate claimholders to demand for their human rights and the need to capacitate duty-bearers to meet their obligations by pursuing systemic governance reforms, are adequately and collectively addressed. Fostering Democratic Governance is not only reforming state institutions but moreover the empowerment of the disadvantaged. This is done towards achieving greater respect, protection, and fulfillment of human rights (from a human rights perspective) or better quality of life (from a development perspective), or more concretely, the achievement of the MDGs. It simply emphasizes the need for both Rights and Reforms to be tightly integrated in programming to achieve desired quality Results both at the national and local levels.
2. Capacity Building Modules on Local Governance and Decentralization with Cross Cutting Themes. We mobilized multi-disciplinary teams of experts to develop capacity building modules on democratic governance as it interfaces with human rights, gender, disaster and MDGs. These modules are used to train trainers on governance especially among the faculty of public administration schools that are located in every region of the country.
3. Local Government Code as Framework Guide. With cross-cutting themes, we use the existing law on decentralization as a framework in rationalizing the integration. The Code provides the following that allows for easy integration: (a) list of devolved functions to LGUs (i.e environment, disaster, capacity-building, most MDGs); (b) mechanisms for consultations; (c) planning and budgeting processes; and (d) institutions and devolved agencies.
4. Local Government Units. LGUs serve as Convergence Zone for the multiple concerns and cross cutting themes. By identifying priority poor LGUs, the initiatives from various agencies can be synchronized with the LGUs taking the lead.

Thank you for giving us the additional space to participate and opportunity to contribute to the previous and ongoing discussions. Regards to all!!!

Mabuhay !!!

Emmanuel “Boyie” Evangelista-Buendia  
ARR Governance

# Rafael Tuts

**UN-HABITAT Kenya**

*13 September*

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Dear Colleagues,

The purpose of this contribution is to share some lessons learned by UN-HABITAT in addressing local governance capacity gaps including how we address transparency and anticorruption on the local government level within the broader context of urban governance. The lessons are drawn from a wide range of countries with different degrees of decentralization.

Before embarking on any local governance capacity building initiative, it is important to distinguish between challenges that can be addressed by capacity building (human resource development, organizational development, institutional strengthening) and challenges requiring structural change (legislation, policy change, resource allocation). This contribution focuses on the first range of challenges.

From UN-HABITAT's perspective, addressing these challenges means strengthening the capacities of key local governance actors to constructively engage with each other with the ultimate aim to improving the quality of life for all citizens. These actors are symbolized by the "local governance triangle", representing local government, organized civil society and private sector operators. Principles of good local governance form the basis for improving the relationships between these groups, resulting in more inclusive urban governance.

In this regard, from our experience the main local government capacity gaps are the following. First, local governments need to move their focus from control and regulation to enabling and empowering roles. Second, local governments need to take up an active role as the focal point for local economic development so as to stimulate the creation of wealth. Third, the private sector and civil society organisations need to be enabled to work as partners in service delivery arenas. And fourth, local governments must learn to balance their books and figure out how to do more with less. These generic competencies require in most cases a mixture of organizational development, knowledge transfer, skills development and attitude change.

Our main strategy to address these capacity gaps involves targeting national training organizations to build their institutional capacity to serve the needs of local authorities and their stakeholders. We support these training organizations to adapt global tools, based upon best practices and make these tools relevant to local conditions. These tools form the basis for country-level capacity building programmes.

To enhance impact and cost effectiveness, the training initiatives should be based on a thorough capacity needs assessment and linked to ongoing regulatory and legislative reforms and use existing local/national funding mechanisms. In most cases, we go to scale through training of trainers and ensure that a strong action planning component is integrated in the training design. We also advocate for in-depth training impact evaluation, focusing on outcomes and impact.

National partner organizations implementing these programmes are ideally well connected with local government networks, have a proven track record in capacity building, are open to innovation, possess adequate resources and are institutionally stable. It has proven very difficult to find organizations that meet all those characteristics. Therefore, an alliance of two or more organizations is often more realistic.

Some of the training tools which are being used to enhance generic skills and strengthen local governance processes include the following: local elected leadership competencies; building bridges between civil society and local government; strategic planning for promoting local economic development; curbing and preventing corruption; financial management for local government; and participatory planning and budgeting. UN-HABITAT is also applying some of these tools to critical human settlements sectors such as land administration, water and sanitation provision, and slum upgrading.

### **Transparency and Anticorruption**

UN-HABITAT addresses transparency and anticorruption on the local government level within the broader context of urban governance. Here is a brief description of a toolkit and a guide that might be useful resources for UN country programming in the area of local governance:

1. “Tools to Support Transparency in Local Governance”, developed in collaboration with Transparency International.

The publication provides a wide range of tools and intervention strategies to build transparency in local governance

- a. Assessment and Monitoring: understanding the degree of transparency in local governance; creating a base-line against which progress in improving transparency can be measured.
- b. Access to information: measures to improve stakeholders’ access to information.
- c. Ethics and integrity: tools for clarifying what is expected from professionals and elected leaders.
- d. Institutional reforms: including both administrative procedures and structural innovations.
- e. Targeting specific issues: using specific issues as an entry-point for improving transparency.

<http://www.unhabitat.org/pmss/getPage.asp?page=bookView&book=1126>

2. “Restore the Health of your Organization – A practical guide to curing and preventing corruption in local governments and communities” in two volumes: Volume 1 “Concepts and Strategies” and volume 2 “Process and Facilitation Tools”, Developed in collaboration with Partners Foundation for Local Development and the Open Society Institute

The manuals are based on the book “Corrupt Cities” and its approach for addressing corruption from within local governments. The manual uses medical metaphors of curing, containing and preventing corruption. The concepts are introduced and explained by using numerous case studies. A step-by-step approach comprising of five phases provides guidance and a multitude of specific tools for local change agents: Phase one: Coming to terms with corruption; phase two: Building a guiding coalition; phase three: Diagnosis and Planning; phase four: Implementing the change; phase 5 Evaluation and ongoing prevention.

<http://www.unhabitat.org/pmss/getPage.asp?page=bookView&book=2287>  
and <http://www.unhabitat.org/pmss/getPage.asp?page=bookView&book=2288>

More information on UN-HABITAT activities in promoting local governance can be found on [www.unhabitat.org](http://www.unhabitat.org), where the above mentioned training packages can also be downloaded.

Rafael Tuts  
Chief, Training and Capacity Building Branch

“ Before embarking on any local governance capacity building initiative, it is important to distinguish between challenges that can be addressed by capacity building (human resource development, organizational development, institutional strengthening) and challenges requiring structural change (legislation, policy change, resource allocation) ”

# Leyla Sen

UNDP Turkey

13 September

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Dear colleagues,

First of all I'd like to express my gratefulness for all those who contribute for this very interesting and important discussion. Below you can find some inputs about the ongoing decentralization efforts in Turkey and UNDP's role in this process.

## Background Info

After various attempts since the 70s, the Republic of Turkey has embarked in a process of reforms in the public sector and the public administration, which are driven by the need to modernize the country so as to make it more democratic and competitive in a globalised world, as well as by the requirements set by the country's EU pre-accession process. The reforms, which are being steered by the central government, aim at increasing democracy (openness, transparency, accountability, participation) and efficiency of the Turkish public administration, which is made up of two types of institutions/organizations: those belonging to "central administration" (in Ankara or in the provinces); and those considered as "local administration" (Special Provincial Administrations, Metropolitan Municipalities, Municipalities and Unions of Municipalities, Villages and Unions of Villages).

A key aspect of these reforms (which also entail a complete overhaul of the public financial management and control system) is the strengthening of the local administrations, and the decentralization (devolution) of a number of administrative tasks and responsibilities from central to local administrations. Changes in the legal framework concerning the institutional set up, organization and functioning of local authorities have been introduced in 2004-2005 (with the adoption of 4 new Laws on Municipalities, Metropolitan Municipalities, Special Provincial Administrations and Unions of Municipalities); these changes have loosen the tutelage of the Ministry of Interior over the local administrations, and have provided local governments with a greater degree of autonomy in decision-making and in the management of local affairs and services.

However, two main obstacles remain to be overcome in the near future: the lack of a broader political consensus (in Parliament, as well as among state institutions) on the scope and pace of the decentralization process; and the lack of sufficient capacities and resources in most local administrations to effectively manage an increased number of responsibilities.

## Main Challenges:

In Turkey, UNDP-sponsored programs and projects aimed at mobilizing civil society organizations at local level and enhancing their capacity to take an active role at local level, through partnerships with the respective local authorities, have been successful now for some years. The Local Agenda 21 Project in Turkey has been up and running now for almost a decade, and has helped build a strong network of organizations and partnerships in more than 50 municipalities across the country.

UNDP-Turkey has also striven to build a strong partnership with Government institutions responsible for local government (Ministry of Interior) and independent organizations and think-tanks with active programs in this field. Since mid-2005, UNDP role in the implementation of a Local Administration Reform Program funded by the European Commission (MEDA), as the provider of technical assistance, training and capacity building activities to the Ministry of Interior (General Directorate for Local Authorities and provincial/district governorships), Unions of Municipalities (national and regional) and Municipalities themselves (six pilot projects on budgeting and service improvement, as well as the development and implementation of two training programs, one for municipal managers and a second one for consultants on local finances), has positioned UNDP as a key stakeholder in the ongoing process of decentralization and local administration reform in Turkey.

As a key partner and implementing agency in this Project, UNDP sometimes face difficulties to provide a more effective support in some key areas, i.e. elaboration of strategies and legislation due to relative weak initiative on the side of the national line ministry (Ministry of Interior).

### **Types of Technical Assistance**

In the first place, it is important to continue providing support and assistance to the non-governmental actors and organizations at local level (mainly for capacity-building and common understanding on broader civic engagement), in so far the strengthening of local democracy depends to a great extent of the presence and effective action of an organized civil society at local level.

Second, programs and projects specifically addressed to the local authorities themselves (including their representative Unions) are very much needed, given the key role and responsibilities such local authorities are already playing in promoting democracy and socio-economic development in the country. Both institution-building and capacity-building efforts should be combined in this type of programs, trying to reach a significant number of Municipalities and Special Provincial Administrations either through replication of the experiences acquired through pilot projects, or through activities addressed to a larger number of local entities and their staff.

Thirdly, advocacy, assistance and support are also needed at the level of central administration, in order to raise awareness of the benefits of decentralization in many policy areas, help design decentralization projects and the relevant legislation, support their actual implementation and create a social consensus on this crucial issue. At this level, support to studies and research that can be carried out by non-governmental organizations and institutions are of critical importance, because this is a type of activity that is very rarely carried out by units of the central administration.

## Strengthen the UNDP Community of Practice on Local Governance and Decentralization

The Community of Practice is already working pretty well, through the instruments and mechanisms already in place (dgp-net, practice meetings at regional and worldwide levels, practice notes, etc.). If anything, it would be worth considering that, while decentralization (usually understood as a country-level policy or objective, involving the transfer or devolution of decision-making powers and public responsibilities and resources from central governments to sub-national entities) is one of the key aspects in any broader Public Administration or Public Governance reform program; strengthening local governance is an objective that can and should be pursued even in centralized countries (one of the classical objections to decentralization is the weakness of the public governance institutions and mechanisms at local level, as compared to the central one). In this respect, it might make sense to promote or organize some separate Community of Practice activities for these two topics.

Best wishes from Turkey

Leyla Sen

Democratic Governance Program Manager

“ In Turkey, UNDP-sponsored programs and projects aimed at mobilizing civil society organizations at local level and enhancing their capacity to take an active role at local level, through partnerships with the respective local authorities, have been successful now for some years ”

# Madeleine Oka-Balima

UNDP Côte d'Ivoire

13 September

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Dear Colleagues,

I have gone through your many valuable contributions and am happy to contribute to the discussion with experiences from Côte d'Ivoire.

For decades, as part of its French colonial heritage, Cote d'Ivoire has been governed in a very centralized way, quite different for example to what is happening in Italy, where most of the political power is handled locally. This past explain the present context, still characterized by high centralization of decision making, capacities and resources despite a rather favorable institutional framework for decentralization. In Cote d'Ivoire, decentralization was initiated at the independence in the years 1960, but became effective only in the years 1980. The process was extended and became a government priority during the years 1990-2000. Since 2001, it became a higher priority for the present government, period during which the institutional framework was completed. Côte d'Ivoire is now organized into 10 regions (but the process is not yet completely achieved), 2 districts, 56 departments, 198 existing "communes" and 520 newly created in 2005. With the war conflict in September 2002, the country has been experiencing for the last 5 years the most severe crisis of its history which lead to additional structural and conjuncture constraints to effective decentralization, the country being divided into two distinct administrative entities. With the signature of the Ouagadougou peace agreement, in March 2007, after various unsuccessful other agreements, the country is now hoping to progressively return to the normal, but it is a fact that the crisis context has seriously affected local governance process.

Since the years 1990 to accompany the government UNDP has been supporting various initiatives in the domain of local governance and decentralization, the most recent being from 1996 to 2003 a programme against urban poverty, since 2000 a programme for urban security, since 2002, a programme for local development and peace building focused on participatory process, local planning, institutional reinforcement, peace building and decentralized cooperation, a programme in support to the national school canteens programme, where school canteens is a pretext for local participation and governance, and support to the development of methods and manual for local planning through its poverty alleviation programme.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

## Challenges

- Since local governance and decentralization are processes of societal transformation, they require strong ownership and leadership based on a strong vision and on effective participatory planning at the lowest local level, which in my sense is the main challenge. In Côte d'Ivoire, these processes are yet to be generalized and should be institutionalized.

- This being said, the other main challenge is the lack of managerial capacities at all level (community, locally elected leaders, government, organizations of locally elected, central, decentralized, deconcentrated level, NGO and civil society...) to conduct coordinate and monitor these processes, from the part of these various partners involved in local governance and decentralization processes. A specific sustainability issue for decentralization in capacity building is the need for a public sector reform to be able to better define and offer attractive career opportunities to trained staff career in local collectivities. For sustained results, one must imperatively identify the right incentives for the right stakeholders in the whole process. For instance, national counterpart should build on the experience acquired by the beneficiaries of capacity building activities and have a reflection leading to concrete proposals as far as it concerns profiles and careers perspectives for the staff in local collectivities. Otherwise, because of poor wages and incentives, lack of attractive career opportunities and in case of political alternance, the most valuable and trained staff will inevitably be tempted to seek better career opportunities elsewhere.
- Another issue is sometimes the insufficient Institutional framework or sometimes the “misinterpretation” of some legal disposition by those in charge of its implementation. To avoid or at least to reduce them, there is certainly a need to insure adequate institutional framework, to disseminate it widely down to the local communities and explain it to them, by using examples and wording that they will be able to understand trough their cultural lens.
- Another issue is, like in any power devolution, the “resistance” that someone will inevitably face from some central level entities, reluctant to “give up “some legally transferred former attributions and all their “advantages”.
- In the specific case of Côte d’Ivoire, for the last 5 years, decentralization was implemented in a Conflict context. Therefore, the general efforts from the government were prioritized in other emergencies areas, such as IDP and vulnerable groups. The country was divided in two, the Southern part under the government control, the Northern part, the so called “ex-occupied area” being under the control of the rebellion (Forces Nouvelles), and having limited access, decentralization support was mainly concentrated in areas under government areas.
- A main challenge to be addressed at the stage of conception remains the durability of the results. Therefore, instrumental issues such as ownership, project devolution to national entities or individuals, sustainability, synergies with other national activities in the field, and resource mobilization (internal resources such as taxes as well as resources from various donors) have to be addressed and paths toward solutions clearly defined and explored at the stage of the conception of any local governance initiative.
- In Côte d’Ivoire like in Benin, we also had to face the politization in planning and implementing local development programmes, especially by the local elites.

## Key Lessons and Good Practices

- The need to develop a deep knowledge and understanding of the mentality, prior to implementing any activity, otherwise any local development initiative is condemned to fail and have no sustainability, since transformation must happen from inside... or will never happen.
- Insufficient sensitization as well as weak capacity and lack of adequate responses from local communities and their partners constitutes a main constraint. It is a must to assess the various constraints at implementation. To prevent oneself from under evaluating implementation aspects and delays, assistance should conduct, before implementation, rigorous analysis of the environment and institutional, human, technical capacity assessment of the various stakeholders.
- Insufficient effective implementation of participatory planning in the elaboration of local development plans. Yet, transparent and inclusive participatory process contributes to reinforcement of trust between the population and the local authorities. Such initiative should favor the identification and involvement of representatives of all stakeholders, as well as participatory process to prevent among others the risk of local elites improperly taking over these projects. There is a necessity to favor national ownership from the beginning by preliminary focusing on convincing all the stakeholders of the necessity to agree consensually on a common vision and a long term strategy. And above all to elaborate a prioritized investing programme, aiming at its materialization, so to be able to anticipate and cope with long term issues that arise inevitably from the dynamic generated by a local development project. In our project, some mayors were fearing that “un-mastered participatory process” would lead to political discussion prejudicial for their career.
- In our various experiences, the vision and pro-activity of the locally elected leader, coupled with local coalition around him to promote development were always key in successful decentralization activities.
- Also someone must bear in mind “good governance as a focus”, since unfortunately decentralization can also lead to increased poverty. It is necessary to establish an indissociable link between poverty alleviation and the improvement of local governance.
- The need of a change of mentality for so called “local elites” who too often contribute to weaken and annihilate development results in their locality instead of coordinated efforts for improved development. In the crisis context, there was also an exacerbation of political instrumentalisation that sometimes contributed to local ethnic conflicts with devastating effects that contributed to endanger social cohesion in communities where this cohesion is vital.
- Time-frame: as stated before, the kind of change targeted by decentralization is transformational. It requires capacity building, sensitization, experiences sharing, learning by doing, which mean a certain time before any tangible results could be perceptible, therefore very often it is conflicting with rather short term programmes supported by UNDP and the partners.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

- Support programmes based on a deep knowledge of the culture and participatory planning process, able to capture social capital and capitalize on it, with a focus on capacity building, the use of adequate wording and activities fitted to the targeted groups, which imply customized approach depending on the population.
- Support to effective Participatory planning at the local level. Adopting participatory approach has allowed effective involvement of community groups through planning process, therefore to better target their needs and to develop adapted responses to identified problems, preparing the way for better projects implementation and results.
- Flexibility is definitely a key word to allow experience capitalization and reorientation if judged necessary.
- Specific support to locally elected organizations for them to be able to play their role. It is a priority to sensitize and reinforce the capacity of the mayors and their team, as well as other local authorities in matter of participatory planning process. Gender issues were instrumental in the success of some initiatives. For effectiveness and sustainability, due and specific attention should be paid to women specific differentiated needs and to gender issues.
- In the case of a pilot, which require quick positive results, it is recommended to start with specific support to mayors and locally elected leaders, who have already shown a vision and pro-activity in developing their locality. As a matter of fact, it is proven to be of key importance to consider effective commitment from the local authorities as key criteria of selection. In our various support projects, personal commitment and mayor's leadership were instrumental in the success of the project. Where real commitment was registered it led to the attainment of most expected results. In addition it was suggested to reinforce this commitment by promoting contractual agreements.
- Training of locally elected leaders and their teams.
- Support to the completion and review of existing institutional framework as well as to its wide spread information dissemination, including in local languages and by using local examples.
- Support to existing local initiatives instead of creating new ones. The choice to support in priority the reinforcement of existing initiatives constituted a positive point, since the supported activities were already thoroughly designed by promoters who had sometimes already started implementation as well as owned and capitalized a variety of experiences related to the project. Equally, the use of national expertise, particularly in a crisis period, has allowed maintaining the project activities in a period of difficulty while favoring national ownership and acquisition of experience.
- Support to the development of basic social services is a good entry point for decentralization projects. By targeting access by the most vulnerable to basic social services (ie safe water) the project generated a major interest and the mobilization of beneficiaries. The fact that the project was aiming at responding to concrete needs expressed by national and that its objectives were consensually agreed and responding to consensually agreed national

priorities, establishing a clear link with national policies and framework of intervention, played in favor of national ownership and involvement.

- From the very beginning, municipal communication should be considered as a main leverage to promote local governance, therefore integrated from the beginning as a full planned activity. In general it is recommended to have a strong communication strategy during the whole process and to encourage retro-information to allow constant re-adaptation of the project accordingly (ie flexibility).
- Experience sharing through North-South or South-South cooperation are also welcomed. We experienced both with Italy and Togo and gained valuable experiences and results from both. In this framework, decentralized cooperation based on well identified comparative and mutual expected outputs can be a leverage to successful decentralization initiatives.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

This may be done and some results obtained even without using the UN concepts and “jargon” by providing support to local authorities who have already shown a vision and pro-activity in developing their locality. Provided that participatory process are effectively implemented, based on a deep knowledge of the culture, and sensitization language and examples taken in the lives of the population. As a matter of fact, it is proven to be of key importance to consider effective commitment from the local authorities as key criteria for success. In our various support projects, personal commitment and mayor’s leadership were instrumental in the success of the project. Where real commitment was registered it led to the attainment of most expected results and to resource mobilization.

*How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?*

- Work with all stakeholders, including local elites who too often tend to jeopardize the process from the inside.
- Experience sharing is indeed an asset especially at the institutional level, particularly through support provided by international expert exposed to a wide variety of experiences; to obtain more information on what is happening worldwide and lessons learnt.
- A focus on culture understanding, participatory processes, capacity building and information dissemination to the most remote communities.

Thank you

Madeleine Oka-Balima  
Programme Advisor

# Emmanuel Soubiran

UNDP/UNCDF Mauritania

14 September

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## English Translation

### A holistic approach that promotes coordinated planning is necessary:

#### Training

Having a national plan for training that is based on a participatory diagnosis of the needs of elected officials and administrations (decentralized and devolved): The local governments and decentralized public services in the State should have their individual training plan, also prepared in a participatory manner and in accordance with the national plan. The Technical and Financial Partners (TFP) should support the development of the scheme and the implementation of the training plans.

- In Mauritania, UNDP/UNCDF contributes to the establishment of a National Plan for Training, anchored in the Ministry of Decentralization and Regional Planning. Through one of its projects (PACA), the UNDP/UNCDF is setting up a regional training plan in the province of Assaba (its area of concentration), in partnership with the other projects involved in that province (PADDEM, Vaincre, PASC...). The goal is to have a more coherent and more effective training than what is provided more or less separately by each project (the intermediate stage we are trying to get out of is one with a collective organization of several trainings offered by the projects – but not programmed by the municipalities).

#### Investment

Providing budgetary support to local authorities through a single financial scheme coordinated by the State or an autonomous public agency: The rules for awarding grants should be simple and allow for objective distribution (transparency), and promotion in the efficiency of local governments on aspects that they consider key (e.g. include a criterion based on the rate of recovery of the local taxation). Concurrently, support should be directed to foster the mobilization of local resources through action plans, drawn up through a participatory process that emphasizes ownership of objectives and resources by the people.

Support for the contracting authority of local governments should be based on a scheme that supports all projects regardless of their source of funding (state and TFP - which is of course easier if there is a common investment fund) rather than each TFP with its own plan; or each TFP supporting only the projects it finances. The emphasis here is on empowerment of local authorities (sometimes less effective) rather than a substitution by a project team (delegation of contracting authority like AMEXTIP- the Mauritanian Agency for the Execution of Public Interest Works for Employment).

Investments by local authorities must be planned following a process of increasing consultation. This is done both at the community and at the local authority levels, with representatives from all types of local actors. A participatory diagnosis should precede the dialogue on the selection and prioritization of investments. While giving leeway to a local authority in shaping its development plan (which includes the investment plan), the state should move the process forward and set (more or less) the outline of the document.

- In Mauritania, UNDP / UNCDF has for several years advocated for the creation of a collective investment fund (the main TFPs, including the World Bank, have recently come to an agreement on the principle of this fund) and the central government now supports the idea. Under the PACA, the UNDP / UNCDF provides grants to municipalities through the Public Treasury. Also, the organization uses the SAFIC (Financial and Institutional Analysis System for local governments) to develop action plans, aiming particularly for improvements in the mobilization of local resources.

The UNDP / UNCDF, also under the PACA, seeks to give a support to the municipal contracting authority of Assaba. It will strengthen the contracting authority on another project (Vaincre) pending the establishment of regional centers that provide support for the municipalities (it will be one of the tools for the program (PERICLES) of the European Union, France, Germany and Spain, which will be open to other TFPs in its second phase).

The UNDP / UNCDF has already established, in Assaba, municipal development plans (other TFPs also have experience in this area). These were made using the bottom-up approach, and the government, is now requesting a widespread use of such plans on the entire territory. The consultation at the community level was made by a devolved service of the State (Rural Development) within existing village structures, and at the municipal level through existing committees created for that purpose, but maintained for sustained dialogue.

We must abandon the pernicious and ephemeral logic of assistantships and move towards support for a voluntary policy of Local Government and the strengthening of local providers that is more efficient (in the long run) and permanent.

### **Training**

Organizing trainings that respond to local and regional authorities' plans (and in accordance with the national plan for training), that are not free and are proposed by service providers (preferably local): This particularly empowers beneficiaries regarding the choice of training followed and a greater ownership and usage of the contents thereof. To solve the financial difficulties of local governments, a fund to support trainings may be of use (modeled on the investment Fund- it may indeed be the same fund). The courses should be organized by service providers who are paid by the municipalities - and not organized and paid for by projects.

- In Mauritania, UNDP / UNCDF is advocating for the adoption of this approach at the national level (in the context of discussions on the National Plan for Training), and through the PACA, these organizations are about to implement it in Assaba (in the context of the regional training plan).

## Investment

Have a mechanism for the supervision of works which gradually leads to the establishment of a service delivery system provided by the private sector: Services that are initially free allow local governments to both meet the requirements of the State and the TFPs on the quality of investments they fund, and convince them of the value of such services (this approach is a temporary stopgap measure to the lack of or low level of technical services of the municipalities and in a context where the technical departments of the State are service providers). Putting a cost on the services linked to projects' management allows both an improvement in the accountability of local government (ownership) and a gradual adaptation to paying for a service that will cease to be free (internal or external). Finally, the public involvement will disappear in favor of free competition from the private sector. Of course, the price of services will initially be reduced (the plan will provide a portion of the costs) prior to reaching market prices (in the switch to the private sector), but the state and TFPs can subsidize the local authorities through the investment fund.

- In Mauritania, UNDP / UNCDF is also advocating for this new approach. The idea of charging a fee for support services to projects' management is not yet unanimously accepted but the idea is gaining ground. However, the PACA initiated the movement (grant for technical assistance as part of its investment fund) and may convince other projects to adopt this logic.

## We must foster partnerships between TFPs and seek harmonization of procedures

### Procedures

According to the Paris Declaration, the TFPs should seek to harmonize their procedures to facilitate compliance by beneficiaries (state, local and regional CSOs...). It is much easier to do this harmonization upstream, in the formulation of projects rather than in their implementation. The easiest way is, of course, when the TFPs have common projects or devices, and the best situation is one in which the government has a framework with its own procedures to which other TFPs can align themselves. We can see that in terms of programming, the United Nations System (UNS) should aim to align its schedule with that of the PRSP (Strategic Framework for the Fight Against Poverty), which is broader. The challenge is that the various agencies of UNS harmonize their procedures and timetable, but this should be done gradually with the One UN Reform.

- In Mauritania, TFPs seek to harmonize their procedures, especially via 2 ideal methods: the search for national schemes (investment funds, national plan for training,...) coordinated by the state, and the design of joint projects. The European Union, France, Spain and Germany (3 Member States represented in Mauritania) will soon start a joint project to support devolution and decentralisation (PERICLES). Other stakeholders, such as the UNDP / UNCDF, will be able to be included after the pilot phase. The NSU Mauritania will have a UNDAF for the transition period of 2 years (2009-2010) in order to align itself with the next PRSP. On the ground, the projects have some difficulty in harmonizing their procedures because the implementing logic prevails (do what is expected at the right time). However, the PACA made efforts so that there is greater harmonization in Assaba. This is more feasible with PACA than other projects because it has a large degree of flexibility in its implementation.

## Partnerships

Projects must incorporate partnerships with various stakeholders, including other development projects: The important thing is to try to get a better overall consistency of intervention where roles and responsibilities of all actors are clearly defined. Comparative advantages of each actor should be accounted for and they must not hesitate to carry out certain activities together. However, it is necessary to formalize these partnerships with conventions and not to distort projects by seeking to form a partnership that is unbalanced. It is better to have joint partnerships rather than multiple specific partnerships. Of course, partnerships are more relevant, if they are developed upstream, and ideally lead to joint projects.

- In Mauritania, the PACA (UNDP / UNCDF) has established many partnerships. However, we gradually realized that there were flaws in implementation due to the fact that these partnerships had not been formalized. In addition, good habits can be lost when people change, hence the importance of formalizing agreements. Some partnerships may appear skewed, especially when their objective becomes the partnership rather than the purpose thereof.

The PACA initiated at the same time a large multi-stakeholder agreement seeking to encourage (through declarations of intention) partners to make efforts for synergy, and develop several specific agreements to formalize the terms of partnerships with various stakeholders (e.g. support to the university). One can say that partnerships are a strong point of PACA because despite some difficulties encountered, they have allowed a stronger coherence and prepared, in practice and in mentality, a culture of synergies between projects.

## Other challenges in Mauritania

- A Ministry of Decentralization and Regional Planning, which provides an important place in the fields of national policy. In fact, the increasing separation of decentralization and devolution is regrettable, but it increases the hope that we finally have a strong commitment, with effective people who have a real responsibility and appropriate means to do their work.
- A democratic process which led to the open and transparent election of communal councils, which are gaining legitimacy in the eyes of the people. It should be noted that about 20% of elected officials are women thanks to a law requiring that quota. The issue of accountability remains very important, whether in the actions undertaken by enterprises (patronage) and the transparency of expenditures (embezzlement). This should gradually improve with the strengthening of control by civil society (important challenge).
- An endowment fund (FRD), which has grown considerably will continue to grow with the economy: Compared to many countries, the Mauritanian municipalities are fortunate to have a delegation of funds accompanying their delegation of prerogatives (although it is still insufficient). The TFPs seek to ensure that the endowment fund is reformed, made more efficient and become the future common investment fund.
- The creation of a future regional fund is a major challenge as it seeks to improve the decentralization process and not make it more complex: The government is also in a hurry and wants to quickly establish a law. The risk is that all appropriate responses may not be fulfilled in time (apportionment, prerogatives, resources, election system...) and that the law will be very imperfect. The foundations of decentralization that were supposed to lead to a discussion on this matter were postponed and the law will probably be voted on before any consultation with key stakeholders.

### Il faut avoir une approche globale et favorisant la planification concertée

#### Formation

Avoir un plan national de formation établi à partir d'un diagnostic participatif des besoins des élus et des administrations (décentralisées et déconcentrées). Les collectivités territoriales et les services déconcentrés de l'Etat doivent avoir chacun leur plan de formation, établi également de façon participative et en accord avec le plan national. Les PTF appuient l'élaboration du dispositif et soutiennent la mise en œuvre des plans de formation.

- En Mauritanie, le PNUD/FENU contribue à l'établissement d'un Plan national de formation, ancré au Ministère de la Décentralisation et de l'Aménagement du Territoire. A travers un de ses projets (le PACA), le PNUD/FENU met en place un plan régional de formation en Assaba (sa zone de concentration), en partenariat avec les autres projets intervenant dans cette wilaya (PADDEM, Vaincre, PASC,...). L'objectif est d'avoir une démarche plus cohérente et plus efficace que les formations délivrées plus ou moins séparément par chaque projet (l'étape intermédiaire d'où nous essayons de sortir est celle de l'organisation collective de quelques formations proposées par les projets – et non programmées par les communes).

#### Investissement

Faire de l'appui budgétaire aux collectivités territoriales à travers un dispositif financier unique relevant de l'Etat ou d'une agence publique autonome. Les règles d'attribution des dotations doivent être simples mais permettre à la fois une répartition objective (transparence) et favorisant l'efficacité des collectivités territoriales sur certains aspects jugés importants (ex. : inclure un critère basé sur le taux de recouvrement de l'imposition locale). Parallèlement, un appui doit être réalisé pour favoriser la mobilisation des ressources locales à travers des plans d'action, établis là aussi à travers un processus de concertation favorisant l'appropriation des objectifs et des moyens par les populations.

L'appui à la maîtrise d'ouvrage des collectivités locales doit relever d'un dispositif conçu pour appuyer tous les projets quelque soit la source de financement (Etat et PTF – ce qui est bien sûr facilité s'il y a un fonds commun d'investissement) et non que chaque PTF ait son propre dispositif ; voire n'appuie que les projets qu'il finance. Le dispositif privilégie la responsabilisation des collectivités territoriales (parfois moins efficace) plutôt qu'une substitution par une équipe de projet (délégation de maîtrise d'ouvrage type AMEXTIP).

Les investissements des collectivités territoriales doivent être planifiés suite à un processus de concertation ascendant. Celui-ci se fait à la fois au niveau communautaire et au niveau de la collectivité territoriale, avec des représentants de tous les types acteurs locaux. Un diagnostic participatif précède la concertation sur le choix et l'établissement des priorités d'investissement. Tout en laissant à une collectivité territoriale des marges de manœuvre dans l'élaboration de son plan de développement (qui inclut le plan d'investissement), l'Etat doit proposer la démarche à suivre et fixer (plus ou moins) le canevas du document.

- En Mauritanie, le PNUD/FENU fait depuis plusieurs années le plaidoyer pour la création d'un fonds d'investissement collectif (les principaux PTF, y compris la Banque Mondiale, viennent de se mettre d'accord sur le principe de ce fonds) et l'Etat y est devenu très

favorable. Dans le cadre du PACA, le PNUD/FENU verse des subventions aux communes par le biais du Trésor Public. D'autre part, il utilise le SAFIC (Système d'analyse financière et institutionnelle des collectivités territoriales) pour établir des plans d'action visant, en particulier, l'amélioration de la mobilisation des ressources locales.

Le PNUD/FENU, toujours dans le cadre du PACA, cherche à avoir un dispositif commun d'appui à la maîtrise d'ouvrage communale en Assaba. Il va renforcer celui d'un autre projet (Vaincre) en attendant la création de véritables centres régionaux d'appui aux communes (celui-ci sera un des outils d'un programme (PERICLES) de l'Union Européen, de la France, de l'Allemagne et de l'Espagne qui sera ouvert aux autres PTF dans une seconde phase).

Le PNUD/FENU a déjà établi, en Assaba, des plans de développement communal (d'autres PTF ont également une expérience dans ce domaine). Ces derniers ont été faits selon l'approche ascendante, après une difficile négociation avec l'Etat mais celui-ci en est maintenant demandeur pour une généralisation de ce type de plans sur l'ensemble du territoire. La consultation au niveau communautaire a été faite par un service déconcentré de l'Etat (Développement rural) au sein de structures villageoises existantes, et au niveau communal au sein de comités créés pour l'occasion mais pérennisés pour d'autres concertations.

- Il faut sortir de la logique pernicieuse et éphémère de l'assistanat pour aller vers celle, plus efficace (à terme) et pérenne, de l'appui à la politique volontariste des collectivités locales et du renforcement des prestataires de proximité :

### **Formation**

Avoir des formations, répondant aux plans des collectivités territoriales (en accord avec le plan national de formation), qui soient payantes et proposées par des prestataires de services (locaux de préférence). Cela permet en particulier une responsabilisation des bénéficiaires quant au choix des formations suivies et une meilleure appropriation du contenu de celles-ci. Pour palier aux difficultés financières des collectivités territoriales, un fonds d'appui à la formation peut leur venir en aide (sur le modèle de celui pour l'investissement – cela peut être d'ailleurs le même). Les formations sont organisées par des prestataires qui sont payés par les communes - et non organisées et payés par des projets.

- En Mauritanie, le PNUD/FENU fait le plaidoyer pour l'adoption de cette approche au niveau national (dans le cadre des débats sur le plan national de formation) et, à travers le PACA, il est sur le point, avec d'autres projets, de le mettre en pratique en Assaba (dans le cadre du plan régional de formation).

### **Investissement**

Avoir un dispositif d'appui à la maîtrise d'ouvrage qui tend progressivement vers la mise en place d'un système de prestation de services assuré par le secteur privé. Les services gratuits au départ permettent aux collectivités territoriales à la fois de répondre aux exigences de l'Etat et des PTF quant à la qualité des investissements qu'ils financent, et de les convaincre de l'intérêt de ce genre de services (cette approche se voulant un palliatif provisoire à l'absence ou au niveau faible des services techniques des collectivités territoriales et dans un contexte où les services techniques de l'Etat sont de fait des prestataires de services). Le fait de rendre les services d'accompagnement de la maîtrise d'ouvrage payant permet à la fois de responsabiliser davantage les collectivités locales (appropriation) et de les habituer progressivement à payer pour un service qui sera par la suite payant (en interne ou en externe). Enfin, le dispositif public disparaît au profit de la libre

concurrence du secteur privé. Bien entendu, les prix des services sont d'abord minorés (le dispositif prenant en charge directement une partie des coûts) avant d'être ceux du marché (lors du passage au secteur privé) mais l'Etat et les PTF subventionnent les collectivités territoriales à travers le fonds d'investissement.

- En Mauritanie, le PNUD/FENU fait là aussi un plaidoyer pour adopter une approche nouvelle. Le fait de vouloir faire payer les services d'appui à la maîtrise d'ouvrage ne fait pas encore l'unanimité mais l'idée fait son chemin. Pour autant, le PACA a initié le mouvement (subvention pour de l'assistance technique dans le cadre de son fonds d'investissement) et pourrait convaincre d'autres projets d'adopter cette logique.

## **Il faut favoriser les partenariats entre les PTF et chercher l'harmonisation des procédures**

### **Procédures**

Conformément à la Déclaration de Paris, les PTF doivent chercher à harmoniser leurs procédures afin de faciliter leur respect par les bénéficiaires (Etat, collectivités territoriales, OSC,...). Il est beaucoup plus facile de faire cette harmonisation en amont, lors de la formulation des projets plutôt qu'au cours de la mise en œuvre de chacun d'eux. Le plus simple est bien entendu lorsque les PTF arrivent à avoir des projets ou dispositifs communs, et la meilleure des situations est celle où le gouvernement possède un cadre avec ses propres procédures dans lequel les autres PTF s'inscrivent. On notera qu'en terme de programmation, le SNU doit tendre à aligner son calendrier sur celui du CSLP (Cadre Stratégique de Lutte contre la Pauvreté) qui lui est plus large. Le défi est notamment que les différentes agences du SNU arrivent à harmoniser leurs procédures et calendrier mais cela devrait se faire progressivement avec la réforme One UN.

- En Mauritanie, les PTF cherchent véritablement à harmoniser leurs procédures, en particulier par les 2 voies idéales soulignées : la recherche de dispositifs nationaux (fonds d'investissement, plan national de formation,...) pilotés par l'Etat, et le montage de projets communs. L'Union Européenne, la France, l'Espagne et l'Allemagne (les 3 Etats membres représentés en Mauritanie) vont bientôt démarrer un projet commun d'appui à la déconcentration et à la décentralisation (PERICLES). Les autres partenaires intéressés, comme le PNUD/FENU, auront la possibilité d'y être intégrés après la phase pilote. Le SNU Mauritanie va avoir un UNDAF de transition d'une durée de 2 ans (2009 – 2010) afin de pouvoir s'aligner sur le prochain CSLP. Sur le terrain, les projets ont quelques difficultés à harmoniser leurs procédures car la logique d'exécution l'emporte (faire ce qui est prévu au moment voulu). Cependant le PACA fait des efforts pour qu'il y ait une plus grande harmonisation en Assaba. Cela lui est davantage possible que d'autres projets car il possède une importante souplesse dans sa mise en œuvre.

### **Partenariats**

Les projets doivent monter des partenariats avec différents acteurs, y compris les autres projets de développement. L'important est de chercher à avoir une meilleure cohérence d'intervention globale où chacun a un rôle et des responsabilités bien définis. Il faut jouer sur les avantages comparatifs de chacun et ne pas hésiter à mener ensemble certaines activités. Il est toutefois nécessaire de formaliser ces partenariats par des conventions et de ne pas dénaturer son projet en cherchant à former un partenariat qui est déséquilibré. Il est intéressant d'avoir des partenariats communs plutôt que de multiplier les partenariats spécifiques. Bien sûr, les partenariats sont plus pertinents s'ils sont conçus en amont, et idéalement aboutissent à des projets communs.

- En Mauritanie, le PACA (PNUD/FENU) a tissé de nombreux partenariats. Cependant, nous nous sommes progressivement rendus compte qu'il y avait des imperfections de mise en œuvre dues au fait qu'ils n'avaient pas été formalisés. De plus, de bonnes habitudes peuvent se perdre lorsqu'il y a des changements de personnes, d'où l'importance de formaliser les accords. Certains partenariats peuvent parfois paraître asymétriques, en particulier lorsque l'objectif devient le partenariat plus que l'objet de celui-ci.

Le PACA a initié à la fois une large convention pluri-acteurs visant, à travers des déclarations d'intention, les partenaires à faire des efforts de synergie, et plusieurs conventions spécifiques pour formaliser les termes des partenariats avec différents acteurs clés (par exemple l'appui à l'université). On peut dire que les partenariats sont un point fort du PACA car malgré quelques difficultés parfois rencontrées, ils ont permis une cohérence d'ensemble beaucoup plus forte et établie, dans la pratique et les mentalités, cette culture des synergies entre les projets.

### **Autres défis en Mauritanie**

- Un Ministère de la Décentralisation et de l'Aménagement du Territoire qui permet de donner une place importante à ces champs de la politique nationale. En fait, on peut regretter l'accentuation de la séparation de la décentralisation et de la déconcentration mais cela autorise l'espoir d'avoir enfin une volonté gouvernementale forte, avec des personnes efficaces disposant d'une responsabilité réelle et de moyens appropriés.
- Un processus démocratique qui a permis l'élection libre et transparente de conseils communaux qui gagnent en légitimité auprès des populations. On notera qu'environ 20% des élus sont des femmes grâce à une loi imposant ce quota. Le problème de la redevabilité reste cependant très important, que ce soit dans les actions entreprises (clientélisme) que dans la transparence des dépenses (détournements). Cela devrait s'améliorer progressivement avec le renforcement du contrôle par la société civile (challenge important).
- Un fonds de dotation (FRD) qui a considérablement augmenté et qui évoluera avec la croissance. Les communes mauritaniennes ont, comparativement à beaucoup d'autres pays, la chance d'avoir une délégation de moyens qui accompagne correctement la délégation de prérogatives (même si cela reste insuffisant). Les PTF cherchent à ce que le FRD soit réformé afin d'être plus efficace et puisse devenir le futur fonds commun d'investissement.

La création à venir d'un niveau régional est un défi majeur car il s'agit d'améliorer le processus de décentralisation et non de le complexifier. Le gouvernement est très pressé aussi il veut établir rapidement une loi. Le risque est que toutes les réponses adéquates ne soient pas réunies à temps (découpage, prérogatives, ressources, système d'élection,...) et que la loi soit très imparfaite. Les assises de la décentralisation qui devaient notamment permettre de discuter de ce sujet ont été reportées et la loi sera probablement votée avant la concertation avec les acteurs clés.

Emmanuel Soubiran

# Karounga Keita

UNDP Democratic Republic of Congo

14 September

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Dear colleagues!

It's a pleasure for me to share with you the experience of Democratic Republic of Congo, a post conflict country on track of ending its first electoral cycle. The weakness of political institutions and the public administrations are the key constraints in the process of deep reform that is decentralization.

Please find below some ideas on the context of DRC, the challenges, a few lessons learned in the area of Local Governance and development and some propositions aimed at improving our community of practice in the area of Governance in general. My original text is in French.

Best regards.

## **Local Governance and Development: Challenges and Lessons Learnt in the Democratic Republic of Congo**

### 1. Context of DRC

The Democratic Republic of Congo (DRC) has emerged from a long period of political, economic and social crises and instability. Its political institutions, administrative structures as well as its economic and social infrastructure have been seriously battered and destroyed. Governance is a thorny issue and was largely the cause of these crises. The Congolese State has still not been able to put in place the necessary internal mechanisms for a peaceful settlement of political disputes, neither has it ushered in a climate of peace and serenity necessary for the country's economic take-off.

The 2006 Constitution, founding treaty of the third Republic, enshrines the principle of "highly decentralized State" which could in the medium and long-term culminate in a federal-type territorial organization. It establishes a central State, 26 provinces and a thousand enhanced local governments (ETD). For the moment, 11 provinces have been set up and have been endowed with elected officials. There are also provincial assemblies and governments. But the transition from a highly centralized state to a highly decentralized state requires a realistic strategy which seeks not only to address administrative bottlenecks, the lack of organic instruments and insufficient budgetary resources to guarantee the efficient functioning of provincial institutions but also to provide for future elected local collectivities.

Thus, the new Constitution poses a double equation: firstly, enabling the newly elected provincial assemblies to function with a minimum of means (human and financial) and at the same time pave the way for the establishment of the other provinces, to be in harmony with the Constitution ; and secondly, accompanying the process of putting in place the decentralized territorial entities in a context marked by crisis in the public administration, socio-economic disorganization and a lack of budgetary resources needed to carry through the decentralization process.

The Constitution in its Article 3, clearly mentions the decentralized local governments (ETD) which are the town, the commune (council), the secteur (sector) and the chefferie (traditional chieftaincy). These ETDs are endowed with “free administration and autonomous management of their economic, human, financial and technical resources”.

On their part, Articles 201 to 205 of the new Constitution lay down the main competences of the State and provinces, according to three principles: exclusive competences of central government (36 competences), competences concurrently devolved on central government and the provinces (25 competences) and exclusive competences of provinces (29 competences). While delineating the spheres of competence of central government and provinces, the Constitution gives the law-maker some scope of interpretation during preparation of the organic law which will specify the jurisdiction of the provinces and ETDs in several domains depending on the levels of interest (national, provincial and local). The same holds true for the nature and legal scope of relations between central government, provinces and its local collectivities on the one hand, and between the provinces and their decentralized local governments (ETD) on the other hand.

It is against this backdrop that, responding to the urgent needs expressed by national stakeholders (government, national parliament, provincial assemblies, civil society organizations etc) UNDP put in place a global program on governance covering the period from 2007-2011. This program has five components:

- political governance: establishing and consolidating democratic institutions;
- administrative governance: reform of the public administration; support to inter-ministerial coordination; e-governance...
- economic governance: support to economic planning and management ; support to the coordination of external aid;...
- judicial and security governance: support to army and police reforms, and
- local governance: support to decentralization and provincial and local development.

The key objective of this program is to put in place a stable and legitimized system of governance that is conducive to sustainable human development. Before this objective is achieved in the current context of the country, a number of challenges must be addressed. These have to do with establishing and strengthening democratic institutions and encouraging citizens to participate in public life, especially at local level.

## 2. Main challenges of the DRC in the areas of local governance and decentralization

Caught in a post-conflict context where democratic institutions are still fragile, the main challenge for the government is to successfully implement decentralization following a clear and precise timetable while also ensuring the unity and social cohesion of the country. Although decentralization does not necessarily go together with democracy, it has been proven that democracy offers an ideal framework for translating into reality the universal principles of decentralization, especially:

- i. existence of decentralized local governments enjoying administrative autonomy defined by law and a legal personality distinct from the central government. In Congo, the constitution set the province as the first level and reaffirms the principle of the establishment of other levels, namely, the decentralized local governments (ETD) in the province ;
- ii. existence of a deliberative and executive authority, elected by the people, and hence having legitimacy to manage the provinces (provincial assembly and government) and the decentralized local governments (ETD);
- iii. devolution of specific competences to local governments for which supervision contract has been granted;
- iv. autonomous budgetary management of decentralized local governments is recognized. This is based on the financial resources granted to them by law (Article 3 of the Constitution);
- v. decentralized local governments are endowed with human and financial resources and public and private property distinct from those of the central government : the Congolese Constitution allocates 40% of national revenue to the provinces and stipulates that another law will fix the list and modalities for distributing the other local revenue. Furthermore, 10% of all national revenue reverting to the central government each year is placed into an equalization fund (instrument of national solidarity) which is meant to finance projects and programs in decentralized collectivities, especially provinces and decentralized local governments.

Despite these constitutional provisions, the implementation of decentralization is however beset by several short and medium-term challenges:

- social and political ownership of decentralization: Without a shared vision of the in-depth reform that is decentralization, the risk of confrontation among the different stakeholders, especially the various levels of government and even between provincial institutions, will be great indeed;
- completing the establishment of provincial and local institutions and officials through free and transparent elections. To date, only 11 of the 26 provinces are in place and the 15 others should be created within the constitutional deadline of 3 years. Furthermore, the first electoral cycle of the third Republic should be completed through the holding of local elections postponed several times;
- Gradual transfer of competences and resources. To date, public management has been highly centralized in the capital city, which hampers devolution of both competence and resources;

- reform of the public administrations. To date, the Congolese administration is perceived by the population as a means to exercise authority by commanding and extorting resources rather than as an instrument for rendering service, which is partly explained by the scale of deprivation and total collapse of public services. Thus, the public administration needs to be rebuilt in order for the de-concentrated services to support decentralization;
  - financing of decentralization: the setting up of a decentralized administration needs financial resources which ETDs do not have the capacity to generate under current conditions. A high resource mobilization effort is therefore necessary at local, provincial and central levels, which then raises the same problem of the viability of some provinces or ETDs;
  - capacity-building: the youthfulness of Congolese democratic institutions and the characteristic low mobilization of the State's own resources poses the question of the viability of public institutions and their capacity to actually play their roles;
  - piloting of decentralization process: the piloting of this reform requires from the different stakeholders, especially the central government and provinces, the capacity to compromise. Furthermore, the question of resource sharing and the definition of supervisory authorities could lead the two parties to adopt firm positions that could make it hard for the government to pilot the decentralization process.
3. Lessons learnt from the DRC experience
- Decentralization is an eminently political question, because it involves an in-depth reform which advocates the sharing of political power as well as public resources. Such a reform necessarily provokes resistances, underlaid by conflicting interests between the various stakeholders of public life : central government, provincial governments, national parliament, provincial assemblies, decentralized local governments. To prevent the struggle between stakeholders from degenerating into confrontations and secessionist tendencies, especially for a country just emerging from conflicts, decentralization must be approached from a pedagogic angle, (i) by instituting stakeholder consultation and dialogue mechanisms from the very start of the process, (ii) by using a gradual approach in the adoption of instruments and measures to guide the reform and (iii) by conducting the decentralization process alongside an information, education and communication campaign suited to the national context. In DRC, UNDP assistance was used for the production of pedagogic and programmatic instruments on decentralization and for advocacy targeting different stakeholders for consensus-building, which put an end to the tendency towards confrontation between the central government and the provinces.
  - In countries where democratic institutions are still weak, laws may not reflect the people's aspirations and may even conflict with certain moral, cultural and other values. The implementation of such laws would invariably cause resistance or even violent and massive opposition. It is therefore dangerous to embark on decentralization solely on the basis of laws without the various stakeholders of the reform first exploring a shared vision through open debates (fora, workshops, seminars...).

#### 4. Technical assistance needs for the strengthening of local governance in DRC

The DRC needs technical assistance in the form of pedagogic supervision of its decentralization process as well as financial resources. In fact, the new institutional stakeholders have still not gotten in the habit of openly debating sensitive issues like decentralization. This dearth of dialogue and consultation does not facilitate good governance at both central and local levels.

In the area of local governance/decentralization, UNDP plays the lead role among technical and financial partners and coordinates donor interventions.

Thus, UNDP's intervention program focuses on two areas:

- support to decentralization and coordination of donor interventions which should make it easy for government to pilot the whole reform process; and
- support to provincial and local development: it is planned that this support will be used to set up development funds in the provinces and pilot local governments to support the financing of development program designed, implemented and monitored by these same stakeholders.

#### 5. Recommendation for strengthening UNDP common practice in the area of local governance and decentralization

Governance has, for many years, been one of UNDP's key intervention areas and its importance is bound to grow in future. It is important for the competences of field offices, regional centers and headquarters to be substantially enhanced and for knowledge to be updated constantly.

For that, "cluster meetings bringing together governance officers" on specific themes, like those of economists, Resident Representatives, will be particularly useful.

These meetings could be an opportunity for UNDP to contribute, through direct interactions between high-level specialists, to the global debates on different governance problems and to enhance its advocacy capacities.

## French Version

### Gouvernance locale et Développement local: défis et leçons de la République Démocratique du Congo (RDC)

#### 1. Contexte de la RDC

La RDC sort d'une longue période de crise et d'instabilité politique, économique et sociale. Les institutions politiques, les structures administratives de même que les infrastructures économiques et sociales ont été très affaiblies, voire détruites. Le pays connaît encore un grand déficit de gouvernance qui fut en grande partie à l'origine de la crise. L'État congolais n'a pas encore réussi à mettre en place les ressorts internes nécessaires à la résolution pacifique des divergences politiques, ni à instaurer un climat de paix et de sérénité nécessaire à l'essor économique.

La Constitution de 2006, traité fondateur de la troisième république, a consacré le principe de l'*Etat fortement décentralisé* pouvant à moyen et long terme conduire vers une organisation territoriale de type fédéral. Elle consacre un Etat Central, 26 provinces et un millier d'Entités Territoriales Décentralisées (ETD). Pour l'instant, 11 provinces sont créées et pourvues d'autorités élues : Assemblées et gouvernements provinciaux. Mais la transition d'un Etat fortement centralisé à un Etat fortement décentralisé nécessite une stratégie réaliste et une démarche pédagogique qui tiennent compte des pesanteurs administratives, du manque de textes organiques et des faiblesses budgétaires pour garantir le fonctionnement efficient des institutions provinciales et des futures collectivités locales élues.

La nouvelle Constitution pose ainsi une double équation. Il s'agira d'une part de permettre aux nouvelles assemblées provinciales élues de fonctionner avec un minimum de moyens (humains et financiers) au même moment de préparer la mise en place des autres provinces pour se conformer à la Constitution et d'autre part d'accompagner le processus de mise en place des Entités Territoriales Décentralisées dans un contexte de crise de l'administration publique, de désorganisation socio-économique et de manque de ressources budgétaires nécessaires pour la réussite du processus de décentralisation.

La Constitution a fixé clairement dans son article 3 les Entités Territoriales Décentralisées (ETD) qui sont la ville, la *commune*, le *secteur* et la *chefferie*. Ces ETD disposent « de la libre administration et de l'autonomie de gestion de leurs ressources économiques, humaines, financières et techniques ».

Les articles de 201 à 205 de la nouvelle Constitution fixent les principales compétences de l'Etat et des provinces selon trois principes : compétences exclusives de l'Etat (36 compétences), compétences concurrentes du pouvoir central et des provinces (25 compétences) et compétences exclusives des provinces (29 compétences). Tout en balisant les domaines de compétences de l'Etat central et des provinces, la Constitution a laissé au législateur un champ d'interprétation dans le cadre de la préparation de la loi organique devant préciser les compétences des provinces et des ETD dans les divers domaines selon les différents niveaux d'intérêt (national, provincial et local). Il en est de même pour la nature et la portée juridique de différents rapports entre d'une part l'Etat central, les provinces et ses collectivités locales et d'autre part entre les provinces et ses ETD.

C'est dans ce contexte que le PNUD, en réponse à des besoins exprimés par les acteurs nationaux (gouvernement, parlement national, assemblées provinciales, organisations de la société civile...) a mis en place un programme global de gouvernance 2007-2011. Ce programme a cinq composantes:

- la gouvernance politique : mise en place et renforcement des institutions démocratiques;
- la gouvernance administrative : réforme de l'administration publique; appui à la coordination interministérielle ; e-gouvernance...
- la gouvernance économique : appui à la planification et à la gestion de l'économie, appui à la coordination de l'aide extérieure;...
- la gouvernance judiciaire et sécuritaire: appui à la réforme de l'armée et de la police; et
- la gouvernance locale: appui à la décentralisation et au développement provincial et local.

L'objectif fondamental de ce programme est de mettre en place un système de gouvernance stable et légitime favorisant le développement humain durable. L'atteinte de cet objectif dans le contexte actuel de la RDC requiert de relever plusieurs défis en rapport à la mise en place et le renforcement des institutions démocratiques, la promotion de la participation citoyenne à la vie publique, notamment au niveau local.

## 2. Principaux Défis de la RDC dans le domaine de la gouvernance locale et décentralisation

Partant d'un contexte de sortie de crise où les institutions démocratiques sont encore fragiles, le principal défi pour le gouvernement est de parvenir à mettre en oeuvre la décentralisation selon un calendrier précis et réaliste tout en veillant à l'unité du pays et à la cohésion nationale. En effet, même si décentralisation ne rime pas forcément avec démocratie, il s'avère que la démocratie reste le cadre idéal pour traduire dans la réalité les principes universels d'une décentralisation, notamment:

- i. l'existence de collectivités territoriales jouissant d'une autonomie administrative définie par la loi et d'une personnalité juridique distincte de l'Etat central. Au Congo, la constitution a défini la province comme premier échelon et a réaffirmé le principe de la mise en place d'autres échelons que sont les Entités Territoriales Décentralisées (ETD) dans la province ;
- ii. l'existence d'une autorité (délibérante et exécutive) élue par les populations, donc légitime pour gérer les provinces (assemblée provinciale et gouvernement provincial) et les ETD;
- iii. la dévolution à ses collectivités territoriales décentralisées de compétences propres pour lesquelles une maîtrise d'ouvrage est concédée ;
- iv. l'autonomie de gestion budgétaire des collectivités territoriales décentralisées est reconnue sur la base des ressources financières qui leur sont concédées par la loi (article 3 de la Constitution);

- v. la dotation des collectivités décentralisées de ressources humaines et financières et d'un patrimoine public et privé propres distincts de ceux de l'Etat central, la Constitution congolaise alloue aux provinces 40% des recettes nationales et renvoie dans une autre loi la nomenclature et les modalités de la répartition des autres recettes locales. En outre 10% de la totalité des recettes à caractère national qui reviennent à l'Etat chaque année alimentent une caisse de péréquation (instrument de la solidarité nationale) qui est destinée au financement des projets et programmes dans les collectivités décentralisées que sont les provinces et les ETD.

Cependant, malgré ces dispositions constitutionnelles, la mise en œuvre de la décentralisation au Congo se trouve en face de plusieurs défis à court et moyen termes:

- l'appropriation sociale et politique de la décentralisation : Sans une vision partagée de la réforme de fond qu'est la décentralisation, le risque est grand de voir les différents acteurs se lancer dans une logique de confrontation, notamment entre les différents niveaux de l'Etat, voire entre institutions provinciales;
- l'achèvement de la mise en place des institutions et autorités provinciales et locales à travers des élections libres et transparentes. Pour le moment, seules 11 des 26 provinces sont constituées, il reste à en créer les 15 autres provinces dans un délai constitutionnel de 3 ans. En outre, il faut achever le premier cycle électoral de la Troisième République par la tenue des élections locales dont les dates ont été maintes fois repoussées ;
- les transferts de compétences et des ressources selon une démarche de progressivité. Jusqu'à maintenant, la gestion des affaires publiques a été fortement centralisée à la capitale, tant du point de vue de la dévolution des compétences que des ressources;
- la réforme des administrations publiques. A ce jour l'administration congolaise est perçue par les populations comme un instrument d'exercice de l'autorité par le commandement, d'extorsion de ressources plutôt qu'une administration qui rend des services. Ceci s'explique en partie par le degré de dénouement et de délabrement avancé des services publics. Alors il faut refonder l'administration publique pour que les services déconcentrés puissent soutenir la décentralisation;
- le financement de la décentralisation : la mise en place d'une administration décentralisée exige des ressources financières que les ETD n'ont pas la capacité de générer dans les conditions actuelles. Un effort élevé de mobilisation de ressources est nécessaire tant au niveau local, provincial que central. Ce qui pose la question même de la viabilité de certaines provinces ou ETD;
- le renforcement des capacités: la jeunesse des institutions démocratiques congolaises et la faiblesse notoire de mobilisation des ressources propres de l'Etat pose la question de la viabilité des institutions publiques et leurs capacités à jouer effectivement leurs rôles;
- le pilotage du processus de décentralisation : le pilotage de cette réforme exigera une capacité de compromis des différents acteurs, principalement l'Etat central et les provinces, la question du partage des ressources et de la définition des tutelles pouvant entraîner les deux parties dans des prises de position rendant le pilotage de la décentralisation difficile par le gouvernement.

### 3. Leçons de l'expérience de la RDC

- La décentralisation est une question éminemment politique, par le fait qu'il s'agit d'une réforme en profondeur qui prône non seulement le partage du pouvoir politique, mais en plus celui des ressources publiques. Une telle réforme se heurte forcément à des résistances, sur fond d'opposition d'intérêts entre les différents acteurs de la vie publique : gouvernement central ; gouvernements provinciaux ; parlement national ; Assemblées provinciales ; Entités Territoriales Décentralisées. Pour éviter que la lutte entre les acteurs ne débouche sur des confrontations et des velléités de scission de l'Etat, notamment pour les pays sortant de conflits, il faudrait imprimer au processus de décentralisation une démarche pédagogique, (i) en instaurant dès le début du processus des mécanismes de concertation et de dialogue entre acteurs, (ii) en adoptant une démarche de progressivité dans l'adoption des textes et mesures devant encadrer la réforme et (iii) en faisant accompagner le processus de décentralisation par une campagne d'information, d'éducation et de sensibilisation adaptée au contexte national. Dans le cas de la RDC, l'assistance du PNUD a permis de produire des textes pédagogiques et programmatiques sur la décentralisation ; elle a aussi consisté à faire le plaidoyer auprès des différents acteurs pour la recherche de consensus, mettant ainsi fin à la tendance vers la confrontation entre Etat central et Provinces.
- Dans les pays où les institutions démocratiques sont encore faibles, les textes de lois peuvent ne pas refléter les aspirations des populations ; ils peuvent même être en contradiction avec certaines valeurs morales, culturelles, etc. L'application de tels textes se heurtent inévitablement à des résistances, voire à des oppositions violentes et massives. Il est donc dangereux de faire la décentralisation uniquement sur la base des textes de lois sans avoir trouvé au préalable une vision partagée par les différents acteurs de la réforme à travers des débats ouverts (fora, ateliers, séminaires...).

### 4. Besoins d'assistance technique pour le renforcement de la gouvernance locale en RDC

La RDC a plus besoin d'une assistance technique en termes d'encadrement pédagogique de son processus de décentralisation que de ressources financières. En effet, les nouveaux acteurs institutionnels n'ont pas encore pris l'habitude de débattre ouvertement et directement des questions aussi sensibles que la décentralisation. Cette insuffisance de dialogue et de concertation ne permet pas la bonne gouvernance tant au niveau central que local.

Dans le domaine de la gouvernance locale/décentralisation, le PNUD joue le rôle de chef de file des partenaires techniques et financiers et assure la coordination des interventions avec les bailleurs de fonds.

Ainsi, dans le programme d'intervention du PNUD a privilégié deux axes:

- l'appui à la décentralisation et à la coordination des interventions des bailleurs qui devrait faciliter le pilotage par le gouvernement du processus de réforme dans son ensemble ; et
- l'appui au développement provincial et local, à travers lequel il est prévu la mise en place dans des provinces et Entités Territoriales pilotes des fonds de développement pour soutenir le financement des programmes de développement élaborés, exécutés et suivis par ces mêmes entités.

5. Recommandation pour renforcer la communauté de pratique du PNUD dans le domaine de la gouvernance locale et Décentralisation

La gouvernance est un des domaines d'intervention clés du PNUD depuis plusieurs années et son importance est appelée à croître dans le futur. Il est important que les compétences au sein des bureaux de terrain, des centres régionaux et du siège soient sérieusement renforcées et que les connaissances soient actualisées en permanence.

Pour ce faire, des « cluster meetings des chargés de gouvernance » sur des thématiques précises s'avèrent utiles, à l'image de ceux des économistes, des Représentants Résidents...

Ces rencontres pourraient permettre au PNUD, à travers des interactions directes entre spécialistes de haut niveau, de contribuer de façon consolidée aux débats universels sur les différentes problématiques de la gouvernance et de renforcer ses capacités de plaidoyer.

Karounga Keita

Team Leader/Senior Governance Advisor

# Martin Vielajus and Michel Sauquet

**IRG, France**

*14 September*

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The Institute for Research and Debate on Governance (IRG) is pleased to participate in this e-discussion forum in order to bring to the debate some input that can be useful to national UNDP offices in their current reflection. The mission of the Institute is to produce and diffuse innovative analyses in the field of governance studies, with a particular emphasis on the comparison between different national or regional contexts. As French Institute, the IRG is particularly active in diffusing French-speaking expertise in this field, which is often insufficiently known on the international level.

We are delighted to take part in this collective reflection, and we hope our input will be useful for the UNDP offices mobilised on this issue. The content of the contributions has already been very rich and diverse. Professor John Igué distinguishes two different approaches of decentralisation: the French and the Anglo-Saxon ones. French conception is traditionally more oriented on the transfer of administrative competencies, whereas the Anglo-Saxon conception promotes much more of an integrated approach, including in the process of devolution of power non-State actors (civil society, private sector etc.) and insisting on the role of local democracy as a central element of local governance.

The current debate has gone further than a mere technical or administrative description of the processes of decentralisation and has adopted quite a transversal and integrated approach on this issue. We have kept in mind three major dimensions that seem to have dominated the discussions of the last days of this Forum:

- The issue of the lack of co-ordination and articulation between the different levels of governance (lack of a clear national strategy, a “policy champion” able to monitor the process etc.)
- The issue of the disconnection of the decentralisation process from local voices and local needs (need for a participatory approach, reflection on the diffusion and the access to information on the local level etc.)
- The issue of the interference of a political and sometimes ethnical dimension in the decentralisation process, that can represent a risk of
- “instrumentalisation” of local governance dynamics (A brief mind-mapping, attached to this mail, illustrates these three dimensions of the discussion mentioned above).

“ The mission of the Institute is to produce and diffuse innovative analyses in the field of governance studies, with a particular emphasis on the comparison between different national or regional contexts ”

As a forum for international and intercultural debate, the Institute is dedicated to providing an interface between various players, particularly between universities, civil society actors, public administration and the business community. The IRG is multiplying its academic partnerships as it considers universities to be the places where new ideas and strategies for change emerge, that can be useful for those who take action. Rooted in the experience of its founder, the Charles Léopold Mayer Foundation, the Institute cooperates with a large number of civil society organisations and national or international networks of professionals, and seeks to promote dialogue between all these players.

Best regards

Martin Vielajus and Michel Sauquet  
Institut de recherche et débat sur la gouvernance  
Institute for research and debate on governance

# Pierre Calame

IRG, France

14 September

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## English Translation by Haley Horan, Research Analyst, BDP/DGG, NY

Governance and Decentralization: Note of introduction to the discussion launched by UNDP.

This text intervenes on the first contributions of the E-Forum on Local Governance and Decentralization.

### The paradoxes of decentralization

In the majority of developing countries, particularly African countries, decentralization policies are the fruit of a paradox. Instead of resulting from a marked will of local communities to reappropriate their destinies, their autonomy and their right to manage themselves, the policies of decentralization are in general imposed from the outside based on administrative models that are often those of the old colonial power. They thus follow uniform precepts coming from international institutions often too foreign from the human environment concerned and its changing policies. After having successively preached the strategies of development of the State then, with structural adjustments, the reduction of the State to the adequate portion, these institutions direct themselves today towards the promotion of practices of “good governance.” Participatory democracy and local autonomy became the buzzwords of the moment. Under these conditions, decentralization hardly functions better than the centralization which did not function formerly. The transfer of the capacities to the local level (without sufficient transfer of resources and means) can be accompanied by new forms of clientelism and new feudalities. Driven by globalized technical, economic and cultural evolutions to which they do not feel any link, quartered by “projects of development” promoted without dialogue by various public or private agencies of international cooperation, the local communities does not feel more concerned than before by institutions and modes of the exercise of power which are as foreign for them when they are close as when they were remote.

By the lessons which can be drawn from the accumulated experience, and by the comparative analysis that can be made between the various geographical areas where it is present, UNDP could help to promote a break with these previous practices, in proposing a new line of reflection and action, based in particular on:

- The potential of the territory as new pivotal actor in governance (the experience of UNDP as coordinator of the action of the various agencies of the United Nations in the same area confers on UNDP an exceptional position to observe the conditions in which profitable synergies may appear);
- The need for reconsidering and for organizing the articulation enters the various scales of governance, from local to global (UNDP locating its action at all these levels), around the idea of “active subsidiarity”.

## The territory as a new pivotal actor

Every society, at different stages of its history, observes the emergence of pivotal actors that, without necessarily being the most powerful, are characterised by their ability to organize around themselves the interaction of other actors. After the emergence of the States of the XIV and XIX century, the corporation and in particular the multinational corporation, became the pivotal actor of the end of the 20<sup>th</sup> century and the beginning of 21<sup>st</sup> century. An pivotal actor emerges only insofar as it appears best adapted to the reality of its time.

It is also starting from the local that one has the most opportunities of reinventing a legitimate governance, i.e. a governance recognized as good by the human communities to which it applies. It is besides, as one often observes, by working out its own rules of life that a community is instituted, passed from the formless regrouping of women and men brought together by a destiny of fortune into a community conscious of a common destiny. And that is as well why the manner of leading decentralization, according to whether it offers or not the advisability truly of reinventing the specific rules of management to each community rather than to answer an external injunction to be decentralized, is the key of the success. But if one passed from national weakly coherent groups to a mosaic of supposed local communities of which each one would be impotent, worse, rival of the others, by removing with the passage the rare mechanisms of redistribution of the riches, the remedy of decentralization would be worse than the evil.

## The principle of active subsidiarity

There is the central idea of the principle of active subsidiarity. The stake is not the knowledge of at which good level power must be exercised, because this search is absurd and in vain, but to find the systems which offer at once the maximum unity to manage interdependences which are on a worldwide scale - and the maximum of diversity - to create the conditions of systemic management and mobilization of creativities and energies and also to recognize the infinite diversity of the social and ecological contexts. What counts is not the division of the powers between the various levels of governance, but the articulation of these levels and the development of principles of co-operation between them to arrive to the maximum of unity and the maximum of diversity. The principle of active subsidiarity thus places at the heart of the reflection on the governance the articulation of the levels. And this is itself a particular case of the more general stake of co-operation of the actors in the coproduction of the public property. It proposes concrete rules of management of this articulation. It substitutes, in the relations between two levels of community, an obligation of result to the usual obligations of means which sacrifices the diversity and the capacities of creation of the local communities in the name of the unit.

In active subsidiarity, it rests with the level “above” to release, in particular by the sharing of experience between the levels “below”, the great general principles which are essential to achieve a given goal, with responsibility of the smaller scale community to find the best means of achieving these goals in the respect of the uniqueness of its human resources and its situation.

## Original French Version

Governance et décentralisation. Note d'introduction au débat lancé par le PNUD

Ce texte intervient en réaction aux premières contributions du e-Forum « Gouvernance locale et décentralisation ».

### Les paradoxes de la décentralisation

Dans la plupart des pays en développement, notamment les pays africains, les politiques de décentralisation sont le fruit d'un paradoxe. Au lieu de résulter d'une volonté affirmée de communautés locales de se réapproprier leur destinée, leur autonomie et leur droit de s'administrer à leur guise, les politiques de décentralisation sont en général imposées de l'extérieur selon des modèles administratifs qui sont souvent ceux de l'ancienne puissance coloniale. Elles suivent ainsi des préceptes uniformes provenant d'institutions internationales souvent trop étrangères au milieu humain concerné et aux politiques changeantes. Après avoir prôné successivement les stratégies de développement d'Etat puis, avec les ajustement structurels, la réduction de l'Etat à la portion congrue, ces institutions s'orientent aujourd'hui vers la promotion de pratiques de « bonne gouvernance » : la démocratie participative et l'autonomie locale sont devenues les mots d'ordre du moment. Dans ces conditions, la décentralisation ne fonctionne guère mieux que ne fonctionnait autrefois la centralisation. Le transfert des pouvoirs au niveau local (sans transfert suffisant de ressources et de moyens) peut s'accompagner de nouvelles formes de clientélisme et de nouvelles féodalités. Ballottées par des évolutions techniques, économiques et culturelles mondialisées sur lesquelles elles ne se sentent aucune prise, écartelées par des « projets de développement » promus sans concertation par différentes agences publiques ou privées de coopération internationale, les communautés locales ne se sent pas plus concernées qu'avant par des institutions et des modes d'exercice du pouvoir qui leur sont aussi étrangers quand ils sont proches que lorsqu'ils étaient lointains.

Par les leçons qu'il peut tirer de l'expérience accumulée, par l'analyse comparative qu'il peut faire entre les différents secteurs géographiques où il est présent, le PNUD pourrait aider à une rupture avec les pratiques passées en proposant une nouvelle ligne de réflexion et d'action fondée notamment sur :

- Les potentialités du territoire comme nouvel acteur-pivot de la gouvernance (l'expérience du PNUD coordinateur de l'action de différentes agences des Nations-Unies sur un même espace lui confère une position exceptionnelle d'observateur des conditions dans lesquelles des synergies peuvent se révéler fructueuses) ;
- La nécessité de repenser et d'organiser l'articulation entre les différentes échelles de gouvernance, du local au global (le PNUD situant son action à tous ces niveaux), autour de l'idée de « subsidiarité active ».

Will the corporation still be the pivotal actor in a century's time? Is it, with its characteristics of pursuing only one objective and the often relatively linear nature of its chains of products, capable of organizing the society when the capacity to manage multiple interactions becomes the central virtue of the governance? One would doubt it. The territory, the space of life, on the contrary are. The territory is, at least potentially, the space of auto-production of the rules, that of the development of social capital, where one can invent new regulations between society and its environment, where one can envisage learning how to build and lead integrated policies escaping from administrative and legal partitions so inappropriate in view of today's interdependence. This is why the territory is the emerging determinative social actor for the 21<sup>st</sup> century. It is still often difficult to think of it as a social actor endowed with an identity, with a potential and a capacity to plan. It will be everywhere, by a paradox which is only apparent, the building block of the governance of 21<sup>st</sup> century within a globalized system.

### **Le territoire, nouvel acteur-pivot**

Chaque société, aux différentes époques de son histoire, voit l'émergence « d'acteurs pivots » qui, sans nécessairement être les plus puissants, ont pour caractéristique d'organiser autour d'eux le jeu des acteurs. Après l'émergence des États du XIV<sup>e</sup> et XIX<sup>e</sup> siècle, l'entreprise et notamment l'entreprise multinationale, est devenue l'acteur pivot du XX<sup>e</sup> siècle finissant et du début du XXI<sup>e</sup> siècle. Un acteur pivot n'émerge que dans la mesure où il apparaît le mieux adapté à la réalité de son temps.

L'entreprise sera-t-elle encore cet acteur pivot dans un siècle ? Est-elle, avec ses caractéristiques de poursuite d'un seul objectif et le caractère souvent relativement linéaire de ses chaînes de produits, en mesure d'organiser à partir d'elle la société quand la capacité à gérer les multiples interactions devient la vertu centrale de la gouvernance ? On peut en douter. Le territoire, l'espace de vie, au contraire le sont. Le territoire est, au moins potentiellement, l'espace d'auto production des règles, celui du développement du capital social, celui où l'on peut inventer de nouvelles régulations entre la société et son environnement, celui où l'on peut envisager d'apprendre à construire et conduire des politiques intégrées échappant à des cloisonnements administratifs et juridiques tellement inappropriés aux interdépendances d'aujourd'hui. C'est pourquoi le territoire est l'acteur social émergent déterminant pour le XXI<sup>e</sup> siècle. Il peine encore souvent à se penser lui-même comme un acteur social doué d'une identité, d'un potentiel et d'une capacité de projet. Il sera partout, par un paradoxe qui n'est qu'apparent, la brique de base de la gouvernance du XXI<sup>e</sup> siècle au sein d'un système mondialisé.

C'est aussi à partir du local qu'on a le plus d'opportunités de réinventer une gouvernance légitime, c'est-à-dire une gouvernance reconnue comme bonne par les communautés humaines auxquelles elle s'applique. C'est d'ailleurs, on l'observe souvent, en élaborant ses propres règles de vie qu'une communauté s'institue, passe du regroupement informel de femmes et d'hommes réunis par un destin de fortune à une communauté consciente d'un destin commun. Et c'est bien pourquoi la manière de conduire une décentralisation, selon qu'elle offre ou non l'opportunité de véritablement réinventer les règles de gestion propres à chaque communauté plutôt que de répondre à une injonction extérieure à se décentraliser est la clé de la réussite. Mais si l'on passait d'ensembles nationaux faiblement cohérents à une mosaïque de présumées communautés locales dont chacune serait impuissante, pire, rivale des autres, en supprimant au passage les rares mécanismes de redistribution des richesses, le remède de la décentralisation serait pire que le mal.

## Le principe de subsidiarité active

C'est là l'idée centrale du principe de subsidiarité active. L'enjeu n'est pas de savoir à quelle bonne échelle doit s'exercer le pouvoir, car cette quête est sans fin, absurde et vaine mais de trouver les systèmes qui offrent à la fois le maximum d'unité pour gérer des interdépendances qui se situent à l'échelle mondiale – et le maximum de diversité – pour créer les conditions de gestion systémique et de mobilisation des créativité et des énergies et aussi pour reconnaître l'infinie diversité des contextes sociaux et écologiques. Ce qui compte n'est pas le partage des pouvoirs entre les différentes échelles de gouvernance, mais l'articulation de ces échelles et le développement de principes de coopération entre elles pour parvenir au maximum d'unité et au maximum de diversité. Le principe de subsidiarité active place ainsi au cœur de la réflexion sur la gouvernance l'articulation des échelles. Et celle-ci est elle-même un cas particulier de l'enjeu plus général de coopération des acteurs dans la coproduction du bien public. Elle propose des règles concrètes de gestion de cette articulation. Elle substitue, dans les relations entre deux niveaux de collectivité, une obligation de résultat aux habituelles obligations de moyens qui sacrifient la diversité et les capacités de création des communautés locales au nom de l'unité.

Dans la subsidiarité active, il appartient au niveau « du dessus » de dégager, en particulier par l'échange d'expériences entre les niveaux « d'en dessous », les grands principes généraux qui s'imposent pour atteindre un objectif donné, à charge pour la communauté de plus petite échelle de trouver les meilleurs moyens d'atteindre ces objectifs dans le respect de la singularité de ses ressources humaines et de sa situation.

Pierre Calame

Institut de recherche et débat sur la gouvernance

# Joanna Kazana

UNDP Ukraine

14 September

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Dear Colleagues,

On behalf of the local governance team in Ukraine (Oksana Remiga, Sergei Volkov and respective project managers), I am pleased to submit our contribution to this important DGP-Net e-discussion. Attached you will also find the Outcome Evaluation Report conducted in 2006, focusing on Area-Based Development projects supported by UNDP Ukraine.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

TA programmes in the areas of local governance and decentralization have to cover a wide range of issues and support synergetic approach ensuring that all separate projects are complimentary to each other. That's justified by the fact, that transition towards more decentralized system of administration calls for changes on the level of central policy framework, on the level of local capacities and procedures, changes in functioning of different sectors (health care, education, communal services), moreover, changes in perception of citizens itself on their role in local development process. Thus the analysis of situation in Ukraine shows, that despite the substantial progress towards increasing level of decentralization, policy and legal frameworks at the central level do not provide clear mandates, resources and division of responsibilities for public service delivery. At the district and municipal level – where government is 'closest' to the citizen – there remains low capacity for transparent and accountable governance. Authorities and communities lack the capacity to jointly plan, budget and implement local development strategies. Such limited capacities create a scenario where local development priorities attract insufficient focus and resources; poverty levels remain high, local living conditions continue to deteriorate and worrying social trends often remain unaddressed.

In the period 2000-2006 UNDP Ukraine made a clear choice to work directly with communities and promote more active position of Ukrainian citizens in the local development process. UNDP Ukraine is applying an Area-Based Development (ABD) approach to achieving sustainable local development. In close partnership with government, international development organisations and agencies, UNDP has been promoting sustainable social, economic and environmental development primarily through four projects in Ukraine. The ABD approach engages and mobilizes communities to assume responsibility for improving their own wellbeing.

The four UNDP projects are: Crimea Integration and Development Programme (CIDP); Chernobyl Recovery and Development Programme (CRDP); and Municipal Governance and Sustainable Development Programme (MGSDP) and Human Security for Youth (HS4Y). The ABD approach involves mobilising and supporting communities to organize themselves into community organisations (COs) tasked with identifying/prioritizing community development challenges and developing their own strategies for addressing the identified problems. Under the

ABD approach, UNDP also promotes and facilitates a close relationship among COs and local authorities. Depending upon the local context, local authorities may be the rayon or municipality administration. Furthermore, the ABD approach seeks to engage civil society organisations, academia and private sector into the process to ensure self-sustaining, participatory local development. UNDP supports communities to identify their own problems, propose their own solutions, pool their own financial and material resources and also mobilise resources to finance their community development strategies. Rayon and municipal administrations are engaged to develop the capacity to support participatory governance and decision-making. Documenting experience, lessons learned and best practices provides UNDP with a platform to make knowledge-driven policy recommendations at the central government level to institutionalize participatory local governance and development.

Despite the recognition of success of ABD initiatives, such approach has certain limitations. Thus, there remain policy- and community-level obstacles to local self-governance and community-led development. A policy-level intervention is needed to advocate administrative reforms that clarify the role and authority of local government; resolve the complex of financing problems at the core of the concept of local governance; address the burdensome over-regulation of small and medium enterprises; and introduce transparency and anti-corruption procedures to government agencies. At the community level, what is needed is a scaled-up approach that creates partnerships among community members and rayon, municipality and oblast authorities as a means to establish a collaborative and coordinated approach to priority setting, strategic planning and management processes; joint decision-making and joint action; improved capacities of politicians and civil servants to support sustainable local development efforts; and strengthened funding allocation mechanisms to ensure objectivity and root out cronyism.

Therefore, the decision has been made to revise the UNDP Ukraine strategy and to move towards more comprehensive approach to the local development.

The other crucial element of success for ABD initiatives is raising/attraction of the own financial resources of local authorities/communities for the project/s implementation. This completely changes local partners (authorities/communities) approach to project implementation from “victim/grant eater” to partner, responsible for clear and transparent project implementation. Remarkable example of UNDP Ukraine “Municipal Governance and Sustainable Development Programme” (MGSDP) that utilizes financial scheme of 30% UNDP – 60% local authorities – 10% local communities for every local project, demonstrated success of this approach. During 3 years of its activities MGSDP covers 17 municipalities in 10 oblasts of Ukraine with 50.000 people directly involved to the project activities and 5 mln. people benefited from it. Total volume of local cost-sharing contributions to the project is more than \$4 mln. generated from all 17 municipalities. NB.: All these resources are the cost-sharing paid to UNDP but not parallel financing which is even larger.

***What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.***

In order to better define strategic direction for further UNDP assistance in local governance and local development, UNDP Ukraine conducted outcome evaluation of UNDP Area-Based projects. The brief evaluation findings are as following:

1. The Evaluation found that UNDP’s approach to leveraging bottom up initiatives in the service of decentralization and local governance was highly strategic given the specific

economic, social, political and historical context of Ukraine. UNDP's area-based approach has proved to be coherent with the necessity to encourage "change from within" in a gradual way, taking into account intra-regional specificities. However, the limited size of the projects, their lack of coordination at the central policy level, and their focus on specific lower-level outputs are not consistent with the overall outcome of decentralization and local governance. This is one issue that will need to be addressed in the context of the LDP.

2. In an ex-ante context, this means that scale-up of the approach is feasible, justified and value adding, if effectively designed. Effective design will require focus on both the content and operational aspects. Relevance will remain high if there is a natural progression from the existing approach and modalities with continuing focus on incentive-based approach and ownership of projects/capital expenditure projects by end-beneficiaries that is translated in reality through a continuingly high share of co financing – cash or in-kind – and a continued rigorous approach to selection of beneficiaries focussed on sustainability and impact in the long term.
3. Further, scale-up requires fusion of what have been three separate programmes into a single framework with common overall target outcomes and objectives.

Following discussion with major stakeholders, analysis of programme achievements and the recommendations of outcome evaluation, UNDP has distilled expertise, best practices and lessons learned to create the Local Development Programme (LDP) – a comprehensive approach to promoting self-sustained local development and democratic local governance by means of coupling a cost-effective, efficient, replicable community development model with central policy advisory services/advocacy and capacity development among local authorities. Across these two levels of intervention – policy level and community level – LDP's strategy is implemented through three components: Central Policy Advisory and Advocacy component; Local Self-Governance component; Community Development component

In the Central Policy component, LDP at central government level will advocate and provide knowledge- and experience-based policy advice for decentralisation and an enabling environment for local self-governance. For the Local Self-Governance component, LDP aims to advocate and build capacity among local authorities to support community-led development and local self-governance that is participatory, accountable and equitable. Through the Community Development component, LDP seeks to mobilize communities, support and develop local capacities for community-led development, and facilitate a collaborative relationship between communities and local authorities. LDP will seek to extend coverage of the Community Development component to selected communities in all regions of Ukraine.

“ In the period 2000–2006 UNDP Ukraine made a clear choice to work directly with communities and promote more active position of Ukrainian citizens in the local development process ”

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

We can provide an example of our Municipal Governance and Sustainable Programme, which is now part of Local Development Programme. Applying ABD approach in municipalities and based on the network of community organizations created, the Programme has provided trainings to raise public awareness on HIV/AIDS, gender, territorial reform, etc. In total, the Programme has carried out 157 training activities benefiting 3329 persons from various cohort of the society.

Another example, is the experience of two other LDP programmes, - Chernobyl Recovery and Development Programme and Human Security for Youth. Those two programmes carry out similar initiatives (related to gender issues, HIV/AIDS, etc.) in rural areas on the basis of Youth Centres created as a result of community mobilization process.

Joanna Kazana

# Shahmahmood Miakhel

UNAMA Afghanistan

14 September

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What are the types of technical assistance/support programs required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.

- The technical assistance or support programs to strengthen the local governance are broad. However, there are specific programs that can be initiated in the near and long terms. Although in our country, different stakeholders have been providing short-term capacity building courses to strengthen local governance. These measures have been partially good to start with something. But, several surveys conducted have showed that it has not served the long-term purpose of the real capacity building and development in the country and this has been heavily criticized for its lack of sustainability.
- Afghanistan, which has gone through almost two-and-half decades conflict, needs for the long-term trainings, i. e. the establishment of the permanent training facilities both at national and sub national levels. The permanent training facilities, staffed by permanent trainers, will provide on-job training sessions, starting from the very basic levels to gradually entering into advanced levels of the management, technical, language, computers, etc. Even the permanent training facilities will prevent the backsliding of the capacity efforts. Exposures of government employees to the international trainings is also needed to be undertaken, in addition to the deployment of the international technical experts in key areas in the country with result-driven initiatives.

To do across the board restructuring of the Afghan government institutions, reform the old administrative system of the country, an Independent Administrative Reform of Civil Service Commission (CSC) was formed. The establishment of the CSC is vital for bringing in qualified individuals to the government that would lead to the transparent and accountable institutions. However, its weak leadership and the widespread corruption have plagued CSC. At the same time, the international community must bring cohesion in their programs. Both design of CSC and implementation has problem and doesn't achieved the required result.

It has been observed that various actors have initiated fragmented efforts. It has also been learned that despite repeated calls for coordinating efforts, actors follow their own agendas, which have led to the overlapping and waste of money and resources. The main actors should also play proactive role in the coordination, design and implementation of the capacity needs of the sub national governance. As long as the government doesn't take lead to bring all actors together and pursue the government agenda, there will be problem in the sub-national governance.

The government of Afghanistan has been facing many challenges, such as unclear roles among governors, line departments, and political representation -(Provincial Councils lately established), low-level salaries, lack of capacity, corruption, incompetent individuals at the top level, competitive environment, political will.

Being a unitary state, there are certain decentralized powers that now exist with local governments that can better be used. However, as indicated above, ambiguous roles have crippled

decentralization process. The government has lately initiated some decentralizing efforts at local levels. i. e. the establishment of the Provincial Development Committees, District Development Assemblies, Community Development Councils. In addition, the government has initiated a pilot provincial budgeting process in three provinces: Balkh, Kandahar and Panjshir.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

This question is broad in terms of the several key and sensitive cross cutting issues, which cover both the traditional and religious aspects of the Afghan community. As far as the gender equality is concerned, this is still a sensitive issue mainly in rural areas where conservatives lead the communities. Through gradual civic education to the community leaders at first place, the topics largely come from the Islamic messages on gender issues, and progressively touching upon the un-Islamic practices such as giving ladies in blood cases, etc. This process may require some time before communities understand the gender values from international perspective. Representation of women at both provincial councils, upper and lower houses have already imparted the message of integration of women into mainstream politics. Building on this representation, the engagement of female MPs & PCs in forums could play positive roles through highlighting the importance of the women representation. They could have community forums with women in their respective constituencies.

On HIV/AIDS, Islam has given its clear mandate on adultery. Communities are very well aware of the Islamic teachings on refraining from indulging into outside marriage affairs, and the harsh punishment for those committing adultery. Again religion and traditional values play significant role in incorporating Islamic messages on adultery and the stigma associated with the outside marriage affairs into the project document would greatly help in understanding HIV/AIDS, and refraining from indulging into adultery. The openly talking on condoms must be given careful attention. Religious leaders (mullas) can play vital role to talk about the hazard of the adultery from Islamic perspective. Female doctors, MPs, PCs, and teachers can also play vital role.

As regards the climate change and environmental protection, the main worry is the deforestation in certain areas of the country. This involves huge economic profits for those involved in this business. This should be looked at from different angles. The immediate concern is to stop the deforestation for which a strong anti deforestation national strategy, with full backing from the top leadership is required. It has been noticed that the relentless deforestation of Kunar forests, in the east, has been underway. The local government has failed to stop this for a variety of reasons, i. e. high-level involvement into this business. Another important factor that need to be addressed is the economic aspect for which mega projects should be launched, such as hydropower dams that would pave the way for the establishment of different industries in the area.

As regards the MDGs, these need to go along with projects. Universally there are eight MDGs, but for Afghanistan ‘security’ has been added as the ninth goal. Sensitizing communities through forums, mosques, schools, etc of MDGs. Organizing and delivering workshops, conferences on MDGs to the teachers, students, mullahs and community leaders.

For conflict prevention there are two ways people always approach at rural areas: the traditional Jirga or shura and the formal justice system. The traditional Jirga system has been extremely helpful in resolving different sorts of disputes in a short span of time, with little financial burden. Most of the Jirga decisions are upheld and followed up on due the involvement of the powerful community and religious leaders. Whereas, the formal justice system is exhausting and corrupt-prone, most people at the local level try their level best to avoid approaching district governments for resolving their disputes.

I would recommend that both traditional and formal justice systems to be strengthened in order to maintain the legitimacy of the government, as well as upholding the traditional code of conducts of the communities. There is no doubt that human rights are being violated in rural areas, however, there are good examples where human rights have been upheld due to the traditional values. Anyway, sensitizing communities, through community elders, mullahs, head of the family by organizing workshops/conferences, informal gatherings could help in reducing human rights violations. Providing awareness on human values in schools, clinics can also play a vital role.

Corruption is one the burning issues and a difficult challenge before the Afghan government. It is reported that the corrupt officials in the government machinery have been illegally siphoning millions of Dollars into their pockets. Despite the general recognition on the part of government that corruption is among one of the main causes in undermining government, very little has been done to curb it. There have been several debates, forums, workshops, conferences, publications on this issue, but none have effectively contributed to the mitigation of this bug. All efforts have been in vein. There are abundant *raison-d'êtres* as to why these efforts have been failed: the political will, high level intervention in corruption cases, cover-ups, president's accommodative approach towards certain corrupt elements, security, weak institutions and low capacity, and poor accountability, etc.

It is internationally believed that in any given post-conflict county, corruption finds its niche in almost all institutions of the government, which then makes the government efforts in reconstruction and development stranded. This is what exactly happening now in Afghanistan. This notion may hold true but looking at the injection of thousands of international experts, including experts of Afghan origin, who support the government in state building, makes Afghanistan a unique country - and who can make a difference on the ground in an acceptable timeframe. Political will, the main driving force in implementing anti-corruption policies and strategies, is completely lacking. Under so-called tremendous coercion, the government (certain leaders) has never been so assertive in dealing with corruption cases, and they have assumed passive role in handling with corruption. While, corrupt-lords have remained aggressive in looting of exchequer.

First, the president's deliberate apathy has further emboldened them to continue with sucking bloods of both unfortunate Afghans and the taxpayers (international community), thus contributing to the further frustration of Afghans.

The second most significant point is the high level intervention in corruption cases. Corrupt officials enjoy full impunity, in addition to the involvement of the high-level officials themselves in corruption. Other factors include the external influence, political affiliation, favoritisms, etc. The reappointments of corrupt-lords into senior positions have also crippled efforts in curbing corruption.

The third point is the lack of coordination amongst security, reconstruction and state building efforts. If coordination is not handled wisely and urgently, otherwise the “collapse” of the socio-political system and elected leadership seems inevitable.

The national anti corruption strategy is being developed with the help of international community. Once the strategy is under implementation, the government of Afghanistan, together with international community should design a joint monitoring board to strictly look after the implementation of the strategy. The joint monitoring board may have some complications; at this stage this seems to be one of the viable approach in mitigating corruption.

Across the board reforms of the government institutions should be completed as soon as possible in order to give job security to those employees willing to continue to stay on jobs. Most employees consider themselves to be in a hanging position. The pay & grade must be approved as soon as convenient in order to ensure the attraction and retention of staff.

Removal of the corrupt officials should be initiated, the known corrupt ones can go and there should be no second thought for them. The government should appoint honest and professional people into the system, with continuous capacity building and development initiatives.

### ***How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?***

Governance and decentralization differs from country to country. In Afghanistan, for example, there are several actors that contribute to the strengthening of the government at both national and sub national levels. At local level, the establishment of elected provincial councils is a good initiative. This is for the first time in history that local elected representatives have been sitting in the provincial capital. The role of the elected bodies have been unclear so far, their role is confined to so called ‘monitoring’. However, the word monitoring needs further clarification. In addition, local structures such as Jirga and Shura run parallel. These structures have their strengths, i. e. community influences through certain factors, Khan, Malik, Mullahs, spiritual leaders etc. In the Afghan context, traditional structures are still more powerful than government institutions. The government can link both the local government with that of the traditional structures. A good example could that of CDCs and District Development Assemblies. It is widely believed that the role of CDCs is limited to the development activities, whereas Jirga and Shura have broader roles such as resolving disputes, contributing in maintaining law & order, etc. In the end I can say that the government should come with one model that can be supported by all because each program of different agency is representing a different model of governance in the sub-national level.

Shahm Mahmood Miakhel  
Governance Officer

# Ram Shankar

UNDP Maldives

14 September

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*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

In the Maldives, local governance and decentralization issues have not been on the radar due to its sensitivity. The Maldives only recently opened up to a multi-party system three years ago. There has only been one party in power with President Gayoom continuing in power for almost 30 years. In 2005–06, the first efforts at local governance was made by the Government with technical assistance and support from UNDP. Main challenge in designing such a programme from our side was the political sensitivity surrounding the issue. UNDP worked with the Government in designing the Atolls Development for Sustainable Livelihoods project which focuses on decentralization as a means to reduction of poverty in the varied islands and atolls. So far as the aim was to reduce poverty, this programme was acceptable. In 2007, the Government formally requested for assistance on local governance issues. One reason for this is the 2004 tsunami and the realization that local decision making process needs to be adequately strengthened to encourage local leadership, management of resources in order to administer relief and strengthen the governance system, which otherwise is difficult from far off Male, the capital. The other reason is that the ADSL project laid the initial foundation through its decentralization efforts that can now be logically developed into a viable / sustainable local governance programme. The third issue is the open realization and inevitability of continuing political reforms started from 2004 – local governance would be a logical extension of these efforts to encourage wider political decision making. So, a key lesson that I can share is to start off slowly in a sensitive political environment and to development the same programme possibly with neutral / acceptable objectives (though these may also fulfill sensitive ones).

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

In the Maldives, UNDP is currently in the process of assisting the Government to develop a local governance programme as part of its new Country Programme Document period of 2008 – 2010. Specifically, the overall goal set out by the Government (as laid out in its 7<sup>th</sup> National Development Plan) is:

“An improvement in the living standards of island and atoll communities by implementing reforms for good governance.”

The Government aims to achieve two main objectives: strengthened local governance through decentralized government and administrative reform. Second, local communities are enabled to be more self-reliant.

To elaborate, in the Maldives, the idea is that local governance and decentralization will go hand in hand. In order to achieve the goals of local governance, the Government is preparing a National Decentralization Programme, whose main aims are to “strengthen the practice of the principles of democracy and good governance through the creation of local councils and empowerment of the citizenry,” and “enhance the provision of public services to island and atoll communities and improve access to these services.”

The National Decentralization Programme comprises six components:

1. Creating local governments.
2. Electing local councils.
3. Transferring responsibilities.
4. Enabling government staff.
5. Providing fiscal resources.
6. Empowering citizens.

UNDP hopes to focus strategically on some of the components in collaboration with other partners as well to have the maximum impact on this area.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

Re: MDGs, the Maldives is on track to achieve most MDGs except for gender equity and environmental sustainability. Climate change and disaster risk reduction are key components in turn within the broader area of environmental sustainability, which have assumed focus in this country due to its effects on the various low lying islands. Hence, local governance in providing the ability to local governments to manage the various decision making processes assumes importance. Following the 2004 tsunami, a number of capacity building initiatives initiated through the Tsunami Recovery Programme have focused on strengthening the Island and Atoll Development Committees at the local levels. The six components above are therefore important ones through which we hope to integrate environmental and climate change issues. Gender equity is another area that UNDP is working on with the national and local governments. Many of our current projects focus on including women as beneficiaries and decision makers. Through the local governance programme, we hope that this will be further strengthened.

“ Following the 2004 tsunami, a number of capacity building initiatives initiated through the Tsunami Recovery Programme have focused on strengthening the Island and Atoll Development Committees at the local levels ”

*How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?*

I believe that we can strengthen the COP by sharing lessons among countries and applying these; as well as sharing information from applied lessons. Perhaps at some stage, case studies of various experiences would also be helpful.

Ram Shankar  
Senior ARR/P and Recovery Manager

# Cristina Hernandez

UNDP Senegal

17 September

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My message in the context of this discussion is limited to contributing with a few elements in relation to the challenges of supporting local governance and decentralization in support to development. One of these elements concerns the role of trade in the development process, and the role of local governments and entities in the promotion of trade. As it is increasingly recognized, trade is an indispensable engine for economic growth and an important tool of development. Indeed, by expanding markets, facilitating competition and disseminating knowledge and new technologies, trade can create opportunities for growth and promote human development. However, in the majority of developing countries the benefits of trade do not reach the poor; in spite of the numerous laws and legal frameworks put in place trade has not been effectively promoted in these countries which still remain marginalized from the globalization process. The causes for this are of course very numerous and complex. To explore the bulk of them, one can refer to Kamal Malhotra's edited book "Making Global Trade Work for People" (UNDP, 2003), which rightly points out to the existing combination of unfettered capitalism, rigid international trade rules that restrain the policy space to make institutional and other innovations, and pervasive gender discrimination in economic life as the main factors that impede that trade becomes an effective instrument for poverty alleviation. But, what about bad governance and the centralization of power, and therefore finance, still present in many countries? What about the effects of this on the development of the private sector as a whole in a national context, and even more at local level? What about the effects of the channeling of aid which, as a norm, remains centralized in the capitals?

It seems to me rather obvious that there is a need to support good local governance and decentralization pertaining to boost economic and trade activities in provinces and localities themselves; so as to promote, to the extent possible, that trade –and its benefits– is managed from the places where the production supporting it originates (i.e., at local level). And for this, local governments need to be allocated further resources as well as more autonomy to set their priorities and strategies. Having said this, it is also important that central and local governments coordinate integrated economic and social strategies in which trade is incorporated. Not to go too far, let's mention the services sector which –as many have acknowledged in the discussion– is key to addressing poverty alleviation through service sector employment creation and provision of affordable essential/basic services (i.e., electricity, education, health...), but also to strengthening the competitiveness of the national economy since services support the industrialization process (most notably telecommunications, finance, transportation and business services). A major challenge in most economies is the fact that responsibilities for service industries are spread across a range of ministries and governmental agencies, and every ministry plays some role in either direct supervision of a service industry or policy development that affects service industries. Unlike other economic sectors, the service industries are characterized by a much higher degree of intra-sectoral and inter-sectoral relationship. All services can be important inputs for good production. As a result, the development of services sector hinges on the coordination among all ministries and agencies. But in many developing countries it is common that each service industry will be administered mainly by a line ministry, while several other ministries are also responsible for the formulation of the strategy and operation of the enterprises. In addition, localities are also responsible for the activities of that service industry within its borders, all of this resulting in a complex system of administrative management with numerous horizontal and vertical linkages.

Effective functioning of such a complex administrative system requires several preconditions such as transparency, clear accountability, and a good monitoring and evaluation system. Unclear division of responsibilities among ministries and agencies may lead to corruption, paying little attention to the development objectives. The ultimate outcome of lack of coordination is increased transaction costs and uncertainty the enterprises have to bear, and the fragmentation of the resulting strategy. A decentralization process that makes a clear division of responsibilities and provides localities with sufficient power, resources and autonomy can thus ensure coherence in national policy regarding the services sector.

An additional note here is to highlight the fact that the chaotic and rapid pace of urbanization is creating significant challenges for development: urban poverty prevents the development of healthy and active men and women, creating at the same time tremendous pressure on basic services sector delivery due to the fact that their increasing demand make them become scarce and expensive –and thus, unaffordable by the poor. In this context, I come back now to the above argument in the sense that there is a need to support good local governance and decentralization pertaining to boost economic and trade activities at local level, so as to promote employment and wealth creation at such level and hence help reduce migration from localities to urban areas.

What can we at UNDP do with a view to support this? Probably a lot; and I think the experts in Governance are in a much better position than I am to put forward useful and innovative ideas. Let me, on my side, just mention that the first thing that stroke me when one year ago I arrived to the SURF Dakar to act as trade policy advisor is the fact that no Country Programme I have seen in the West and Central Africa sub-region so far considers trade as an area of work in Country Offices. In my view, it is important to integrate trade in such programmes, and to do so in a way that it is linked to local governance, local development and decentralization. So, furthering cross-practice between governance and trade specialists is something that I would highly support and encourage.

Cristina Hernandez  
Trade Policy Advisor

# Ernest Fausther

UNDP Lesotho

17 September

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*What are the main challenges you have faced in the design and implementation of assistance programmes in the area of local governance and decentralization? What are the key lessons and good practice?*

In Lesotho we have started supporting Government's efforts in decentralization in 2005 when the first ever local elections took place in the country. The challenges we have faced are multiple. First, within Government itself, the political will to decentralize fully is uneven. Some ministries are more reluctant than others to let go of the power the central levels used to have. Secondly there are several capacity constraints at sub-national level. In the recent local elections we found that many of the councillors that were elected had the popular favour of the electorate but had limited knowledge of the expected tasks of a councillor and even more limited knowledge of the bureaucracy and how to obtain the resources required to respond to desires and expectations of the people in their constituency. Thirdly it is not evident that there is within Government circles a champion we can work with in furthering the decentralization agenda. The nomination of some senior officials to be responsible for overseeing the decentralization process does not ensure that they have the task at heart, are passionate about it and will do everything it takes to move the matter further. Lastly, local governance is a specialized area of expertise and we do not always have the profile in the country office. It takes time to develop it and once we have developed the capacity in situ we are not immune to staff movement.

The Country has designed and approved the Local Government Act in 1979. This piece of legislation is excellent and is in line with the internationally agreed standards. However the implementation of the Act is far from being as good. The political and administrative decentralization two important pillars of the decentralization process are in place but the implementation of the fiscal decentralization has still a long way to go.

Donor coordination remains a concern in this area because of internal difficulties that are linked to the implementation of the Paris Declaration on aid effectiveness. Ownership presupposes that the country has a clear vision regarding decentralization and has aligned the necessary resources behind this vision. This facilitates coordination by Government. When it is not the case donors tend to do what they want either in terms of geographical coverage or in terms of the type of support they are providing. In the case of Lesotho we had an initial agreement with the Government to divide the country coverage between UNDP and GTZ. Recently the European Commission approached UNDP to have some of the districts that are part of the UNDP-Government agreement. In the interest of donor collaboration and because there is more work than available resources we agreed to renegotiate our agreement with Government. However this situation would never have occurred if coordination by Government was effectively taking place.

“ In Lesotho we have started supporting Government’s efforts in decentralization in 2005 when the first ever local elections took place in the country ”

The key lessons we have learned in this short period are as follows:

- a) It is important to find the Ministry with the maximum leverage force and a champion of decentralization. We will then focus our support on these in order to maximize the impact and to move the decentralization agenda forward. In the case of Lesotho we have identified the Ministry of Local Government as the target for our support but we are also working with the Ministry of Finance to ensure their buy-in.
- b) We have to address the issue of capacity at sub-national level and in Lesotho we have provided training to newly elected councillors in areas of financial management so they can properly manage and report on the funds they receive from central Government. The training has also covered the relationship between councillors and traditional chiefs. This is a very sensitive area because of the perceived conflict between elected councillors and traditional chiefs who have now to share their powers with the councillors. Lastly, the training covered the role of the councillors in relation to the communities and the central Government. While everything is far from being perfect we have observed a significant improvement in the concern to provide service to the communities.
- c) Capacity at the country office in the area of local governance is an important factor to consider. This allows UNDP to have a seat at the table of substantive discussions on a continuous basis. It makes it possible for the country office to manage consultants work effectively. In the case of Lesotho the Deputy Resident Representative took a summer course at the Andrew Young School of Policy at the Georgia State University focusing on fiscal decentralization. UNDP is now in the process of organizing a donor working group on decentralization as a first step towards better coordination.

***What are the types of technical assistance/support programmes required to strengthen local governance and where appropriate the deepening of decentralization?***

In the case of Lesotho, technical assistance is required at three levels. At the central level to help the Ministry of Local Government to rally around this major function, strengthen their ability to engage other Ministries and assert their leadership role in this area. At the sub-national level, technical assistance is required in order to develop the capacity of the various actors to implement fiscal decentralization as an important part of the decentralization agenda. In particular within the revenue assignment, the design of taxes, and intergovernmental grants that are in line with international standards along with systems facilitating the efficient collection of taxes. UNDP, UNCDF and the Ministry of Local Government will shortly sign a local development programme that addresses some of these issues.

***What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as gender equality and women representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?***

In the case of Lesotho programming for some of the cross cutting areas such as gender equality and women representation, and HIV and AIDS have been relatively easy because of Government own actions. During the 2005 local elections Government decided that 30% of the seats contested will be reserved for women. As a result, we have now 55% of local councillors who are women. UNDP Lesotho has been targeting the Thematic Trust Funds that focus on gender equality and endeavours to ensure that their benefits are spread and touch also women at sub-national level.

In the case of HIV and AIDS the Government declared it MDG N01 and the support provided to combat the pandemic is spread out throughout the country. UNDP Lesotho is supporting the People Living openly with HIV and AIDS and the project activities cover central and local levels. One way to improve our work in this area would be to help design conditional grants that will specifically address these cross-cutting issues.

Ernest Fausther  
Deputy Resident Representative

# Rezaul Karim

UNDP Cambodia

17 September

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I have gone through your many valuable contributions to date and am happy to add the following observations in bullet points based on my current involvement in the UNDP Project to Support Democratic Development through Decentralization and Deconcentration in Cambodia and previous involvement, in a) Governance and Public Administration Reform Luang Prabang Provincial Pilot Phase I and b) UNV Support to Decentralized Governance for Poverty Alleviation, Luang Prabang, Laos:

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

## Common Challenges

1. Demand generation for services and for good governance.
2. Financing of decentralization and of local improvements.
3. Transparency and accountability.
4. Technical and managerial know how.

## The Key Lessons and Good Practices

1. To not to rush with reform.
2. Local governments and in particular, Commune/Village governments are capable of participatory planning and delivering improvements with technical and financial support.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

- 1) Subject matter, programmatic and managerial skills building as well as technical support and advisory services.
- 2) Civil service and public sector reform including the pay and benefits reform.
- 3) Evidence-based policy and institution building support.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

- 1) Incorporation of and mainstreaming of priority cross-cutting issues are always possible with
  - subject matter and budgetary support and
  - line department and INGO participation/partnership.

*How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?*

Sharing of lessons learned and good practices routinely and community wide.

Rezaul Karim

Programme Advisor, PSDD

# Narine Sahakyan

UNDP Armenia

17 September

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The purpose of this contribution is to share Armenian wide experience in the fields of Local Governance and Decentralization and as well as some lessons learned.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

In recent years Armenia has made significant progress in reforming the governance system. However, regardless of the progress made, a large agenda remains in order to create and to put the building blocks for the creation of an effective, efficient and transparent system of governance in place, capacity building requirements remain high, in particular at the local government level.

UNDP Armenia is working in the areas of local government and decentralization since 2002, when UNDP in cooperation with GTZ and Save the Children has initiated the formulation of a Local Governance Program (LGP) for the Republic of Armenia. Draft Programme document provided a situational and contextual analysis of the state of decentralized local governance in Armenia and brief overview of the challenges and opportunities for future reform. It also outlined the goal, purpose, outputs, guiding principles and main components of the proposed LGP model, together with the proposed capacity building, institutional and funding arrangements and some of the principal implementation arrangements for the LGP.

In 2003 UNDP with the assistance and expertise the Swedish Association of Local Authorities International Development Agency (SALA IDA) worked on further formulation and finalization of the LGP. The modified LGP was based on the inter-relation between poverty reduction and improved forms of decentralized and democratic local self-governance.\* \*The programme formulation was founded on the necessity of a twofold approach, including establishment of a national strategy on decentralization and capacity building as well as testing of the strategy on the local level of government. Support to the development of a national strategy and its implementation through technical advice on suitable mechanisms for decentralization was one of the cornerstones ensuring sustainability of the proposed LGP.

LGP was widely discussed with stakeholders including central and local governments, donors and CS organizations. Unfortunately, at that time Government was not prepared to adopt the Programme and until now country lacks the National Decentralization Strategy. Although, international and local experts are mentioning the relevance and right sequence of reforms implemented by the Government in this field, absence of adopted Strategy creates difficulties and uncertainty for donor support. Identification of the right area to support requires a lot of consultation and negotiation, which is real challenge for all actors in the field.

The new Law on Local Self-Government adopted by the National Assembly on 2002 has made drastic changes to the acting local self-governance system. In order to ensure further development of the local self-governance system it was necessary to amend and develop acting legislation. The

Law on Self-Government stipulated the urgency of enacting the law on Municipal Service, which was developed, adopted and rolled-out with the support of UNDP. Actually, the new governance institute - municipal service, was established. The main challenge for us was the resistance of the elected community heads. Most of them were openly against the establishment of protection system for professional municipal servants and prefer to not have restrictions for hiring and firing their staff. A lot of efforts, time and money were invested in awareness rising. Even having the full support of and very good counterpart in government, which is one of the key factors of success, the whole process of developing the Law and its actual roll-out took more than four years. To ensure the critical mass of supporters among LSG members was the serious challenge.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

UNDP Armenia is supporting the decentralization process in Armenia through several programs and projects at the local level. Professional and well protected public/municipal servants, capable, transparent and accountable public administration, skilled and capable local government bodies, active and demanding civil society/citizens, and quality public services at community level are the objectives of UNDP Programme in this area.

Policy advice supported by its piloting and capacity building are the type of Programmes we have implemented to strengthen LSG and deepen decentralization. As an example of successful intervention, I would like to present one of our Projects. One of the tools through which the decentralization process is being promoted in the country is the introduction of new budgeting methodology - \*Performance \*based or result based \*budgeting \*(PB). The overall goal of the Project is to support the introduction of PB into planning, monitoring and evaluation processes at the community level. It proves to be effective entry point and mechanism for enhancing planning and monitoring capacities of elected authorities, CS groups and community members and to ensure transparency and accountability in public service delivery. Accountable public administration and an active civil society are two element of the PB concept, where budgeting is recognized both as a technical and a political processes. Both aspects are important and mutually reinforcing.

Project allowed bringing participation concept into local policy making processes: - planning, budgeting, implementation and monitoring. It supported the effort of promoting effective mechanisms that translate public \*participation\* into effective decision-making. Project generates a community-based processes of prioritization of community and district development needs, creates partnership-based implementation structures to convert the plans into investment realities, focusing on social infrastructure, economic development priorities and income generation.

The UNDP interventions at community level are based on comprehensive analyses of community profiles/databases, as well as on assessment of several key criteria, such as the vulnerability and economic viability of communities. The availability of comprehensive and well-structured information on municipalities is the necessary basis for making policy decisions, as well for developing effective, relevant and targeted programmes and projects. Development of the\* Community Typology\* makes more effective and targeted the Government and donor support to communities, supports the development of strategy and reforms program on new administrative division and community consolidation/formation of inter-community unions, facilitates the fiscal decentralization processes.

The development of a competent and professional municipal administration is essential for the success of the ongoing and future public administration reforms in Armenia. The establishment of a professional training system for municipal servants with effective and efficient functioning elements is the key focus of one of UNDP interventions for 2007.

During 2003-2006, an E-governance System for Territorial Administration (EGSTA), was developed, installed and put into operation in all the regions of Armenia. A national network of e-governance system for territorial administration has been created in Armenia, consisting of twelve municipalities, ten regional and one ministerial portal, which provide online public information and a number of public services on the regional level. It provides a framework for more comprehensive public involvement into the processes of democratic governance, e-services consumption, and decision making.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as - gender equality and women's representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights, and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

Here in Armenia we are more experienced in mainstreaming of gender and human rights aspects in programming local governance initiatives. Armenia was one of the pilot countries involved in global initiative "Human Rights Approach to Regional Development Planning".\*\*Project Document and Project Review Report are attached to this message.

Gender perspectives and gender analysis are integrated into all stages of the PB project cycle. We see the Gender mainstreaming as the process of making women's and men's concerns and experiences an integral dimension of the design, implementation, monitoring and evaluation of Project and assessing implications for women and men of any planned action. Project is not looking at women in isolation; it is looking at women and men - both as contributors to the development process and as its beneficiaries. Gender aspects are mainstreamed also into monitoring and evaluation processes. It means that indicators and targets are gender sensitive: they consider the situation and needs of both women and men. Targets are set to guarantee a gender balance in activities throughout the Project implementation.

Two other cross-cutting issues such as climate change and MDGs are currently in the process of mainstreaming across the all UNDP Programme. Recently special mission was in Armenia to review the opportunities for the integration of Climate Change Risk Management into the UNDP's development assistance in the country. Technical Report is available upon request.

Development of MDG regional frameworks (MDG localization) also is undergoing. Results will be ready in the beginning of next year.

Narine Sahakyan  
Portfolio Manager

# Third Week Highlights

**The Moderation Team**

17 September

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Dear Colleagues,

We hope that you all are enjoying the stimulating discussion. So far we have posted 70 contributions, and, we still have messages to share with the network for the first phase! This is an overwhelming reaction that signals the relevance and timeliness of this e-discussion for Country Offices and our development partners. It also confirms the relevance of DGP-Net priority poll results (e-discussion themes for 2007-08). Following last week's trend, we are pleased to share with you some of the key extracts from the contributions that were disseminated during week-3 (10-14 September) of the phase 1. This week we would like you to focus on the phase two of the discussion (a separate launch message will follow shortly). However, If you still have issues to raise on the phase one, please do not hesitate to contact <http://www.dgp-net@groups.undp.org>, but we encourage you to contribute on the second phase questions.

Thank you very much for a rich and vibrant e-discussion. We look forward to your continued support and contributions.

## **Relevant issues raised during the third week of the ongoing e-discussion 10-14 September**

### **Shahmahmood Miakhel, UNAMA, Afghanistan**

Governance and decentralization differs from country to country. In Afghanistan, for example, there are several actors that contribute to the strengthening of the government at both national and sub national levels. The technical assistance or support programs to strengthen the local governance are broad. However, there are specific programs that can be initiated in the near and long terms. Although in our country, different stakeholders have been providing short-term capacity building courses to strengthen local governance. These measures have been partially good to start with something. But, several surveys conducted have showed that it has not served the long-term purpose of the real capacity building and development in the country, and this has been heavily criticized for its lack of sustainability.

### **Ram Shankar, UNDP Maldives,**

In the Maldives, the idea is that local governance and decentralization will go hand in hand. In order to achieve the goals of local governance, the Government is preparing a National Decentralization Programme, whose main aims are to “strengthen the practice of the principles of democracy and good governance through the creation of local councils and empowerment of the citizenry,” and “enhance the provision of public services to island and atoll communities and improve access to these services.” I believe that we can strengthen the COP by sharing lessons among countries and applying these; as well as sharing information from applied lessons. Perhaps at some stage, case studies of various experiences would also be helpful.

### **Cristina Hernandez, UNDP/SURF West and Central Africa**

It seems to me rather obvious that there is a need to support good local governance and decentralization pertaining to boost economic and trade activities in provinces and localities themselves; so as to promote, to the extent possible, that trade –and its benefits– is managed from the places where the production supporting it originates (i.e., at local level). And for this, local governments need to be allocated further resources as well as more autonomy to set their priorities and strategies. Having said this, it is also important that central and local governments coordinate integrated economic and social strategies in which trade is incorporated. Not to go too far, let's mention the services sector which –as many have acknowledged in the discussion– is key to addressing poverty alleviation through service sector employment creation and provision of affordable essential/basic services (i.e., electricity, education, health...), but also to strengthening the competitiveness of the national economy since services support the industrialization process (most notably telecommunications, finance, transportation and business services).

An additional note here is to highlight the fact that the chaotic and rapid pace of urbanization is creating significant challenges for development: urban poverty prevents the development of healthy and active men and women, creating at the same time tremendous pressure on basic services sector delivery due to the fact that their increasing demand make them become scarce and expensive –and thus, unaffordable by the poor. In this context, I come back now to the above argument in the sense that there is a need to support good local governance and decentralization pertaining to boost economic and trade activities at local level, so as to promote employment and wealth creation at such level and hence help reduce migration from localities to urban areas.

### **Joanna Kazana, Wisniowiecka, UNDP Ukraine**

TA programmes in the areas of local governance and decentralization have to cover a wide range of issues and support synergetic approach ensuring that all separate projects are complimentary to each other. In the period 2000-2006 UNDP Ukraine made a clear choice to work directly with communities and promote more active position of Ukrainian citizens in the local development process. UNDP Ukraine is applying an Area-Based Development (ABD) approach to achieving sustainable local development.

The four UNDP projects are: Crimea Integration and Development Programme (CIDP); Chernobyl Recovery and Development Programme (CRDP); and Municipal Governance and Sustainable Development Programme (MGSDP) and Human Security for Youth (HS4Y). The ABD approach involves mobilising and supporting communities to organize themselves into community organisations (COs) tasked with identifying/prioritizing community development challenges and developing their own strategies for addressing the identified problems. Under the ABD approach, UNDP also promotes and facilitates a close relationship among COs and local authorities.

UNDP has distilled expertise, best practices and lessons learned to create the Local Development Programme (LDP) – a comprehensive approach to promoting self-sustained local development and democratic local governance by means of coupling a cost-effective, efficient, replicable community development model with central policy advisory services/advocacy and capacity development among local authorities. Across these two levels of intervention – policy level and community level – LDP's strategy is implemented through three components: Central Policy Advisory and Advocacy component; Local Self-Governance component; Community Development component

**Martin Vielajus and Michel Sauquet, The Institute for Research and Debate on Governance (IRG)**

Professor John Igué distinguishes two different approaches of decentralisation: the French and the Anglo-Saxon ones. French conception is traditionally more oriented on the transfer of administrative competencies, whereas the Anglo-Saxon conception promotes much more of an integrated approach, including in the process of devolution of power non-State actors (civil society, private sector etc.) and insisting on the role of local democracy as a central element of local governance.

The current debate has gone further than a mere technical or administrative description of the processes of decentralisation and has adopted quite a transversal and integrated approach on this issue. We have kept in mind three major dimensions that seem to have dominated the discussions of the last days of this Forum:

- The issue of the lack of co-ordination and articulation between the different levels of governance (lack of a clear national strategy, a “policy champion” able to monitor the process etc.)
- The issue of the disconnection of the decentralisation process from local voices and local needs (need for a participatory approach, reflection on the diffusion and the access to information on the local level etc.)
- The issue of the interference of a political and sometimes ethnical dimension in the decentralisation process, that can represent a risk of
- “Instrumentalisation” of local governance dynamics (A brief mind-mapping illustrates these three dimensions of the discussion mentioned above).

**Pierre Calame, The Institute for Research and Debate on Governance (IRG)**

In the majority of developing countries, particularly African countries, decentralization policies are the fruit of a paradox. Instead of resulting from a marked will of local communities to reappropriate their destinies, their autonomy and their right to manage themselves, the policies of decentralization are in general imposed from the outside based on administrative models that are often those of the old colonial power. They thus follow uniform precepts coming from international institutions often too foreign from the human environment concerned and its changing policies. After having successively preached the strategies of development of the State then, with structural adjustments, the reduction of the State to the adequate portion, these institutions direct themselves today towards the promotion of practices of “good governance.” Participatory democracy and local autonomy became the buzzwords of the moment. Under these conditions, decentralization hardly functions better than the centralization which did not function formerly. The transfer of the capacities to the local level (without sufficient transfer of resources and means) can be accompanied by new forms of clientelism and new feudalities. Driven by globalized technical, economic and cultural evolutions to which they do not feel any link, quartered by “projects of development” promoted without dialogue by various public or private agencies of international cooperation, the local communities does not feel more concerned than before by institutions and modes of the exercise of power which are as foreign for them when they are close as when they were remote.

UNDP could help to promote a break with these previous practices, in proposing a new line of reflection and action, based in particular on:

- The potential of the territory as new pivotal actor in governance (the experience of UNDP as coordinator of the action of the various agencies of the United Nations in the same area confers on UNDP an exceptional position to observe the conditions in which profitable synergies may appear);
- The need for reconsidering and for organizing the articulation enters the various scales of governance, from local to global (UNDP locating its action at all these levels), around the idea of "active subsidiarity".

### **Madeleine Oka-Balima, UNDP Côte d'Ivoire**

Transparent and inclusive participatory process contributes to reinforcement of trust between the population and the local authorities. Such initiative should favor the identification and involvement of representatives of all stakeholders, as well as participatory process to prevent among others the risk of local elites improperly taking over these projects. There is a necessity to favor national ownership from the beginning by preliminary focusing on convincing all the stakeholders of the necessity to agree consensually on a common vision and a long term strategy. And above all to elaborate a prioritized investing programme, aiming at its materialization, so to be able to anticipate and cope with long term issues that arise inevitably from the dynamic generated by a local development project. In our project, some mayors were fearing that "un-mastered participatory process" would lead to political discussion prejudicial for their career.

In our various experiences, the vision and pro-activity of the locally elected leader, coupled with local coalition around him to promote development were always key in successful decentralization activities. Also someone must bear in mind "good governance as a focus", since unfortunately decentralization can also lead to increased poverty. It is necessary to establish an indissociable link between poverty alleviation and the improvement of local governance.

Experience sharing is indeed an asset especially at the institutional level, particularly through support provided by international expert exposed to a wide variety of experiences; to obtain more information on what is happening worldwide and lessons learnt. In the first place, it is important to continue providing support and assistance to the non-governmental actors and organizations at local level (mainly for capacity-building and common understanding on broader civic engagement); in so far the strengthening of local democracy depends to a great extent of the presence and effective action of an organized civil society at local level.

Secondly, programs and projects specifically addressed to the local authorities themselves (including their representative Unions) are very much needed, given the key role and responsibilities such local authorities are already playing in promoting democracy and socio-economic development in the country. Both institution-building and capacity-building efforts should be combined in this type of programs, trying to reach a significant number of Municipalities and Special Provincial Administrations either through replication of the experiences acquired through pilot projects, or through activities addressed to a larger number of local entities and their staff.

Thirdly, advocacy, assistance and support are also needed at the level of central administration, in order to raise awareness of the benefits of decentralization in many policy areas, help design decentralization projects and the relevant legislation, support their actual implementation and create a social consensus on this crucial issue. At this level, support to studies and research that can be carried out by non-governmental organizations and institutions are of critical importance, because this is a type of activity that is very rarely carried out by units of the central administration.

### **Leyla Sen, UNDP Turkey**

The Community of Practice is already working pretty well, through the instruments and mechanisms already in place (dgp-net, practice meetings at regional and worldwide levels, practice notes, etc.). If anything, it would be worth considering that, while decentralization (usually understood as a country-level policy or objective, involving the transfer or devolution of decision-making powers and public responsibilities and resources from central governments to sub-national entities) is one of the key aspects in any broader Public Administration or Public Governance reform program; strengthening local governance is an objective that can and should be pursued even in centralized countries (one of the classical objections to decentralization is the weakness of the public governance institutions and mechanisms at local level, as compared to the central one). In this respect, it might make sense to promote or organize some separate Community of Practice activities for these two topics.

### **Rafael Tuts, UN-HABITAT HQs**

Before embarking on any local governance capacity building initiative, it is important to distinguish between challenges that can be addressed by capacity building (human resource development, organizational development, institutional strengthening) and challenges requiring structural change (legislation, policy change, resource allocation). Addressing these challenges means strengthening the capacities of key local governance actors to constructively engage with each other with the ultimate aim to improving the quality of life for all citizens. These actors are symbolized by the “local governance triangle”, representing local government, organized civil society and private sector operators. Principles of good local governance form the basis for improving the relationships between these groups, resulting in more inclusive urban governance.

From our experience the main local government capacity gaps are the following. First, local governments need to move their focus from control and regulation to enabling and empowering roles. Second, local governments need to take up an active role as the focal point for local economic development so as to stimulate the creation of wealth. Third, the private sector and civil society organisations need to be enabled to work as partners in service delivery arenas. And fourth, local governments must learn to balance their books and figure out how to do more with less. These generic competencies require in most cases a mixture of organizational development, knowledge transfer, skills development and attitude change.

Our main strategy to address these capacity gaps involves targeting national training organizations to build their institutional capacity to serve the needs of local authorities and their stakeholders. We support these training organizations to adapt global tools, based upon best practices and make these tools relevant to local conditions. These tools form the basis for country-level capacity building programmes.

### **Emmanuel Buendia, UNDP Philippines**

In the Philippines, a Working Group has been set up to provide a regular forum to discuss and find solutions addressing issues and challenges related to decentralization and local governance. Convened by the national government's Department of Interior & Local Governments (DILG), it is composed of representatives from donor agencies, national governments and local government units and civil society organizations. After more than 15 years of decentralization, the Working Group of which UNDP is a part of, has identified challenges that continue to influence the way local governance is being addressed.

### **Pradeep Sharma, UNDP Timor-Leste (on India)**

It might be useful to remember the distinction between various terms that we often use interchangeably. For example, decentralization and local governance are different concepts. While the former refers to devolution of powers from higher to lower (local) tiers of government, the latter refers to a whole gamut of institutions at local level that have an interface with local bodies. This distinction is particularly relevant in the Indian context as the civil society organizations working at the local level sometimes perceive that the panchayats (elected local bodies) will compete with them to share the limited local space. This fear arose from an incorrect understanding of the role of panchayats (as agents rather than third tier of government). Further, although it is generally understood but is still worth mentioning that when we talk of decentralization we are referring to devolution - or permanent transfer - of powers to local authorities and not delegation which can be withdrawn.

Since the global experience on decentralization and local governance may not be directly relevant uniformly to all countries, it is necessary that regional and country-specific knowledge networks are created to share experience among key actors including government. In this context, the Solution Exchange on Decentralization (UNCT India's initiative led by UNDP) is particularly relevant. This has now become a large and vibrant community of practice on decentralization sharing ideas on day-to-day practical issues with active participation by the government. This also acts as a feedback to the policy makers.

### **Alejandra Massolo. Consultant UNDP and UN-INSTRAW**

The municipality, as the instance of representation and government nearest the citizenry, linked to the affairs of daily life, has paradoxically not facilitated access of the women to positions of representation and decision making. Latin American local governments lack gender parity, since they are mainly headed and administered by men. One clearly does not find a positive correlation between greater proximity and greater participation of women in representative positions and management. Thus, the proximity principle that specifically legitimizes the local government does not work as a principle that promotes gender equity. At the same time, women do play a strategic daily role in local spaces, participating in social activities and organizations for the survival of families, community well-being and local development.

According to the information I have received on 16 countries and a total of 15,828 municipalities, at the beginning of the 21st century women mayors represent only 5.3% of the total number. Women councillors represent 26% (CGLU). In the municipal environment, retrograde resistance and the most virulent violations of the rights of women are still strongly rooted.

The general panorama of Latin America – recognizing the enormous heterogeneity of the municipalities and local process – show us that the policies of decentralization, municipal reform, and the new protagonism of local governments have not significantly resulted in greater openness and improved access of women to municipal power: an alarming state of gender inequality prevails in the democratic policies and local governance.

### **Luigi N. Tessiore, UNDP SURF, West & Central Africa**

Evidently in order to provide services we need investments, capacities and resources “governed” at local level. The ‘good local governance’ concept explicit itself on the correct management of these resources. Here two questions are important to ask: (i) how can we increase the comparative advantage of local governments if we don’t allocate to them resources? And (ii) how can we support local governments if they don’t have resources (and the Central State don’t provide them with)?

### **Eugene Nkubito, UNDP Rwanda**

Good practices to deal with this kind of challenges are the following:

- Setting up coordination mechanisms that are co-chaired by government and donors (cluster meeting on a monthly basis for example)
- Ensure ownership by the government (consultants should work closely with the government and let the latter have a say in quality control)
- The role of donors remain to provide technical support (where needed and required by government) to the government
- Putting in place pooled funding mechanisms (basket funds or SWAP) and ensuring a proper M&E system that is owned by government

Types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization?

- Providing technical support (consultancy) to formulate policies, draft strategic plans and conduct fiscal surveys for example
- Initiating high labor intensity works in rural and remote areas to create some income generating activities and activate some form of local economies
- Organizing capacity development activities that target not only the local leaders but also the local associations (CSO) and local community-based organizations

### **Mona Haidar, UNDP Drylands Development Centre, Lebanon**

The governance gap is at the root of the development gap in the Arab region. Bridging the governance gap will be a challenge for both the governments and the people of the region. But it is also an opportunity, with potentially great rewards in sustained economic growth, social stability, and human development.

Good governance for the Arab region requires a major transformation in the role of the state vis-à-vis other development actors and stakeholders. Historically, and until now in some cases, the overall model of governance in the Arab region has been one of state-led, state-centered, and state-regulated development..... Policy reforms can be done relatively quickly but the institutional reform needed for proper policy implementation faces much more resistance. Correcting policies without correcting institutions brings little long run benefit. This is why major decentralization programs in the region boil down to capacity building programs or light “deconcentration” programs at the best. Governance is linked to wealth, power and authority. Decentralization of governance means decentralizing wealth, power and authority. It is still a long way to find a way out of the vested interests in the States and their institutions. Initiatives such as the ones described above are pushing in the right direction but the road is still long.

Better governance also requires more active participation by the people. The governance challenge is thus a challenge for everyone in the region. Outside the region, governments and organizations also bear a responsibility to align their relationships with Arab countries more closely to the objective of helping them meet their governance challenge, rather than supporting bad governance behaviors and institutions through self-interested aid and alliances.

#### **Mathieu Ciowela, Harbi Omar, Hassan Ali, Mohamed Ahmed Issa UNDP Djibouti**

Djibouti is a Least Developed Country which has suffered a severe internal conflict that taxed its already suffering populations especially in the rural areas of the three regions. Fortunately, a peace accord has been concluded in 1994 which resulted in a more peaceful environment in those regions and in a reconciliation government in which opposition groups are represented. The challenges are therefore to promote peace and bring development closer to people.

UNDP started doing an assessment to determine what is needed in terms of reconstruction and rehabilitation efforts. Based on the assessment and after consultations with all stakeholders UNDP formulated a post conflict rehabilitation project with social-infrastructure component and promotion of local development. Decentralisation was one of the demand the rebels and oppositions groups. The central government was still reluctant to hand over responsibilities to the regions for political reasons. Besides the regions were not prepared and did not have the proper capacity to implement decentralisation. Therefore one of the strategy applied was to i) address development issues to improve the living conditions of the people after the civil war and ii) pave way for decentralisation by developing capacity at the local level. This was the first project where local administration was given to play a role in decision making.

#### **Lenni Montiel, UNDP HQ**

I would like to highlight some few points that I think are important for our consideration while thinking about the key issues and e-discussion questions that will/should guide our action. I will bring them as significant challenges that practically all countries are facing today in the cities. These are issues that are challenging capacities on urban governance in most cities in developing/transitional countries.

The points will focus on Urban trends in the world, the growth of urban poverty and their impact on the international assistance to local governance and decentralization. In my view they are issues so relevant that we cannot and should not spare resources to tackle them together and in a strong coordinated manner. Among others, I will highlight the following cross-cutting issues based on emerging urban trends:

- The water crisis and its implications on sanitation and urban poverty – key issue for the purpose of poverty reduction
- Climate change as a major concern for Cities around the world
- Personal safety as a central obstacle for poverty reduction and progress in cities
- Respect for diversity and human rights of minorities in cities
- Increase of HIV/AIDS in cities with high levels of poverty
- Urban Violence against Women and Children
- Children and young people as the future generations of citizens

### **Siphosami Malunga, UNDP Oslo Governance Center**

Experience has shown that many of the world's conflicts are caused by competition for access to state authority or power and resources. In many cases, secession or some form of autonomy has been the key demand of belligerents. To that extent, decentralisation has been very instrumental in resolving some of the most intractable of conflicts. This has added a new dimension to the instrumentality of decentralisation or local governance beyond the traditional administrative and political reform arguments for it. There is thus far no definitive evidence that decentralisation alone as a strategy actually works to prevent conflict in all situations in the long term.

In order to succeed it is important that there is clarity as to why decentralisation is being sought as a solution to a conflict situation. It may very well be that other solutions may be required such as improved access to resources for marginalised groups, improved access to decision making, improved legal protections etc and other key requirements. In all cases, the mere act of decentralising on its own is usually unable to resolve the key or root causes of conflict. Decentralisation would therefore need to be accompanied by real changes in the way decisions are made at the local level, resources accessed, and services delivered. Decentralisation and stronger local governance is more likely to succeed in diffusing conflict or preventing it where:

### **Liliana N. Proskuryakova, Alessia Scano UNDP Russia**

Apart from providing a framework to study the impact of the new Federal Law on the pilot regions and the consequent amendments and reviews, the project has provided a fertile ground for an increasing involvement of local civil society groups in the self-government reform process. Firstly, experts assessing the needs of the pilot regions are Moscow-based and local think-tanks, civil society organizations and networks. Moreover, most relevant achievements in the pilot regions are the involvement of civil society organizations in the reform process through formalized civic engagement mechanisms, as well as increased opportunities for access to information on the reform for population. One key point to be underlined is the focus on training/education and information activities which tend to have a considerable proliferation effect. More precisely, the indirect beneficiaries' number outstrips the target group's one, partly because the involvement of civil society representatives renders the project more rooted into the environment and highly sustainable.

### **Durafshan Chowdhury, UNDP/UNCDF Bangladesh**

In Bangladesh, UNCDF and UNDP have been supporting decentralization and local governance through a joint pilot project known as Sirajganj Local Governance Development project (SLGDP) since 2000 which just successfully ended. And a new country wide project known as Local Governance Support Project ( LGSP) supported by World Bank, UNDP, UNCDF, EC and Danida- the second generation of SLGDP started with the aim to provide i) UP-performance linked financing arrangements; ii) local public expenditure management procedures; iii) local accountability institutions; iv) UP human resource development and training and v) national policy development covering all the 64 districts and 4500 Union Parishads in five years time.

There is much to learn from each others programme. This launching of e-discussion was a great way of initiating this learning. Regular sharing of information, requesting for suggestions/ advice, asking questions for better understanding and responding to the queries, visiting each others projects, arranging for annual/biannual workshops could strengthen UNDP Community of practice on LG and decentralization.

### **Claudia Melim-Mcleod, UNDP Oslo Governance Center**

while working directly with local governments in such contexts can bring quick results (while being potentially more handy and expedient from a delivery point of view), it also entails some important risks: a) Direct assistance to local governments, if not carefully done, can decrease the need for dialogue and negotiations between central and regional/local levels that are part and parcel of a democratic processes; b) National inequalities can be inadvertently widened, exacerbating local tensions; c) Finally, there is a risk that external support can actually delay decentralization (including fiscal decentralization, implementation of the principles of devolution, subsidiarity, local accountability, etc), if external assistance is seen as a substitute for resources that could and should be allocated from central levels. UNDP must exercise judgment very carefully in these cases, balancing short and medium term objectives and quick wins with longer term, cumbersome, yet crucial democratic processes.

### **Serdar Bayriyev, UNFPA Turkmenistan**

Congratulations with this very much needed initiative. From UNFPA perspective I would like to highlight the fact that all consideration related to public service delivery at local levels and the strengthening of local government will need to be done having in mind a very rapid process of urbanization that is taking place all around the world. Consciousness of urban processes, intention to improve urban management and the need to tackle urban problems with service delivery is an important challenge that we all in the family of UN agencies should regard as very important. Specially now that growth of urban population has achieved unprecedented levels in several regions. This is particularly important from the perspective of urban management policies to tackle urban poverty.

### **Sugumi Tanaka, UN-HABITAT HQ**

I think one of the main challenges in implementing governance programmes is to maintain the momentum of capacity building and civic mobilization that the programmes helped to create. In applying Urban Governance Index, for example, the greatest challenge is to link the assessment outcomes with follow-up actions for improving governance practices. It's a missed opportunity when an intervention becomes a stand-alone exercise. Perhaps, governance interventions in general, and assessment/monitoring in particular, need to be positioned more clearly in the overall programming to achieve development goals –assessment to be part of the programme cycle, feeding back to the programme activities through specific follow-up actions, with resources set aside.

### **Christian Fournier, UNCDF West Africa region**

In the implementation of support programmes for decentralized local development in West Africa, UNCDF and its project teams develop partnerships at the local, national and international levels. UNCDF believes partnership is more than a necessity; it is a fundamental choice in the poverty reduction strategy to achieve the MDGs. These partnerships take several forms: institutional, operational, formal and informal. They have given UNCDF projects leverage in investment financing, knowledge sharing and joint initiatives.

UNCDF experience has shown that marginalization of local representatives of decentralized state services in the implementation of projects creates frustration and blockages in the field. At the same time, the procedures for involving these technical services are rarely explicit in the project formulation documents. Only flexibility in the financial structure of this component allows for the use of expertise that can be mobilized among this category of actors. But the underlying problem is found in the weakness of national deconcentration policies, especially at the budget level, which prevents the decentralized state structures from operating optimally.

### **Khalif Farah, UNDP Somalia**

In the context of Somalia, technical assistance is required at both central and local government levels. At the central level, ministries of local government or interior need capacities to establish and operate local governance systems and inter-ministerial coordination mechanisms to elaborate policies, review legal frameworks and organize local elections. Local governments need support in managing citizen participation and public relations, fiscal resource mobilization and management, integration of development planning and programme/project management. Inter-governmental relations is also another area where support is required.

Given the pressure for results and the financial limitation of the LGs, external assistance should go beyond technical assistance (which is what UNDP mainly does) and provide resources for service delivery, and where possible even meet the recurrent costs of the nascent local governments to render them the minimum operating capacity. Capacity is best delivered through learning-by-doing. Funding from international resources can help the start-up of the cycle: service delivery – increased confidence and credibility in government – increased local resource mobilization – increased services delivered.

### **Joachim V. Bonin, UNDP Tanzania**

During the inception of the programme a national local government reform programme (decentralization/ empowerment of district administrations) was being implemented. Starting a region-based programme with local authorities as the key counterparts during a change process posed considerable challenges. As government rules and responsibilities of governance entities changed in the course of the reform, previously agreed and tested implementation arrangements had to be revised and adapted to new government procedures. This particularly applied to fund disbursement, financial reporting and M & E roles and responsibilities.

In the area of capacity building, the retention of local government staff who have been provided with training to strengthen/improve capacity of the local government entity in which they are working in, is among the challenges. If the personnel movement involves transfer to another district office within the same region, somehow one is assured that the capacity provided would remain to be for the benefit of the local government in the region. The cycle however, of transfers and replacements would require the local governments the capacity to take over in implementing effective capacity building programs.

Bureaucracy in government down to the local level has been and will always be among the setbacks in implementing initiatives in governance. Based on the experience of the National UNVs placed at the District Offices, government bureaucratic procedures tend to delay some project activities. Part of the means in addressing this challenge is patience as well as developing the ability to deal with specific personalities of government counterparts.

### **Sharad Neupane, UNDP Nepal**

The concept of decentralization and local governance can not be realized unless the people at the grass-roots understand about their role as citizens, their rights and the obligation of local governments. This can be achieved only through social mobilization or civic education programme. Based on our experience, the type of technical assistance should be aimed at both demand side of local governance (mobilization and organization of people and building their institutions) and the supply side (strengthening of the system and procedure) of it. The short term advisory support based on demand, exchange visits within country and out side, training and workshops for staffs, political leaders and community leaders (both man and women), networking

among local governments and their associations, system of public hearing and social audit have been found effective. The partnership with media has been found very important to push this agenda in the right direction and make the local government (political leaders and staffs) more accountable.

**Dejana Popic, UNDP Bangkok Regional Centre**

I would also like to share with you our observations on the challenges of conceptualising, establishing and facilitating this type of a network and share with you some insights gained from the members' evaluation of the network:

- The sensitivity in some countries of the issues in question has to be taken into account when exposing an external Network publicly, in an effort to engage in genuine discussions. (As such only the consolidated paper is made available to the public)
- The network showed that there is a very strong need for such regional platform for knowledge and experience exchange to exist and for networking to take root.
- A core group of active expert members emerged through the process, which will be absorbed into the future work under the regional initiative.
- Another limitation on the ability of member to contribute has also in some instance been English language deficiency.
- This type of an external network is essentially supply-driven, especially at start, and sufficient resources must be allocated in order to make it sustainable.

The Moderation Team

# Launch of Phase 2

**The Moderation Team**

17 September

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Dear Colleagues,

We are very pleased to note that the e-discussion ‘Towards a Local Governance and Development Agenda - Lessons and Challenges’ has already brought out a wealth of experiences and lessons for the future support to local governance by all the colleagues and agencies involved in this exciting discourse. In the second phase of this discussion, starting today, 17 September 2007 (until 28 September), we would be particularly interested to hear your feedback on the following three questions:

- What are the challenges, good practices, and lessons learned on inter-agency coordination and cooperation on local governance or local development or decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?
- How can we strengthen partnerships with non UN organizations in this field, particularly with Associations of Local Government, and, regional research/resource centres or training institutions?
- What types of capacities will UN Country Teams (UNCTs) require to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?

Knowing that several colleagues are still preparing their comments on the first phase, *we will continue to publish phase-1 responses till the end of the e-discussion.* We encourage many of you who have already participated in the first round (Phase-1) to share your perspectives and thoughts also on these new questions.

We look forward to hearing from you.

Best regards

The Moderation Team

# Sascha Le Large

UNDP Comoros

18 September

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Thank you so much for this interesting discussion that triggered my enthusiasm to share with you my experience on decentralization in Comoros.

In Comoros as in many other countries, decentralization has been driven by politics. In light of the experience with the 1997-2001 secessionist crises, decentralization was representing a solution for national reconciliation, notwithstanding the cost of creating equivalent civil service posts for each of the four governments (Union and three islands).

However, a clear vision on how this decentralization had to be materialized was and is still lacking. UNDP therefore has engaged several studies and brainstorming workshops with stakeholders to trigger a national debate, to reflect upon desired futures and to design different options to get there. Three recurrent issues have been identified: institutional setting (legal framework, interaction mechanisms between different levels), capacity building (understanding of the role of each level, management of local administration) and resources (finances, assets and land).

It has become clear that more attention has to be given to a) history & traditions, b) fiscal decentralization and c) the political sensitivity of the subject.

History & traditions: The strong adherence of the population to its community of origin represents a great advantage for the linkage between local governance and local development. *“Comorians base their identity on their families, hometowns or regions of residence, but rarely or never, on the state and the central administration. For better or for worse, solidarity is familial or regional before being national.”* Abdou Djabir, Les Comores. *Un État en Construction* (Paris, 1993), 119.

Additionally, decision making processes that existed before the colonial period proof that the subsidiary principle is an ancestral fact in Comoros. Therefore, village institutions of social control are powerful to mobilize participation and local development, the more when they are backed up by remittances of the diaspora. The challenge is now how to accommodate traditional structures within new rules and regulations. Consequently, comparative examples of other countries are very helpful.

Fiscal decentralization became essential to the political consensus for national reconciliation. Control over public finances had been at the heart of Comoros' political conflicts. In practice, the sharing system involves two parties with significant revenues (Union and Anjouan) and two with almost no revenue (Ngazidja and Mohéli). A revenue-sharing agreement was signed in 2003 and put in place for the 2005 fiscal year. With the most important types of revenue designated for the sharing mechanism, the incentive for each government to maximize revenue collection is much reduced. Moreover, given the incentives to hide revenues from the redistribution arrangement, there has been mutual mistrust between the Union and island governments.

## “ Control over public finances had been at the heart of Comoros’ political conflicts ”

At the local level there does not yet exist any official form of fiscal revenue collection. Existing budgets are based on traditional or voluntary contributions and differ from island to island. However, it is important to link taxation to accountability—both between the taxpayers and the government and between the government and the citizens. Even if intergovernmental transfers dominate local finance, some local own revenues are important to force accountability between the citizens and the locally elected leaders.

Political sensitivity: As well as decentralization represented a solution to the separatist crisis, it inherently constitutes pitfalls for the reconciliation process. Do for example high revenues at the island and local level support the decomposition of national unity and feed separatist movements?

Anjouan, the second largest island, holds considerable economic power, which it uses to pursue local objectives. Comoros’ only deep-water port is in Anjouan, which gives the island control over much of the country’s international trade and therefore custom collections. Furthermore, the remittances of the Diaspora representing more than three times the amount of foreign aid and being channeled directly to village associations and to individuals empower considerably the local level in Ngazidja and Anjouan.

Therefore, the communication of the shared vision on decentralization and social cohesion (UNCT and the Framework Team are currently working on the latter) are essential to a successful decentralization process.

In sum, decentralization so far has been a mixed blessing for the Union of Comoros. On the positive side, it is a natural result of geographic dispersion and vital to national reconciliation. On the negative side it has created significant incentive problems for revenue collection, aggravated data and staffing problems, and imposed more administrative layers and costs. For the future, there are potential benefits, political and economic. However, as this devolves responsibilities to the island and local level it will demand better monitoring and information sharing as well as a continuous policy dialogue.

“ In light of the experience with the 1997-2001 secessionist crises, decentralization was representing a solution for national reconciliation, notwithstanding the cost of creating equivalent civil service posts for each of the four governments (Union and three islands) ”

Some of the lessons learned can be summarized as followed:

- Capacity (both central and local) is essential for successful decentralization reforms. Decentralization reform should be designed and implemented so as to build capacity, both individually and institutionally. Countries must decentralize in order to build local capacity. Do not postpone decentralization because of weak capacity but use decentralization to build that capacity.
- Although successful and sustainable decentralization reforms require a comprehensive approach (eg, political, administrative and fiscal), fiscal decentralization reform can usually be undertaken on a more technical level than the political and administration dimensions. Therefore, fiscal decentralization reforms can be structured and implemented to serve as a ‘catalyst’ for other decentralization reform activities.
- The key linkage of poverty alleviation with decentralization is on the expenditure side, not the revenue side. Revenue instruments available to local governments do not include those which can typically redistribute income (ie, progressive income taxes). On the expenditure, however, local governments are typically involved with providing services which affect poor people (eg, markets, education, health, water supply, etc.).

- One key lesson is that 'Finance Follow Functions'. Countries need to assign functional responsibilities before assigning revenues needed to carry out those functions.
- Monitoring must be multi-dimensional: bottom up, top down and horizontal. The local governments (and service delivery units) must be involved in the identification of the performance evaluation system.
- To realize the efficiency and accountability benefits from decentralization, countries must establish mechanisms to incorporate the voice of the citizens (users of local services). A 'voice' mechanism can be established through local elections, participatory planning and budgeting, among others. In addition, decentralization reforms must be designed to promote 'citizen ownership' and enable citizen participating in all aspects of the planning, budget formulation, budget execution and budget monitoring in order to promote greater efficiency and accountability.

To strengthen the UNDP Community of Practice it would be beneficial to bring practitioners and government officials of small island/country states together to share their respective experience. I found lots of interesting linkages between the contribution in the current discussion of the Caribbean and the Pacific Islands and the Comorian reality. Furthermore, coordination with other partners working on decentralization could be increased (EU, WB, IMF...) and already started at the brainstorming stage.

Sascha Le Large  
Programme Officer Governance

# Diego Antoni and Cristina Martin

**UNDP Mexico**

*18 September*

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Regarding the topic of decentralization, there have been important efforts on administrative and budget decentralization in Mexico within the past few years; however, they have not necessarily been accompanied by a strengthening process of technical and administrative capacities in both the state and municipal governments. Mainly, in these levels of government strong weaknesses have been detected in aspects concerning social dialogue and negotiations, both of them are elements which affect the possibilities of democratic governance.

Currently, there are many public and private instances which offer courses and workshops for training local governments, overall in topics of public financing, local taxes, administration, planning, and, lately, some consultants which advise municipalities to accomplish local obligations of transparency and access to information. Nevertheless there have not been promoted topics related to sustainable human development, such as human rights, gender equity, environment, and capacities on social agreements and dialogue. In this sense, UNDP Mexico is interested in taking advantage of the opportunity window, contributing with knowledge, methodologies and practices that are needed to strengthening the capacities of local governance. In order to achieve this goal we have started an approach with local governments through a diploma which is being organized with the Panama SURE.

Finally, it is important to emphasize the inequality that exists between regions, states and municipalities in Mexico, reason for which the capabilities of local governments for reacting to public demands is unequal. A clear example is the process of decentralization that education has suffered, which has generated important distances and inequities between states.

We are interested in knowing experiences about the relationship between local governments and civil society, particularly about successful citizen's participation instances, which promote inclusiveness and participatory local development planning, monitoring and evaluation.

Diego Antoni, Programme Officer- Governance

Cristina Martin, Civil Society Adviser

# Oksana Leshchenko

UNDP RBEC HQ

18 September

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It is my pleasure to share with the DGP-Net some of the experiences that we have in addressing Chernobyl's developmental challenges through local governance interventions. Since the accident at the Chernobyl nuclear plant on 26 April 1986, the name "Chernobyl" has inspired nothing but despair. But now the UN family works on bringing normalcy and prosperity to the region and assist in transforming a generation of defeated "victims" into a generation of proud "survivors". Since 2004 UNDP assumed the UN coordinating role for Chernobyl issues, which was part of a shift to a forward-looking strategy on Chernobyl and puts a strong emphasis on development rather than emergency response. UNDP is now at the heart of the efforts aimed at tackling the legacies of Chernobyl, such as apathy, passivity, and "victim syndrome" of around 6 million people in Belarus, the Russian Federation and Ukraine for whom the accident's long-term effects continue to present real challenge to overcome.

UNDP found a solution through application of Area-Based Development (ABD) and supporting affected communities to develop self-governing community-based organizations (CBOs) to lead the local efforts for social, economic and ecological recovery and development. The experience shows that only with leadership of national and local governments, active participation of the people, and maximum involvement of all the stakeholders and institutions, our Chernobyl-related programmes can make a real difference in people's lives. Communities and authorities are working together on helping people take future into their own hands, mobilize resources for local priority projects, and leverage modest funds for large impact. The key to their success is strong commitment to work together, promote self-reliance and self-help. Main emphasis is on community regeneration, building a spirit of activism and helping people undertake their own recovery.

Our experience shows that empowerment, initiative and participation are critical. The following steps need to be taken by the empowered CBOs in order to make their initiatives a success story:

Each CBO develops its statute and establishes a self-help fund from which to support the projects and provide tiny loans to its members. Then they identify and prioritize the needs of the settlement and make plans to address these needs. These plans typically include water supply, health posts, community centres, gas supply, and other social and communal services that are important for the entire community. Then CBOs mobilize their own resources, after which they present their plans to local authorities asking them to get on board. Subsequently, UNDP provides seed-grants which on average constitute only around 30% of the entire project cost. Finally, each community organization takes full responsibility for the implementation as well as operation and maintenance of their projects.

“ Communities and authorities are working together on helping people take future into their own hands, mobilize resources for local priority projects, and leverage modest funds for large impact ”

We are already witnessing some tangible results of this approach:

- Communities and authorities become partners in governance.
- People are highly motivated to make their project a success and feel true ownership of the achievements.
- In the course of planning and designing the project, people's expectation levels become more realistic.
- Local authorities become ready to share the costs and the risks. Many local authorities have started reserving funds from their budgets for community initiatives
- New forward-looking mentality is emerging in empowered Chernobyl-affected communities

Oksana Leshchenko

Programme Specialist (Chernobyl Coordinator and Environment FP)

# Antonio J. Peláez Tortosa

University of Warwick, UK

18 September

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I would like to share the essential four basic steps for promoting citizen participation in local governance with the ongoing e-discussion participants:

## 1. Getting actively involved in the theoretical discussion

A very fruitful debate on the concept of democracy is re-emerging today among scholars and development practitioners as a consequence of the consolidation of a number of successful cases of non-conventional local democracy. This debate is producing two main ideas.

First, the traditional confrontation between representative or liberal democracy on the one hand, and direct and participatory democracy on the other, may be resolved and overcome, if new forms of complementarity between those two models of democracy are developed. Participatory democracy and representative democracy are not mutually exclusive. On the contrary, the development of institutional mechanisms related to both models of democracy may contribute to deepen one another. However, this 'reconciliation' between the two traditionally opposing democratic patterns can only be achieved if their defining principles are revisited and properly adapted. In particular, the liberal idea of clearly separating the spheres of the State and civil society must be an object of further analysis, because it is precisely thanks to the interaction between local State institutions and citizen associations that new participatory arrangements are bringing about very fruitful results from the perspective of human development.

Secondly, a global approach towards democracy requires the rejection of all forms of democratic fundamentalism. While many countries have over the last decades engaged in processes of democratisation in line with the liberal pattern of democracy, nowadays examples of innovative democratic institutional arrangements are emerging or reappearing in many countries all over the world. Thus, contemporary patterns of local democracy can substantially vary depending on the historical and cultural context. This is an ongoing process that deserves due attention.

A global development organization such as UNDP could contribute very efficiently to the development of this debate by providing empirical examples of local democracy from all over the world. In return, UNDP could benefit very much from its participation in such a debate by refining its theoretical foundations in this particular practice area, and by clearly identifying new governance challenges.

## 2. Leading a global learning process and experience-sharing framework

In a number of developing and emerging countries such as Brazil, India, Colombia, Mexico, Bolivia, South Africa, Mozambique, Uganda, Philippines and others, innovative participatory institutional arrangements are proliferating. Among such institutional initiatives of social involvement in local public affairs, some experts have included the following ones: participatory budgeting, decentralised planning, administrative procedures acts, social audits, and citizen report cards.

Moreover, the above-mentioned countries and many others have undertaken over the last decades processes of democratisation. In such contexts, comprehensive reforms of the pre-

existing institutional systems were carried out. Thus, several constitutional reforms have included or enabled legislative initiatives such as laws on citizen and popular participation, state decentralization, codes of local governments, etc. All these reforms are deeply related to participatory governance initiatives.

A global network of scholars and development practitioners involved in these and other similar experiences would be of great usefulness for the promotion of participatory democratic governance.

### **3. Advocating reforms at central government level in the assisted countries**

Based on the accumulated experience, and after conducting a comprehensive country institutional analysis, UNDP country offices could lead advocacy campaigns to promote legislative changes aimed at enacting laws and other legal instruments specifically addressing citizen participation in local governance. The ultimate goal would be the enactment of an enabling legal environment for the creation of participatory institutional frameworks at local level in the form of popular councils or any other similar scheme.

### **4. Developing assistance programs aimed at strengthening civil society organizations and reshaping the role of local governments**

Participation in local governance directly involves two major actors, namely civil society organizations as channels of participation and local authorities as catalysts of participation. Based on experiences learned from some of the participatory institutional initiatives previously mentioned, particularly the participatory budgeting and decentralised planning, the emergence and/or reshaping of civic associations and the reform of local governments require concentrating efforts on three main aspects related to institutional incentives:

- Any participatory institutional scheme must be highly pragmatic. It should be mostly aimed at solving specific problems, needs and priorities of the citizens. Thus, the materialization of participatory proposals into immediate and tangible benefits for the population, mostly related to urban and rural infrastructure projects, may bring about both an enhancement of the credibility and legitimacy of the entire local governance system, as well as the emergence of new civic associations.
- Socio-economic differences among members of a given community in terms of wealth, education, ethnicity, gender or social prestige may severely discourage people participation. In order to avoid it, the participatory institutions must be inclusive, and the entire participatory project must be conceived as a social learning process, which implies the need to reformulate the idea of local authority.
- Thus, capacity-building programs addressed at local civil servants and elected representatives must train and instruct them as ‘facilitators’ of the participatory process rather than as mere managers or decision-makers. By doing so, the participatory frameworks may become true ‘schools of democracy’.

Antonio J. Peláez Tortosa

# Paul Schuttenbelt

Urban Solutions, The Netherlands

18 September

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My experience in Urban Capacity Building efforts in Africa and Asia shows that many capacity development programs offered are of limited relevance. The speed and scale of development in urban areas is not reflected in those courses nor are solutions for the day to day struggle of the local government officer. There are almost no examples of long term tailor-made capacity development efforts who target (and solve problems for) groups of co-workers dealing with realistic problems. Technical assistance is often limited to “advise” (take it or not) while training is often limited to academic class room events often attended by professional “certificate collectors”. A combination of the two hardly exists. Although more and more tailor made training efforts exist they are often of limited duration and/or budget and therefore not able to provide on the ground solutions and thorough after sales services. Capacity development should be a continuous, flexible and responsive process involving all stakeholders.

Most training establishments tend to offer a fixed menu of training courses of marginal relevance to the changing roles and responsibilities of their clients and unable to respond to demands for training in topics or skills other than those offered by their syllabuses.

Redesigning training systems and institutions will generally require fundamental changes, not only to approaches to the delivery of training, but also to the relationships between the suppliers and their clients; that is, agencies of local governance and management.

Capacity development programmes should concentrate on change: changing perception, attitudes, skills, practice, organisational and institutional structures. The need for change of these aspects varies from situation to situation, and as such a profound diagnosis or problem analysis should first define the need for change and its nuances. Urban management problems often have their roots not only in the inadequacy of human resources, but also in the inadequacy of organizational and institutional structures. Therefore all aspects should be addressed by capacity development programmes, which implies that tailor made, integrated programmes will be the most suitable approach to develop the capacities of local government.

Paul Schuttenbelt

Asia Director

# Alvaro Ugarte Ubilla

INICAM Peru

18 September

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Twenty-five years ago, after the last military dictatorship, we launched a range of activities relating to local development, government decisions, public management, legislation and others; during this period we have been able to observe, with growing clarity and disappointment, the effort to retain control over decision-making, the administration of resources, and the distribution of public goods, together with strong resistance to citizens' control, transparency and participation. However, the discourse of decentralisation was always present among those groups that held power.

## The Negative Side of Decentralisation

During all these years, those designing and implementing the rules of political engagement have not moved towards a desire to develop society: this is because the measures have been aimed at generating minimal changes which do not change the general rules of engagement, and this has allowed them to retain their hold on power. In this way, the differences between different sectors of society have deepened, giving rise to ever greater unmet demands, which has in turn further widened the differences.

At the same time, we have lost sight of the reason for public management, and governments show increasing evidence of corruption and inefficiency. Political groups running for government and public office are engaged in an all-out struggle for the control of power, and along the way they have completely lost their moral bearings so that we are ruled by a political class which is without shame, and for whom anything goes.

They pass laws which favour the elites of the political parties, whose leaders divide up the best positions; they design vertical party structures which lack sufficient space for the discussion of political proposals and the techniques of government. If they are elected, they ensure that they retain control of decisions without "interference" from the grassroots. The decentralisers of today will be the autocrats of tomorrow, so that they can "ensure" efficient government.

## The Positive Side of Decentralisation

Despite this, since the return to the democratic election of local government in 1980, we have witnessed a constant growth in municipal initiatives. Faced with the fragility both of the legal framework and of human, logistical and financial resources, mayors, councillors and their advisors have responded constructively to the need to develop tools, management techniques, procedures and other mechanisms which are adapted to their requirements, and in this way they have created management models which have been recognised by and incorporated into existing legislation.

We have witnessed exceptional performance by some municipalities – unfortunately not as many as we would have wished – which have successfully met the difficult challenges they faced: holding barbecues, raffles and other events as a way of raising money to finance work for which there is no budgetary allowance, or calling upon volunteers to help in community projects. We have also had experience of the use and abuse of other mechanisms such as fines and unnecessary procedures.

Other authorities have pioneered modern, democratic, participatory management. For example, with the introduction of the participatory budgets, which is a way of involving society in decisions, together with social control mechanisms such as monitoring by Management Committees, the democratic election of Mayors of Small Settlements or of Neighbourhood Mayors. School mayors have also been introduced as a way of building civic responsibility and democratic culture in future generations of citizens and, ultimately, leaders and politicians.

During this process, technical and professional skills have been developed which provide the technical foundation for local management, focusing mainly on the execution of infrastructure works. Likewise, skills have been developed in the middle levels of government for works on a larger scale. At the start of the latest regionalisation process, which we are now in the middle of, the potential of human, technical and logistic resources was restricted, due to the creation of an inappropriate legal framework for the functions and competencies of local government, together with cuts in financial resources.

### **What Needs to Be Done with Regard to Decentralisation**

Firstly, we need to refresh the current generation of political leaders, so that we can design and apply a set of measures which, rather than benefiting the elites of the political parties, strengthens the decentralisation process from the bottom up. These measures must be integrated so as to deliver synergies, and must be based on the fundamental dimensions of life – the social dimension, the environmental dimension and the economic dimension – complemented by development of the institutional dimension, which contributes to and balances development of the other dimensions.

Decentralisation must start with the social dimension, by enabling citizens to be properly informed and to exercise their right to decide. For this, it is necessary to develop organisations that represent the different interests within society – regional and functional – so that these are represented and listened to. In this context it is necessary to transform the traditional notions which govern the actions of political parties, so that these become spaces for the discussion of the main development issues, and this requires not only a vertical structure but also a horizontal one where these different interest groups can meet and be represented.

We need to create an environment enabling families to live at peace, to develop their aspirations and realise their abilities. This context, the environmental dimension<sup>[1]</sup> which is under ever greater threat, is one of the highest priorities in today's world if we wish to achieve sustainable development: that is, if we wish the life chances of our children's children and the grandchildren of their grandchildren to be similar to those which we have today.

Society has to resolve issues such as income and the satisfaction of needs by developing the economic dimension, through which society stimulates economic activity with the subsidiary support of the state, in its role as facilitator for the distribution and concentration of economic surpluses, without neglecting the social role of preventing and reducing the marginalisation of groups with lower levels of development.

Good development management should, necessarily, translate into an efficient and effective response to society's key demands, a task which society entrusts to local government; but it should also be participatory and transparent. Only a society participating in government decisions, establishing its priorities and allocating resources, together with monitoring the use of resources and achievement of the agreed goals, can consider itself to be politically mature. For this to

happen, it is necessary to design and construct appropriate management tools and mechanisms which can be easily applied, allowing society to organise and intervene in these processes, and indeed facilitating this. Therefore, by recognising that citizens' participation in government decisions and in monitoring their management are political actions at a local level we will have taken an important step towards creating and consolidating a local political structure which, once properly established, must form the base for regional and national structures, and for sectorial and functional structures which will form a platform for sustainable development.

Complementing the proposals to develop the various dimensions of global development and with a subsidiary orientation, it is necessary to initiate a reform of the state which recognises: i) the role of the three Arms of the State; ii) the clearly differentiated<sup>[2]</sup> competencies which correspond to each depending on the different spheres of government and on the basis of each one's different role; iii) the multi-sectorial coordination of the government in accordance with the development dimensions; iv) recognition of the extreme heterogeneity of the country, through legislation and organisation of the public sector and; v) inclusion of the marginal sectors of society.

On the basis of these considerations, the structure of the State, we insist, must be adapted to fit society as a whole, rather than society having to adapt to the State. Managing development is a shared responsibility between the private and public sector, based both on vertical and horizontal political structures. This is the single largest challenge for the decentralisation process, and it is one that political parties must meet.

At the same time, in response to a rising current of public opinion in favour of reducing the number of municipalities as a misunderstood efficiency measure, we believe that we must promote the formation of municipal associations to pool skills and to share management efforts. Municipalities are the State's presence in the most remote regions of the country, and not only should they continue to exist but more municipalities should be created in order to bring the State closer to the community. However, first we must review their competencies using a typology that recognises their heterogeneous nature.

If this process is to be sustainable, we must agree on ongoing institutional development policies. This translates into the identification, selection and strengthening of the advisors and institutions which constitute the social capital of each place, so that they depend less and less on outside skills and, in particular, on centralism.

## Original Spanish Version

Hace 25 años -luego de la última dictadura militar- iniciamos actividades vinculadas con el desarrollo local, con decisiones de gobierno, gestión pública, legislación y otras; en este lapso hemos podido percibir, cada vez con mayor nitidez y con mayor decepción, el esfuerzo por conservar el poder en las decisiones, en la administración de los recursos, en la disposición de los bienes públicos, acompañados de una fuerte reticencia al control ciudadano, la transparencia, la participación. Sin embargo, siempre estuvo presente el discurso descentralista en los grupos de poder.

## Lo Malo del Proceso de Descentralización

Es que en todos estos años la actitud de quienes diseñan e imponen las reglas de juego de la política, no ha evolucionado hacia un propósito de desarrollar la sociedad; ello se debe a que las medidas han estado orientadas a generar pequeños cambios que en el fondo no cambian las reglas de juego, lo que les ha permitido conservar el poder. De esta manera, se han profundizado las diferencias entre distintos segmentos de la sociedad, generándose cada vez mayores demandas insatisfechas, que han incrementado las contradicciones.

Al mismo tiempo, se ha perdido la razón de ser de la gestión pública y los gobiernos cada vez muestran más indicios de corrupción e ineficiencia. Los grupos políticos que postulan a los gobiernos y a los cargos públicos rentados se han enfrascado en una lucha sin cuartel por alcanzar el control del poder y en esta lucha han perdido la moral hasta el punto de predominar una clase política sin pudor, donde todo vale.

Para ello, se dictan leyes que favorecen a las elites de los partidos políticos, cuyos dirigentes se “reparten” las mejores posiciones; se diseñan estructuras partidarias muy verticales sin suficientes espacios de debate de los principales temas de las propuestas políticas y técnicas de gobierno. En caso de resultar elegidos, se aseguran de mantener el control de las decisiones sin “interferencia” de las bases. Los descentralistas de hoy serán los autócratas de mañana para “garantizar” la eficiencia en el gobierno.

## Lo Bueno del Proceso de Descentralización

No obstante, desde que en 1980 se volvieron a elegir democráticamente las autoridades de los gobiernos locales, hemos sido testigos de una constante evolución en las gestiones municipales. Ante la precariedad de las normas y de los recursos humanos, logísticos y financieros, se ha producido constructiva de los alcaldes, sus regidores y sus asesores, quienes se han visto en la necesidad de desarrollar instrumentos, técnicas de gestión, procedimientos y otros mecanismos, adaptados a sus necesidades y, que así han creado modelos de gestión que han sido reconocidos e incorporados en la actual legislación.

Somos testigos de gestiones excepcionales de algunas municipalidades, lamentablemente no tantas como quisiéramos, que han sabido enfrentar las dificultades con éxito; recurriendo, por ejemplo, a *polladas*, rifas y otras formas de coleccionar fondos, que constituyen artilugios para lograr el financiamiento necesario para obras no presupuestadas o la participación de la mano de obra en obras de carácter comunal. También hemos conocido del uso y abuso de otros mecanismos como multas y trámites innecesarios.

Otras autoridades han sido pioneras en la gestión moderna, democrática y participativa. Por ejemplo, con la implantación de los *presupuestos participativos* que son una forma de involucrar a la sociedad en las decisiones, acompañados de mecanismos de control social como la fiscalización a través de los “*Comités de Gestión*”. La elección democrática de *Alcaldes de Centro Poblado Menor* o de *Alcaldes de barrios*. También fueron creadas las *alcaldías escolares* como un modo de inculcar civismo y cultura democrática en las futuras generaciones de ciudadanos y eventualmente de futuros cabales y verdaderos políticos.

Durante este proceso se han desarrollado capacidades técnicas y profesionales, que fueron el sustento técnico para gestión local, principalmente orientada a la ejecución de obras de infraestructura. Asimismo, se han desarrollado capacidades en los gobiernos intermedios para obras de mayor envergadura. Al iniciarse el último proceso de regionalización –que hoy estamos viviendo– los recursos humanos, técnicos y logísticos, han visto mermado su potencial, debido a la creación de un marco jurídico inapropiado en cuanto a sus funciones y competencias y por la disminución de sus recursos financieros.

### Lo Que Debe Hacerse en Descentralización

En primer lugar, es necesario llevar a cabo una renovación general de los dirigentes políticos actuales, para tener opción de diseñar y aplicar un conjunto de medidas orientadas –antes que a beneficiar a las elites de los partidos políticos– a fortalecer el proceso de descentralización desde sus raíces, medidas que sean enfocadas de manera integral para lograr sinergias, medidas basadas en las dimensiones fundamentales de la vida. La dimensión social, la dimensión ambiental y la dimensión económica; y estas, complementadas por el desarrollo de la dimensión institucional que contribuya y equilibre el desarrollo de las otras.

La descentralización debe comenzar en la dimensión social, es decir dotar a los ciudadanos de capacidad de informarse adecuadamente y poder ejercer su derecho a decidir. Para ello es necesario el desarrollo de organizaciones que representen los diferentes intereses de la sociedad –territoriales y funcionales– de manera que éstos sean representados y atendidos. En este contexto es necesario, revolucionar los conceptos tradicionales que rigen la acción de los partidos políticos, de manera que estos sean espacios de discusión de los principales temas del desarrollo, lo que será posible con una estructura vertical pero también con otra horizontal donde concurrirán y serán representados los distintos grupos de intereses antes citados

Es necesario crear un entorno favorable para una vida de calidad donde las familias encuentren paz y desarrollen sus aspiraciones y capacidades humanas. Este entorno, la dimensión ambiental que hoy día está cada vez más deteriorada, constituye una de las prioridades más altas en al sociedad global sin queremos que haya desarrollo sustentable; es decir, que los hijos de nuestros hijos y los nietos de sus nietos tengan posibilidades similares de acceso a la vida como las que hoy tenemos en la tierra.

La sociedad debe resolver temas como los ingresos y satisfacción de sus necesidades, a partir del desarrollo de la dimensión económica, donde la sociedad impulsa actividades económicas, con el apoyo subsidiario del estado, en su rol de facilitador para la distribución y condensación de excedentes económicos, sin descuidar la parte social de evitar y disminuir las marginalidades de los grupos con menores niveles de desarrollo.

Una buena gestión del desarrollo se debe traducir, necesariamente, en la atención eficiente y efectiva de las principales demandas de la sociedad, cuya atención le encarga a los gobiernos locales; pero, debe implicar al mismo tiempo, una gestión participativa, transparente. Sólo una sociedad que toma parte en las decisiones de gobierno, estableciendo sus prioridades y la asignación de recursos, así como en la fiscalización del uso de los recursos y del cumplimiento de las metas acordadas, puede considerarse una sociedad políticamente madura.

Para que esto sea posible, es necesario diseñar y construir instrumentos y mecanismos de gestión apropiados y de fácil aplicación, que permitan y faciliten la organización de la sociedad y su intervención en dichos procesos. Por ello, al reconocer que la participación ciudadana en las decisiones de gobierno y en la fiscalización de la gestión, son actuaciones políticas en el ámbito local, habremos dado un paso importante hacia la creación y consolidación de una estructura política local que, bien establecida, debe ser la base de las estructuras regionales y nacionales, así como de estructuras sectoriales y funcionales que constituirán una plataforma de desarrollo sostenible.

Complementariamente a las propuestas de desarrollo de las distintas dimensiones de desarrollo global y con una orientación subsidiaria, es necesario iniciar una reforma del estado que reconozca: i) por un lado el rol de los tres Poderes del Estado; ii) las competencias *claramente diferenciadas* según los distintos ámbitos de gobierno y en función del diverso papel que corresponde a cada cual; iii) la articulación multisectorial del gobierno en concordancia con las dimensiones del desarrollo; iv) el reconocimiento de la enorme heterogeneidad del país, a través de la legislación y la organización del sector público y; v) la inclusión de los sectores marginales de la sociedad.

A partir de estas consideraciones, la estructura del Estado –insistimos– debe adecuarse a la sociedad en su conjunto y no es la sociedad que debe adaptarse al Estado. La gestión del desarrollo es un esfuerzo compartido entre lo privado y lo público, con base en estructuras políticas tanto verticales como horizontales. Este es el más grande reto de la descentralización y los partidos políticos tienen la palabra.

Complementariamente, nuestra posición frente a una creciente opinión pública de reducir el número de municipios como mecanismo de eficiencia mal entendida, debemos promover la conformación de mancomunidades municipales, para sumar capacidades y esfuerzos de gestión. Las municipalidades constituyen la presencia del Estado en los lugares más alejados del país y deben seguir existiendo y acaso deban crearse más municipalidades, para acercar al Estado a la comunidad. No obstante, previamente se debe revisar sus competencias en función de una tipología que reconozca su heterogeneidad.

Para que este proceso sea sostenible, es necesario acordar políticas de desarrollo institucional continuo. Ello se traduce en la identificación, selección y fortalecimiento de los consultores e instituciones que constituyen el capital social de cada localidad, de manera que cada vez dependan menos de las capacidades foráneas y, en especial, del centralismo.

Alvaro Ugarte Ubilla  
Executive Director

# Madeleine Oka-Balima

UNDP Côte d'Ivoire

19 September

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Dear Colleagues,

Let me contribute to the phase 2 of the ongoing Local Governance and Development Agenda e-discussion. Based on a partnership experience Cote d'Ivoire CO has been testing, since 2005 with UVICOCI and ADDCI, two national associations of local government, I will focus on the second question. UVICOCI is the « Union des Villes et Communes de Côte d'Ivoire », ADDCI is the « Assemblée Générale des Districts et Départements de Côte d'Ivoire ». As already stated in my previous response to the first phase of the discussion, Côte d'Ivoire is now organized into 10 regions (but the process is not yet completely achieved), 2 districts, 56 departments, 198 existing “communes” and 520 newly created in 2005. Though being included in the institutional framework, “Villes” are yet to be created. With the war conflict in September 2002, the country has been experiencing for the last 5 years the most severe crisis of its history, which lead to additional structural, and conjuncture constraints to effective decentralization, the country being divided into two distinct administrative entities. With the signature of the Ouagadougou peace agreement, in March 2007, after various unsuccessful other agreements, the country is now hoping to progressively return to the normal, but it is a fact that the crisis context has seriously affected local governance process.

The experience is a UNDP supported pilot project, for promoting decentralized cooperation, implemented trough conventions with UVICOCI and ADDCI. UNDP signed with the Ministry of interior, and the delegation of power was made from this Ministry to the associations, trough two conventions. After nearly two years of implementation, it appears to us that the 4 following points are instrumental in strengthening cooperation with local governments associations:

- Support to advocacy: the main target of the local government association is to advocate, so to influence the government and the civil society for better inclusion/participation of local communities concerns in national development strategies. But these actions should be based on a shared and consensual vision of their members. Therefore, UNDP and other UN agencies could help in developing shared visions among the local organizations of governments, as well as reinforcing their capacity gap in the field of advocacy.
- Capacity building in various managerial domains: the key issue is that local government organizations should be able to deliver meaningful services to their members in a professional and transparent way. Therefore capacity building covers their institutional framework, as well as the training of the elected authorities and some targeted members in their team. Too often, the elected man or woman is a politician, insufficiently sensitive/ aware/trained on the managerial aspects of his/her function. They should be helped in developing and implementing a participatory shared vision for developing their locality. In Côte d'Ivoire, participative approach, though introduced long time ago and on the way to be institutionalized, is yet to be systematized.

- Exposition to other experiences: This might be through decentralized cooperation exchanges, experience sharing starting at the national level, but also through workshop with interventions on the other experiences developed sometimes in the region, or other countries in the world, or specific support from international expertise.
- Support to resource mobilization and partnering and: a key issue. Revenue collected from the delivery of meaningful services, as well as members' contributions should constitute the main source of revenues for associations of local governments. But the contributions will come only if the demonstration is made that the organization has the willingness and capacity to serve the interests of their members in a transparent way. The association of local government will be able to deliver at significant scale, only if resources are available. But as already stated, a condition is that all the actions of the organization should be sustained by a solid/shared vision. Therefore, UNDP and other UN agencies could help in supporting, through pilots, in implementing the shared vision, and in disseminating the results to other mayors, elected authorities, civil society and donors. Based on the demonstration of the willingness/capacity/transparency/success of the local organization to serve the interest of its members, members' contributions will progressively increase and become significant. At a certain scale, the organization will be able to envisage other external resource mobilization and partnerships, in which the caution of the UN should be instrumental as a sign of trustworthiness, from the international community to this organization of local governments.

Thanks

Madeleine Oka-Balima  
Programme Advisor

# George Matovu

**Municipal Development Partnership, Zimbabwe**

19 September

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Dear Colleagues,

I'm glad to share with you the following information which might be useful for the deliberations of both the phases of the ongoing e-discussion. The Municipal Development Partnership for East and Southern Africa (MDP-ESA), has been working extensively since 1991 to promote decentralisation processes and to strengthen the capacity and competencies of decentralised local governments in Africa in the region to enable them to effectively deliver services and promote sustainable local development. To effectively undertake this mission, MDP-ESA has worked closely with national associations local government authorities, training institutions, universities and social science research organisations in Africa and beyond, as well as selected civic organisations and NGOs.

The effort is structured in five thematic areas which reflect the demand for MDP-ESA services. The five areas include:

- Policy research, governance, and advocacy in (a) enhancing local government capacity to deliver services and reduce poverty, (b) access to land for urban agriculture for urban poor;
- Training in (a) urban and city management; (b) intergovernmental fiscal relations; (c) Municipal finance management, (d) local economic development, (e) participatory planning and budgeting;
- Direct technical assistance in (a) integrated urban development plan, (b) institutional development (c) service delivery surveys, (c) city consultations, (d) HIV/AIDS and gender mainstreaming, (e) urban agriculture, (f) poverty reduction strategies;
- Decentralised cooperation (a) municipal international cooperation, (b) twinning, (c) peer-to-peer support and learning
- Knowledge management and sharing in (a) good practices, (b) innovations, (c) information-communication-technologies. Through these interventions, MDP-ESA has enhanced its understanding and appreciation of challenges and problems influencing local government performance in the region.

## **MDP-ESA and Participatory Governance**

Since 2001 MDP-ESA been playing a catalytic role to promote participatory governance with specific emphasis on budgeting as an innovative tool for realising values such as, good governance, social accountability, and integrity. MDP-ESA has conducted studies that are intended to analyse national framework conditions for participatory budgeting; undertaken surveys to establish capacity building needs in participatory budgeting; implemented activities that are intended to sensitize public officials and local populations on the potential of participatory budgeting in realising sustainable development; and prepared “How to” manuals to guide local authorities and communities in initiating, designing, implementing, monitoring and evaluating participatory

“ Through these interventions, MDP-ESA has enhanced its understanding and appreciation of challenges and problems influencing local government performance in the region ”

budgeting. In addition, MDP-ESA has organised sensitisation seminars for ministers responsible for decentralisation and local governance, mayors and councillors on the importance of civic engagement in revenue mobilisation and engagement at sub-national levels if the millennium development goals are to be achieved. MDP-ESA has conducted training sessions for local government technical officials and representatives of civic organisations to equip them with the required skills and tools for civic engagement.

#### **MDP-ESA and Urban Agriculture**

MDP-ESA has also been involved in supporting local government to accept urban agriculture as an integral part of urban economy. The idea is to help them mainstream urban agriculture in urban planning and management as a strategy for fighting poverty, improve nutrition, create employment and beautify the environment. MDP-ESA uses the approach called Multi-Stakeholder Policy and Action Planning (MPAP) which ensures that all key stakeholders participate at all stages of the project i.e. agenda setting, issue identification, design, decision making and implementation and monitoring and evaluation.

#### **Enter Decentralisation**

Diana Conyers defines decentralisation as “a process of change in which functions previously undertaken by government institutions at national level become the responsibility of government or non-government institutions at sub-national level” Almost all countries in Sub-Saharan Africa have embraced some form or forms of decentralisation as strategy to foster, among others, local empowerment; administrative efficiency and effectiveness; national cohesion; and reduction in public expenditure.

#### **Challenges and Constraints**

However, one can safely say that at 25 years, decentralisation in Africa is still young and fragile to be able to effectively deal with the challenges of public administration and economic growth. Decentralised local authorities are characterised by financial crises due to inadequate funding and narrow revenue bases, corruption, ethnic conflicts, marginalisation and exclusion of vulnerable groups, and inherent mistrusts of elected officials. Secondly, extreme and widespread poverty

continues unabated. Many local authorities in different countries are grappling with the challenge of uplifting the general well being of their people and improving living standards through provision of basic services such as clean water, health, education and shelter. Due to lack of access to basic services, the majority of populations feel alienated and therefore unwilling to get involved in municipal affairs. The challenge is compounded by absence of viable economic activities due to poor infrastructure such as impassable roads and lack of credit facilities. In that regard, capacity building for local government is still required and requires a specialised and neutral institutional space for exchange of ideas and learning.

### **Role of MDP**

This is where MDP-ESA comes in handy to support capacity building and improving the competencies of local governments to be able to deliver on their mandates. MDP-ESA will continue to organise capacity building events through training, technical assistance, peer-to-peer support, research and knowledge sharing in areas of municipal management, policy making, finance, local economic development and gender mainstreaming. MDP-ESA will take advantage of its distance learning programs through radio programs, web-based courses and video-conferencing to scale up the volume of training. MDP-ESA will also take advantage of its partnerships with institutions like the United Cities and Local Governments of Africa (UCLGA), national associations of local government authorities, training institutions to promote participatory governance

Yours sincerely,

George Matovu  
Regional Director

# Herdade dos Santos

UNDP Timor-Leste

20 September

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I am pleased that I have the opportunity to learn from you colleagues about local governance or decentralization. I would like to share with you my general idea on the topic since Timor-Leste is also going to implement this decentralization process within its territory.

Decentralization has become an important issue for almost all governments that exist at these days specially, in newly born countries. Timor-Leste as the newest country in the millennium that just got its independence on May 20th, 2002 is also currently facing the problem of decentralization. At the moment, the Government of Timor-Leste, in support of UNDP and UNCDF is launching a three years period of a pilot program of decentralization in some sub-national units within its territory. The objective of this pilot program is twofold: firstly: to improve poverty reduction efforts in the country by testing out in a number of pilot sub-national territorial units, a decentralized approach to infrastructure and service delivery; secondly to inform the local governance policy of the Government of Timor-Leste by providing evidence-based lesson learnt from activities in pilot sub-national units covered by the programme and by directly contributing to the ongoing national level debate about local governance. The pilot programme will provide the Government with a range of valuable lessons about local governance and the kind of institutional arrangement and will foster accountable, inclusive and transparent forms of sub-national government.

Generally the demand for decentralization is to bring government's service down to the population who mostly live outside the central city and are in need of the service. It is believed that through this process, all citizens are enjoying fair and equal service provided by the Government and that poverty can be reduced through the creation of employment opportunities for the people widely. It is also believed that decentralization can make the government perform its service better, democratically, transparently and responsive to the need of the people. Within this process, powers are not only enjoyed by those officials who sit or work in the central government but fairly distributed to others as well. Nonetheless it should be noted that decentralization is not about something willingly, freely and easily undertaken, distributed or compromised among groups or political parties in the central government and those in the local governance. Government as the most important aspect in this case must do or undertake careful studies before putting the decentralization into effect. Ineffective and unorganized decentralizations process can make the situation and condition of a local government worse; it can also lead to decentralized corrupt activities from the central government to the local ones. In addition, poor management of decentralization can increase or create political conflicts or gaps not only among the local communities but also up to the national level. Social jealousy might also one of the causes of unplanned or unorganized decentralizations. Furthermore, it may threaten disintegration of a nation.

“ Government as the most important aspect in this case must do or undertake careful studies before putting the decentralization into effect ”

Decentralization may come in the model of deconcentration, delegation, devolution or in the form of autonomy. Among these, I would say that whatever model is chosen or implemented, it should be based on a thorough study and analysis, taking into consideration of human resource exist or met at the potential local government, natural resource, economic strength and political aspect of the whole country. Finally I would say that decentralization can only meet its objectives well if the model chosen is appropriate with the local capacities and conditions.

Herdade dos Santos  
Programme Assistant

# Abdou-Salam Saadi

UNDP Comores

20 September

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Dear Colleagues, find below my contribution to this very interesting discussion.

*What are the main challenges you have faced in the design and implementation of assistance programs in the areas of local governance and decentralization? What are the key lessons learned and which good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

In 2001, the Union of Comoros Islands adopted a new institutional framework which ratified the subsidiarity principle and introduced a new highly decentralized system of State governance. Four levels of government feature therein: a federal level, an insular level, a regional level and a local level.

Thus, the Comoros Islands went from a highly centralized form of government to a new form that involved federated entities of three autonomous islands, namely: Mwali (Mohéli), Ndzuwani (Anjouan) and Ngazidja (Grande Comore). It was however denied the opportunity for transition with all that goes with it in terms of change of administrative culture and a reconfiguration of the decision-making process or stakeholders etc. On the operational scene, this meant that new management institutions and mechanisms came into being especially at the local and regional levels where there was no tradition of participation in local development, although such practice now exists. These past years, this local development dynamic set a number of communities on the path of pilot experiences with councils recognized for being representative of localities.

Nevertheless, implementation of this new institutional framework in Comoros is beset by multiple constraints and requires the tackling of major political and institutional challenges. For example, how do we eradicate the separatist attempts by some islands and strong regional identities, while strengthening the community solidarities arising from the readjusted traditional management models?

On the economic front, the country is overburdened by its public debt which is estimated at 266 million, equivalent to 72% of GDP. Negotiations are going on with financial institutions for the country to benefit from certain mechanisms like the Poverty Reduction and Growth Facility (PRGF) which would ultimately write off or suppress part of this debt. There are also financial and territorial difficulties. In fact, the government of Comoros finds it hard to demarcate its private land. Thus, the complexity of the task of mapping out the national territory which should guide the decentralization policy is a daunting issue.

Though founded, such issues have however not dampened the people's enthusiasm in taking ownership of this policy at the grassroots level. For some years now, one sees pilot councils being established: sometimes, the process is driven solely by the motivation of the populations themselves. Given this situation which is bound to be generalized in future, UNDP-Comoros deemed it useful to join the debate on the role of decentralization in its spheres of operation.

In view of the decentralization challenges in the Comoros Union, the UNDP Country Office recruited a group of national consultants to design a Strategic Orientation Framework Document for Decentralization in the Comoros Islands, underpinned by a national vision of governance. This document was to give in-depth analyses of the situation, provide elements contributing to a shared vision of decentralization and highlight the levers for laying the foundations for a well-thought out process which is in harmony with both local specificities and the demands for performance, efficiency and transparency required from modern local governments and territorial administrations.

At the end of their work, the consultants came up with four possible approaches inspired by past experiences and/or the legal and geographical situation of Comoros.

- 1) Decentralization can be approached based on the legal and institutional framework of the Union. This approach proposes a kind of double decentralization: between the Union and the islands on the one hand, and, between the islands and their local collectivities on the other. In fact, the union defines the general framework while the islands lay down the conditions for the establishment, organization, functioning and the functions of territorial collectivities as well as specific provisions.
- 2) Decentralization can also be approached by reverting to the original form of the Comoros government which disregards the islands as political entities. Territorial administration would then follow the unitary State model with three levels: State, bavu and council (or mudiria).
- 3) Another model proposed is the State-region type. It involves a federal State without federated states but which takes into account the insular aspect. The island here is one territorial collectivity.
- 4) A fourth approach combining decentralization and good governance is also possible. This bottom-top model which is based chiefly on good governance makes local elected officers to participate in the whole decision-making process. Thus, the regional council would be composed of mayors of the region's councils while the island assembly would be composed of the mayors and municipal councilors elected by their peers in proportion to the council's population size. It is this same assembly that would elect the governor of the island by indirect universal suffrage.

Thus, UNDP Comoros intends to use this document to elicit discussion on this theme based on a participatory approach involving especially the grassroots communities which are the actors of the councils to be established and also enable any actor involved in this process to understand the stakes and challenges of this policy nationally and locally. This Office stands ready to share this document with colleagues who are interested one way or another in deepening the subject.

## Original French Version

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

L'Union des Comores a adopté en 2001 un nouveau cadre institutionnel qui entérine le principe de subsidiarité et qui a fait émerger dans le paysage institutionnel du pays un système de gestion de la gouvernance de l'Etat fortement décentralisé. Quatre niveaux de pouvoir y sont déclinés: un niveau fédéral, un niveau insulaire, un niveau régional et un niveau local.

Ainsi, les Comores vont devoir passer d'une forme de gouvernement très centralisée à une nouvelle forme d'entités fédérées autour des trois îles autonomes que sont Mwali (Mohéli), Ndzuwani (Anjouan) et Ngazidja (Grande Comore), sans possibilité de transition avec ce que cela implique en terme de changement de culture administrative, de reconfiguration des acteurs de gestion, des processus de décision etc. Ceci devra se traduire sur le plan opérationnel par des institutions et des mécanismes de gestion nouveaux notamment au niveau local et régional où il n'existe aucune tradition, même s'il existe d'ors et déjà une pratique de participation au développement local. Cette dynamique de développement locale a projeté certaines communautés ces dernières années, sur des expériences pilotes de communes reconnues d'une certaine représentativité des localités.

Cependant, la mise en œuvre aux Comores de ce nouveau cadre institutionnel est soumise à de nombreuses contraintes et nécessitera de relever d'importants défis tant politiques qu'institutionnels. Comment par exemple échapper aux tentations du séparatisme insulaire et du repli régional en renforçant les solidarités communautaires issues des modèles de gestion traditionnels revisités ?

Sur le plan économique, le pays croule sous le poids de sa dette publique estimée à 266 millions, soit 72% du PIB. Des négociations avec les institutions financières sont en cours aux fins de permettre le pays d'accéder à certains mécanismes comme la Facilité pour la Réduction de la Pauvreté et la Croissance (FRPC) dont la finalité serait un allègement ou une suppression d'une partie de cette dette. Doivent être aussi mis en évidence, des difficultés d'ordres fonciers et territoriaux. En effet, il n'est pas aisé pour l'Etat comorien de définir son domaine privé et la complexité du découpage territorial qui devra présider cette politique de décentralisation n'est pas en reste.

Néanmoins, ces interrogations certes fondées n'ont pas altéré l'engouement de la population à vouloir s'approprier cette politique à la base. C'est ainsi, qu'on assiste depuis quelques temps à l'émergence de communes pilotes dont leur mise en place est parfois guidée par la seule motivation des populations. Devant cette situation appelée à se généraliser dans les années à venir, le PNUD Union des Comores a jugé bon de s'inviter au débat étant donné la place qu'occupe la *Décentralisation* dans ses domaines d'intervention.

En effet, devant ces défis à relever sur la problématique de la décentralisation en Union des Comores, le Bureau de pays du PNUD a engagé un groupe de consultants nationaux pour élaborer un concept de Document Cadre d'Orientation Stratégique pour la Décentralisation, sous tendu par une vision nationale de la gouvernance aux Comores. Ce dernier doit permettre de disposer des analyses approfondies de situation et des éléments susceptibles de dégager une vision partagée de la décentralisation et des leviers pour jeter les bases d'un processus réfléchi et en accord à la fois aux spécificités locales et aux exigences de performance, d'efficacité et de transparence requises pour les administrations locales et territoriales modernes.

Au terme de ce travail, les consultants ont dégagé quatre approches inspirées des expériences passées et/ou la situation juridique et géographique des Comores peut être proposée :

1. La décentralisation peut être abordée en s'appuyant sur le cadre juridique et institutionnel qu'offre l'Union. Celui-ci propose une sorte double décentralisation, d'une part, entre l'Union et les îles, et d'autre part, entre les îles et leurs collectivités locales. En effet, l'union définit le cadre général et les îles autonomes fixent les modalités de création, d'organisation, de fonctionnement et d'attribution des collectivités territoriales ainsi que les dispositions spécifiques.
2. La décentralisation peut être abordée également en revenant à la forme originelle de l'Etat Comorien qui fait abstraction des îles comme entités politiques. L'administration territoriale s'opère alors suivant le modèle d'un Etat unitaire à trois échelons, Etat, bavu et commune (ou mudiria).
3. Un autre modèle de type Etat-régional peut être proposé. Il s'agit d'un Etat fédéral sans Etats fédérés mais qui prend en compte l'aspect insulaire. Dans ce cadre, l'île est une collectivité territoriale.
4. Une autre orientation qui couplerait décentralisation et bonne gouvernance serait également possible. C'est un modèle dont l'axe majeur est la bonne gouvernance et qui part de la base et fait participer les élus locaux à tout le processus décisionnel. Le conseil régional serait constitué par les maires des communes de la région, et l'assemblée de l'île par les maires et conseillers municipaux élus par leurs paires en proportion de l'importance de la commune en population. C'est cette même assemblée qui élirait le gouverneur de l'île au suffrage universel indirect.

Ainsi, partant de ce document, le *PNUD Union des Comores* entend susciter le débat autour de cette thématique à travers une approche participative incluant notamment les communautés de base qui seront les actrices des Communes à naître et permettre également à tout acteur impliqué dans ce processus de comprendre les enjeux nationaux et locaux de cette politique. Ce Bureau est disposé à partager ce document avec les collègues qui seraient intéressés de façon ou d'une autre à approfondir le sujet.

Abdou-Salam Saadi

Governance Programme Analyst

# Joachim Nahem

UNDP Oslo Governance Center

20 September

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Dear colleagues,

I thought I would share some observations on measuring governance at the local level which could be also useful for the One UN” on local governance at Country level’ discussion phase. At a recent Workshop at the UNDP Oslo Governance Centre on “Measuring and Assessing Democratic Governance,” [http://www.undp.org/oslocentre/flagship/governance\\_indicators\\_project.html](http://www.undp.org/oslocentre/flagship/governance_indicators_project.html) where 22 UNDP COs and national counterparts participated, the topic of measuring governance at the local level was treated extensively. Some key areas that were discussed in this context were:

## Multiple ‘Methods’ and Tools for Measuring DLG:

- Local governance assessment
- Local government performance
- Municipal benchmarking
- Urban governance indicators
- Decentralization indexes
- State of democracy at the local level

## Key Conceptual Issues:

Many institutions and actors currently working in the area of decentralisation and local governance make various use of the tools and method described above (e.g. local governance assessments, local government performance etc.). Most of these initiatives run parallel to each other, sometimes in the same cities/countries, occasionally conflicting and overlapping rather than being complementary to one another.

There is a need to distinguish the concept of local governance from local democracy, decentralisation, and local government performance. Local governance – if defined as the process of decision-making at the local level, with the involvement of different actors and stakeholders, including both formal and informal systems– exists in every country, whether the country is democratic or not, and whether decentralisation has been carried out (in part or full), or not. Local governance is also different from local government (and thus local government performance) as it involves other actors such as the community/civil society and the private sector and is based on the interactions between them.

Local governance indicators are not simply a subset or a disaggregated form of national governance indicators. They can provide important information that can inform policies vis-à-vis decentralisation, poverty, participation, accountability etc, at the local as well as national levels. They need to be developed keeping in mind:

- The normative basis for good/democratic local governance
- The local context
- Applicability/replicability for urban/rural/regional/district/municipal etc levels with minor adaptation
- Poverty and gender considerations

### Key Resources:

1. Un-Habitat Urban Governance Index [http://ww2.unhabitat.org/campaigns/governance/activities\\_6.asp](http://ww2.unhabitat.org/campaigns/governance/activities_6.asp)
2. International IDEA
3. “Local Democracy Assessment Guide” [http://www.idea.int/dll/upload/Local\\_Dem\\_Assessment\\_Guide.pdf](http://www.idea.int/dll/upload/Local_Dem_Assessment_Guide.pdf)
4. ”Democracy at the Local Level: The International IDEA Handbook on Representation, Participation, Conflict Management and Governance”.
5. “Democracy at the Local Level in East and Southern Africa: Profiles in Governance”
6. “Democracy at the Local Level – A Guide for the South Caucasus”  
[http://www.idea.int/publications/dll\\_caucasus/upload/English\\_text.pdf](http://www.idea.int/publications/dll_caucasus/upload/English_text.pdf)
7. UK Government: Indicators of Strong Communities [www.neighbourhood.gov.uk/page.asp?id=1531](http://www.neighbourhood.gov.uk/page.asp?id=1531)
8. Joint Africa Institute, draft report on Proposed Indicators Local Governance Poverty Alleviation in Africa
9. Bracegirdle, Peter. (2003) International Experience in Municipal Performance Measurement Paper presented at the 3rd International Conference on Decentralization organized by the Center for Local and Regional Governance at the University of the Philippines.  
<http://unpan1.un.org/intradoc/groups/public/documents/APCITY/UNPAN017423.pdf#search='international%20experience%20in%20municipal%20performance'>
10. Foneska, Leo. (2000). Indicator Tools for Assessment and Analysis of City Governance. World Bank Institute Urban and City Management Program. <http://www1.worldbank.org/wbiiep/decentralization/Library11.htm>
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“ Local governance is also different from local government (and thus local government performance) as it involves other actors such as the community/civil society and the private sector and is based on the interactions between them ”

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14. Westfall, Matthew & Victoria, de Villa. (2001). Urban Indicators for Managing Cities. Asian Development Bank. <http://www.kas.de/upload/dokumente/megacities/ADB.pdf#search='urban%20indicators%20for%20managing%20cities'>

As part of the UNDP Oslo Governance Centre Project on Governance Indicators we are currently working on developing a knowledge product on measuring governance at the local level. We look forward to working with network members and colleagues during this process.

All the best,

Joachim Nahem  
Governance Specialist

# Daniel Esser

UNDP BDP/DGG HQ

20 September

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Dear Colleagues,

A number of contributors to this vibrant and indeed very productive e-discussion have pointed to the role that ongoing urbanization across the planet is playing in the context of strengthening local governance. Working on this issue myself—I am currently preparing for a half-day panel discussion in Washington, DC where a number of speakers at the forefront of urban research are going to elucidate the rationale for ‘Inserting Urban Issues Into the Development Agenda’ ([http://www.wilsoncenter.org/index.cfm?topic\\_id=1410&fuseaction=topics.home](http://www.wilsoncenter.org/index.cfm?topic_id=1410&fuseaction=topics.home)) as well as a UNU-Wider workshop on ‘Beyond the Tipping Point: Development in an Urban World’ (<http://www.wider.unu.edu/events/wider-events-2007/urbanization-callforpapers.pdf>)—I would like to share some related thoughts with you.

- i. Many of us who are wondering how to cope, from a local governance perspective, with increasing urban populations, both in relative and absolute terms, are also troubled by persisting poverty in rural areas. Personally I think that we should not sacrifice the latter for the former. And we do not have to. Thinking about strengthening institutions and processes that play into local governance in a way that they have a decreasing impact on urban poverty does not imply forgetting about rural hardship. Of course monetary resources are limited. Nonetheless this is still not a zero sum game but over time, a growing pie. More important even, if our fundamental concern is about making key contributions to the reduction of poverty, then we have to pay attention to both rural and urban forms of poverty and their specific features and dynamics. As a whole, urban poverty is increasing in many countries, whereas rural poverty—in some regions at least—is decreasing (read Amelia Gentlemen’s recent “Letter from India” in the International Herald Tribune: <http://www.iht.com/articles/2007/08/20/asia/letter.php>). I believe that this fact should be a primary factor for our programming.
- ii. Growing cities and rising urban poverty coincide with increasing and new phenomena of city-based violence and victimization. A recent report by the Asian Development Bank (2006: 31) highlights,  
  
“In many urban areas aggregate numbers of people living in poverty are increasing, along with the gap between rich and poor. [...] Poverty is a potentially explosive social and political issue.”

- iii. The urbanization of modern warfare and the concentration of terrorist attacks and counterinsurgency measures are arguably the two starkest illustrations. But in Central and Latin America, petty crime and gang violence pose huge constraints to local equity. At the same time, local accountability suffers from unresponsive public entities either caught up in maintaining the state monopoly of enforcement or entangled, to some degree, with violent forms of economic activities themselves. Similar observations can be made in countries emerging from civil war. Indeed, the United Nations (2003: 595) have explicitly acknowledged these urban impacts of low intensity conflicts:

“While it may not reach the level of war, the combination of a surging youth population, poverty, urbanization and unemployment has resulted in increased gang violence in many cities of the developing world.”

- iv. UN-Habitat (2006: 10-14) concurs and even warns of “an urban social time bomb that is soon going to explode,” a bomb “made of inequality, discrimination, prejudices and exclusion [...] exacerbated in the overcrowded neighborhoods of globally rapidly growing slums.”
- v. Urbanization therefore also has important implications for human security in cities (you may also want to check out this report: [http://humansecurity-cities.org/sites/hscities/files/Human\\_Security\\_for\\_an\\_Urban\\_Century.pdf](http://humansecurity-cities.org/sites/hscities/files/Human_Security_for_an_Urban_Century.pdf)) and urban safety – realities that programmes aimed at making local governance more effective need to take into account. At the core of this reflection is how the views of cities as both poverty time bombs but also as arenas of constructive agency from below capacitated by democratic governance can be reconciled conceptually and also in practice.
- vi. In previous assignments in Sierra Leone and Afghanistan I observed certain vested interests, commonly located at the national level, who were pushing what one might call an “anti-urbanization” agenda. Alleged reasons ranged from partisan considerations to security concerns, with the latter reiterating some the trends and dynamics raised in the previous point. “The city is only made for x number of people” and the like were comments uttered frequently. Cooperation with donor and development agencies—particularly in the area of polity reform and decentralization—was therefore sometimes (mis)understood—or indeed hijacked—as a unique opportunity to reverse the spatial trend of urban in-migration by ‘incentivizing’ people to move back to rural areas. Yet what happened in a number of cases despite these ‘politics of dispersal’ is that uprooted citizens kept voting with their feet, urban centres kept growing, the burden on already depleted (or, in the case of post-war cities, destroyed) infrastructure kept increasing growing, and resources and policy deliberations were insufficiently aligned with this reality. Changing such patterns takes time and political efforts; however at the beginning of this rethinking process is the realization that urbanization cannot, and should not, be ‘reversed’, especially not given the efficiency-driven context of development aid.

- vii. Finally, when we think about local governance and particularly achieving system-wide coherence, working towards coherent policy advice is one area about which some further reflection is warranted. It is here where UNDP both at the country level and regionally can make important contributions. Combining the features of the intersecting dynamics of local governance and urbanization that I have tried to highlight above, virtual and personal exchanges about effective approaches and successful policies are critical.

UNDP needs to respond to current development needs as much as positioning itself vis-à-vis future challenges. If not only poverty is urbanizing and but well-designed policies and institutions have also proven effective in fighting poverty, then utmost attention to innovative urban policymaking for democratic governance is timely indeed.

Daniel Esser  
Research Analyst

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Gentlemen, Amelia (2007), Letter from India: Architects aren't ready for an urbanized planet, *International Herald Tribune*, 20 August, p. 2.

humansecurity-cities.org (2007, eds.), *Human Security for an Urban Century: Local Challenges, Global Perspectives*, Ottawa: Foreign Affairs and International Trade Canada, March.

UN Habitat (2006), Anna Tibaijuka: "Schwierige Neue Welt" [Challenging New World], *Internationale Politik* 11(6), pp. 9-15.

United Nations (2003), Poverty, Infectious Disease, and Environmental Degradation as Threats to Collective Security: A UN Panel Report, *Population and Development Review* 31(3), pp. 595-600.

# Hachemi Bahloul

UNDP Bratislava Regional Center

21 September

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Dear Colleagues,

Please find below my contribution to this very interesting E-discussion. It essentially responds to the first question of the phase 2. The contribution is an extract from a paper that I prepared and strictly reflects my personal views.

## Decentralization and development

In many countries where decentralization is taking place local planning is done in isolation from any existing national strategic development frameworks. The latter in turn often do not integrate adequately local needs and priorities. Donors, even when they support the formulation of national development strategies and plans, often continue to finance the implementation of separate discrete area based or local governance and development programmes. While such programmes contribute to national development efforts, they are not always well articulated with central level strategies and plans. Hence, they result in local processes which are rich in community participation but have weak links with national priorities, government agencies and national funding sources. They thus have limited prospects for sustainability.

The above vertical de-linking is combined with a horizontal fragmentation of support for local development. The financial transfers made by central governments to local authorities are not always based on the priorities identified in the frame of coherent, integrated and democratically formulated local development agendas. In such a situation, the effectiveness of these transfers from the point of view of meeting local priority needs and/or ensuring coherent local development is not clear.

Donor support for local development is sometimes made conditional upon the participatory preparation of a variety of local thematic or sectoral strategic plans. Lack of coordination in their preparation often means the co-existence of a large number of inconsistent local plans and thus a dispersion of local development efforts. And again, limited coordination of these plans with higher level strategic development frameworks often means that they are detached from sustainable state funding sources and remain essentially wish lists.

The point is that decentralization needs to be accompanied by policies which establish or restore the links between national and local development. National and local development plans should be aligned (through bottom up and top down processes) to ensure the overall coherence of the national development process and synergies between interventions at different levels. Also, central government and donor financial support for local development should be provided in the frame of coherent and integrated local development frameworks.

“ Donors, even when they support the formulation of national development strategies and plans, often continue to finance the implementation of separate discrete area based or local governance and development programmes ”

In a context of scarce resources and capacities, local but also national development planning are important to ensure the strategic focus, adequate prioritization and sequencing of development efforts. Integrated planning is often advocated to address central and local level inter-sectoral coordination and coherence problems. However, integrated planning is also relevant to address coordination, coherence and funding issues between the national and local level (see *Fostering Integration – A Donor’s Perspective*, KfW, 2004 – Power Point presentation made at the International Conference on Local Development, Washington D.C., June 2004 [http://www1.worldbank.org/sp/ldconference/Materials/Day3/Berke\\_FosteringIntegration.pdf](http://www1.worldbank.org/sp/ldconference/Materials/Day3/Berke_FosteringIntegration.pdf) ).

National integrated planning which incorporates the local level can ensure:

- The identification and agreement on the strategic links and synergies between local and national development;
- The adequate distribution of responsibilities for development between local and national actors;
- The integration of local development funding in the budgetary process;
- The allocation of central resources for local development on the basis of clear and agreed strategic frameworks (national and local);
- Coherent donor support to national and local development efforts.

The establishment of a national integrated planning system which incorporates the local level requires the design of mechanisms and processes which ensure horizontal integration at the central level on the one hand and horizontal integration at the local level on the other, as well as vertical national-local integration. While the specific mechanisms and processes for vertical integration would need to be tailored to national circumstances, interventions would most certainly need to include:

- Institutionalized mechanisms for multi-actor (including local actors) strategic dialogue;
- The harmonization of central and local government planning and budget cycles;
- The preparation of guidelines for integrated local development planning and budgeting aligned with the central planning and budgeting processes;
- The institutionalization of local government representation in the national budgeting process.

The MDGs can be the common denominator for the re-integration of development efforts. They can provide the common strategic objectives across different levels and be the common frame of reference of a national integrated planning system which incorporates local development. The UN system articulates well the relationship between global, national and local MDG targets and strategies but perhaps more work needs to be done to provide countries with practical guidelines on how to operationalize a national MDG aligned development agenda which integrates local development.

A national integrated planning system as the one discussed here may perhaps be an avenue that needs to be further explored. It could constitute an opportunity for enhanced UN system cooperation in support to the achievement of the MDGs. Its results could also provide the donor community with the framework for the harmonization of its activities and contribute to the achievement of the objectives of the Paris Declaration on Aid Effectiveness.

Best regards,

Hachemi Bahloul  
Local Development Specialist

# Maribel Landau

UNDP Panama

21 September

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## English Translation by Haley Horan, Research Analyst, BDP/DGG, NY

First of all, thank you very much for inviting me to take part in this discussion. In Panama we have worked for many years on the theme of decentralization, taking an inter-agency approach, as well as bilaterally as UNDP. An important partner of UNDP has been UN-Habitat as well as our own LAC SURF.

Panama is a unitary country with three levels of government: central, provincial and municipal, that, unlike neighboring countries such as Nicaragua and others in the region, has had very few advances in the process of decentralization. The mayors, although elected authorities, have limited tributary responsibilities and authority to manage the municipalities, and they depend on the central level for the provision of all services and the realization of investments in the territories. It is worth pointing out that in Panama municipalities are conformed by territorial units called “corregimiento,” in which a designated authority is chosen as representative. These authorities, in a similar way, depend on the agencies and resources of the central government to take care of the needs of their communities. The governors, on the other hand, are delegated by the executive and perform - with many weaknesses - roles of coordination of actions of the State in the provinces. Given their limited relevance in the institutional structure, the mayors and representatives of “corregimientos” revert directly to the national authority for the effective solution of their needs.

During the last three presidential periods UNDP, together with other agencies of the system, has collaborated principally with the municipal movement in the formulation of various initiatives of legislative reform to the municipal regime in the search for greater decentralization. These efforts have not materialized due to a lack of political will. In actuality, the conundrum that faces the country, following the reversion of the canal and with the decision to undertake its extension, has demonstrated the necessity of achieving a more balanced development, for which there is no doubt that it is necessary to lead a process of decentralization of the State.

In this sense, UNDP with the support of the UNDP SURF and UN-Habitat, have in the last two years been providing technical assistance to the national Government in the formulation of a public policy of decentralization and in the reformulation of the municipal regime and the provincial regime. It is worth emphasizing that the contributions made are taking into consideration the lessons learned from similar processes realized in the region. Thus, on the one hand the importance of taking in consideration the heterogeneity of the municipalities has been emphasized, and with it the necessity of creating municipal typologies that they allow for a gradual transfer and diversification of responsibilities, resources, and authorities according to the technical, operative, and functional capacities they possess. Also, the necessity in a unitary country of strengthening the role of the province as a true intermediary and coordinator of the state in the territory has been insisted upon. On the other hand, the articulation between the distinct levels of government - each one taking responsibility for what it knows and can do best according to its role and having the necessary mechanisms for the control and monitoring of the fulfillment of its functions - is necessary. Also, and through various exercises of sensitization applying tools of decentralization developed by the SURF (orientation manual, diagnostic tool for decentralization) work has been done in teaching to define criteria on what constitutes decentralization and everything that it involves.

In our opinion, the greatest challenge is to achieve agreement at the political level to begin to decentralize the management of the state. If indeed there exists an increasing agreement that this is necessary, political priorities will become very much in flux and there is a risk that the decision will be postponed. On the other hand, once the decision is taken, the challenge is to install a process that will result in finding the most effective model for management of the State with clear development objectives that permits a balance between existing territorial inequalities and above all makes the efforts of the fight against poverty and social exclusion more effective.

Finally, I am in complete agreement with the contribution made by my colleague at UNDP Nicaragua on the points that must receive attention during the implementation of the decentralization process. It is not a purely technical issue, but also one of building real capacities in the different levels of government, and reenvisioning structures and visions of the management of the state. It involves paying attention to the creation of a institutionalization of support that supports processes of reconstruction, for example of sectoral ministries to effect greater decentralization and delegation of functions and competencies to other levels of government; support to continuous processes of training of civil servants at the different levels; technical assistance for the adoption of the new functions, for the formulation of policies and the control and monitoring of the fulfillment of delegated responsibilities. It is also necessary to support civic participation as much to foment the involvement of civil society in the definition of priorities, as to promote its role as watchdog over the performance of public functions. Finally, the institutionalization must also possess sufficient capacities for the suitable management of fiscal resources and to avoid fiscal deficits that entail other consequences.

### **Original Spanish Version**

Primeramente, muchas gracias por invitarme a participar de esta discusión. En Panamá hemos trabajado por muchos años el tema de descentralización de manera inter agencial, como también bilateralmente como PNUD. Un aliado importante del PNUD ha sido UN-Habitat al igual que nuestro LAC-SURF.

Panamá es un país unitario con tres niveles de gobierno: central, provincial y municipal, que a diferencia de países vecinos como Nicaragua y otros de la región, ha tenido muy pocos avances en el proceso de descentralización. Los alcaldes, aunque autoridades electas, tienen limitadas competencias y atribuciones tributarias para gestionar el municipio, dependiendo del nivel central para la provisión de todos los servicios y la realización de las inversiones en el territorio. Vale indicar que en Panamá, los municipios están conformados por unidades territoriales llamadas corregimiento, en donde se elige una autoridad denominada representante. Estas autoridades de manera similar, dependen de las entidades y recursos del gobierno central para atender las necesidades de sus comunidades. Los gobernadores, por su parte, son delegados del ejecutivo y ejercen con muchas debilidades roles de coordinación de la acción del Estado en la provincia. Dada su escasa relevancia en la estructura institucional, los alcaldes y representantes de corregimiento se relacionan directamente con el orden nacional para la solución efectiva de sus necesidades.

Durante los últimos tres periodos presidenciales el PNUD, junto con distintas agencias del sistema, han colaborado principalmente con el movimiento municipalista en la formulación de varias iniciativas legislativas de reforma al régimen municipal en la búsqueda de una mayor descentralización. Estos esfuerzos no se han materializado debido a la falta de voluntad política. En la actualidad, la coyuntura que enfrenta el país, luego de la reversión del canal y con la decisión de emprender su ampliación, ha puesto de manifiesto la necesidad de lograr un desarrollo más balanceado, para lo cual ya no cabe duda que es necesario abocarse a un proceso de descentralización del Estado.

En este sentido, el PNUD con el apoyo del PNUD-SURF y UN-Habitat, ha estado acompañando técnicamente en los últimos dos años al Gobierno nacional en la formulación de una política pública de descentralización y en la reformulación del régimen municipal y del régimen provincial. Cabe destacar que los aportes realizados, han tomando en consideración las lecciones aprendidas de procesos similares realizados en la región. Así, se ha enfatizado, por un lado, la importancia de tomar en consideración la heterogeneidad de los municipios y con ello la necesidad de crear tipologías municipales que permitan una transferencia gradual y diferenciada de competencias, recursos y atribuciones de acuerdo a las capacidades técnicas, operativas y funcionales que éstos tengan. Igualmente, se ha hecho hincapié en la necesidad de fortalecer como país unitario el rol de la provincia en su vocación de ser un verdadero intermediario y el coordinador del Estado en el territorio. Por otro lado, se insistido en la articulación necesaria entre los distintos niveles de gobierno, cada uno responsabilizándose de lo que sabe y puede hacer mejor según su vocación y teniendo los mecanismos necesarios de fiscalización y monitoreo del cumplimiento de las funciones. También, y mediante varios ejercicios de sensibilización aplicando las herramientas de descentralización elaboradas por el SURF (manual de orientación, herramienta de diagnóstico de la descentralización) se ha hecho un trabajo de docencia para homologar criterios respecto de lo que es la descentralización y todo lo que involucra.

En nuestra opinión, el mayor reto es que políticamente se acuerde y se empiece a descentralizar la gestión del Estado. Si bien existe cada vez más acuerdo de que esto es necesario, las prioridades políticas son muy cambiantes y se corre el riesgo de que la decisión se siga aplazando. Por otra parte, una vez la decisión sea tomada, es un reto instalar un proceso que logre articular una gestión del Estado más efectiva con objetivos claros de desarrollo, que permitan balancear los desequilibrios territoriales existentes y sobre todo hacer más efectivo el esfuerzo de lucha contra la pobreza y la exclusión social.

Finalmente, coincido plenamente con los aportes señalados por mi colega del PNUD Nicaragua sobre los puntos que deben recibir atención durante la instalación del proceso de descentralización. No es un asunto solamente técnico, es también de instalación de capacidades reales en los distintos niveles de gobierno readecuando estructuras y visiones de la gestión del estado. Ello implica prestar atención a la creación de una institucionalidad de soporte que apoye procesos de reestructuración por ejemplo de ministerios sectoriales para hacer efectiva una mayor desconcentración y delegación de funciones y competencia a otros niveles de gobierno; soporte a procesos continuos de formación de funcionarios en los distintos niveles; asistencia técnica para la adopción de las nuevas funciones, para la formulación de políticas y para la fiscalización y monitoreo del cumplimiento de las responsabilidades delegadas. Se hace necesario también dar soporte a la participación ciudadana tanto para fomentar su involucramiento en la definición de prioridades, como es su rol de pedidor de cuentas sobre el desempeño de la función pública. Finalmente, también la institucionalidad debe prever las capacidades suficientes para el manejo adecuado de los recursos y evitar déficits fiscales que conllevan otras consecuencias.

Maribel Landau

# Nicoletta Feruglio

UNDP Bratislava Regional Center

21 September

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Dear colleagues,

I am pleased to participate to this interesting e-discussion and sharing with you some thoughts from the fiscal decentralization prospective.

The main challenges that we are facing in Europe and CIS in terms of fiscal decentralization are:

- Fiscal decentralization as a “one-off” piecemeal reform
- Lack of sequencing in the implementation of the fiscal decentralization reform
- Unclear assignment of expenditure responsibilities between the different tiers of the government: especially lack of recognition that the assignment of the expenditure responsibility has a multi-dimensional component: responsibility to provide, finance and regulate a certain government service
- local tax management
- Inadequate fiscal equalization mechanisms
- Inadequate regulation of local borrowing

Fiscal decentralization is an essential component of any technical assistance/support programme to the decentralization/local governance reform. I strongly believe that UNDP can deep its intervention in fiscal decentralization starting from the more familiar-common axis of UNDP’s support to decentralization and local governance such as, for example: complement/connect the planning exercise with a sound financial mechanism (e.g. support for generating local tax revenues or the establishment of a satisfactory system of intergovernmental fiscal transfers).

“ I strongly believe that UNDP can deep its intervention in fiscal decentralization ”

For that purpose is essential to enhance the UNDP CO's knowledge in the area of fiscal decentralization in order to participate in the respective countries to the policy dialogue on fiscal decentralisation; identify entry points and programme in support of fiscal decentralisation; formulate fiscal decentralisation development projects. The UNDP Bratislava Regional Centre organised a training on Local Governance and Decentralisation in Bratislava on 5-7 June 2007. The objective of the course was to provide senior UNDP staff participants in Europe and the CIS region with the necessary theoretical knowledge combined with practical exercises on LGD, so as to identify entry points and programme in support of decentralization and establish substantive and co-financing partnerships with stakeholders to address the challenges of decentralization. The sessions of the training included also the fiscal decentralization topic. All relevant information regarding the training programme (including programme, syllabus and reading materials) are available online ([http://europeandcis.undp.org/?wspc=DLG\\_Training](http://europeandcis.undp.org/?wspc=DLG_Training)). Thanks.

Regards

Nicoletta Feruglio  
Fiscal Decentralization Advisor

# Mahesh Shukla

**UNDP Afghanistan**

21 September

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Dear Colleagues,

We in the Afghanistan Sub-national Governance Programme (ASGP) of UNDP have been immensely benefited by the ongoing e-discussion on local governance challenges.

Afghanistan Sub-national Governance Programme (ASGP) has three major components:

- i. Support to the Independent Directorate of Local Governance (IDLG) which is responsible for formulating and implementing sub-national governance policy and developing the legal and regulatory framework. This support includes developing awareness on the key benefits of local democracy and decentralized delivery of services, facilitating national dialogue on sub-national governance, and technical support to the IDLG and its sub national offices.
- ii. Support to the sub national public administration reform in order to build institutional and administrative capacities in provincial and district administrations to manage basic service delivery through reforming organizational structures, streamlining management processes, developing essential skills and knowledge of civil servants and improving management of public service delivery.
- iii. Support for the development of representation and participation in sub-national governance by strengthening the capacity of Provincial Councils, supporting knowledge sharing and exchange among Provincial Councils and conducting awareness-raising and civic education campaigns to help citizens participate in conflict-sensitive governance.

UNAMA and UNDP, Afghanistan have already contributed to the first phase of the ongoing e-discussion. Here is my brief response to questions raised in the second phase:

- What are the challenges, good practices, and lessons learned on inter-agency coordination and cooperation on local governance or local development or decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?

The coordination among the plethora of UNDP projects on governance in general and local governance/ local development in particular in a given country comes before we attempt to achieve inter-agency coordination and inter-agency design of programmes. The projects have specific goals and the project staff is oriented towards achieving the results that are envisaged in their project documents with little interaction with the staff of other related projects. The Country Offices should establish the mechanisms to achieve this inter-project coordination. The same holds good for the inter-agency coordination. Establishment of Joint Country Teams on Local Governance for achieving coordination among the projects and Joint UN teams for achieving coordination among the agencies may be one way of achieving better coordination on local governance initiatives.

- How can we strengthen partnerships with non UN organizations in this field, particularly with Associations of Local Government, and, regional research/resource centres or training institutions?

We in ASGP (Afghanistan Sub National Governance Programme) are in dialogue with the LOGOTRI (Network of Local Government Training and Research Institutes in Asia and the Pacific, based at New Delhi) with a view to organize training of Afghan sub-national governance policy makers at its member-institutions in Asia and the Pacific. LOGOTRI is the Network of Local Government Training and Research Institutes in Asia and the Pacific. Its members are both governmental, autonomous and private sector institutions and organizations involved primarily in local government training and research. Its member institutions include Centre for Local Government, University of Technology – Sydney; All India Institute of Local Self Government (AIILSG), Mumbai; Urban and Regional Development Institute (URDI), Jakarta; National Institute of Public Administration (INTAN), Kuala Lumpur, Centre for Local and Regional Governance, National College of Public Administration and Governance, University of Philippines (UP CLRG-NCPAG), Manila; Urban Environmental Management - Asian Institute of Technology (UEM-AIT) and, 16 other institutions in the Asia and Asia Pacific Region.

However, we have to follow standard procurement procedures and invite bids which takes a long time before we send the officials and policy makers for training to these institutions. Precious time is lost in the procurement procedure. It would be a great help if UNDP at Headquarter level could negotiate a schedule of rates for training of local governance policy makers and officials at local governance training institutions of repute, for week long or fortnight long training modules. The UNDP Project Offices could then decide the contents of the training programmes through dialogue with the training institutions and sponsor the officials for the training programmes at a short notice. This will be especially useful in the context of post-conflict countries where the local governance officials and policy makers have so many responsibilities at work that window of opportunity for going away on training tours is quite limited and it opens and closes in unpredictable manner. The procurement procedures are rigid and take time. The training institutions like the ones mentioned above may not participate in the bidding procedure.

Similar schedule of rates could be worked out with the national and international associations of city managers, local governments for exposure visits.

- What types of capacities will UN Country Teams (UNCTs) require to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?

Conflict-sensitive governance, Participatory approaches and collaborative civic engagement, Participatory planning and budgeting, Design of local democracy systems in ethnically charged countries and in the context of Islamic countries, Models of workable fiscal decentralization are some of the training areas to build the capacity of country teams in post-conflict countries like Afghanistan.

Regards,

Mahesh Shukla  
Senior Governance Advisor

# Subinay Nandy

UNDP China

22 September

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Dear DGP-Net members and colleagues,

Many thanks for initiating this important discussion. Comes very timely and in our team here in Beijing, we look forward to a lively debate on the subject. Below is a very brief introduction which to some extent will explain why we are after broader pool of knowledge, experience and best practices in this area elsewhere.

UNDP has had a long history of supporting China's local governance reform initiatives since late 1990s.

China is constantly searing for options to restructure relationships among central/local governments, civil society and individuals, because China's post-1978 economic reforms have inevitably required considerable structural adjustments. Also, the reforms have accelerated urbanization, and more migrants (120-130 mln - depending on how you count them!!) have been moving to towns and cities from rural areas. These socio-economic changes have been intensified after China's accession to the World Trade Organization (WTO) in 2001 and new (development) policy shift in 2004.

China has been attempting to develop and promote grassroots community development to respond efficiently and effectively to emerging issues such as urbanization, laid-off workers and rural migrants. The Ministry of Civil Affairs (MOCA) implemented China Urban Community Development Project (CPR/99/594) with assistance of United Nations Development Programme (UNDP). Urban community development is a good platform to address these emerging issues, because it aims to develop open and democratic grassroots organizations so as to listen to and reflect people's views in decision-making on community affairs. Urban community is also important because it is expected to facilitate job creation and provide training for laid-off workers and other unemployed residents. In 2003, a DGTTF project was launched to promoting local governance in urban community in China. The project aimed to assist China with improving grassroots governance in urban areas. It accelerated restructuring existing grassroots governance organizations, promoted local governance in urban community in China, and accelerated civil society participation and democratic process in urban community development.

The project adopted a pilot approach because urban community development is still relatively a new concept to the Chinese, and China faces immense needs of capacity building in existing 70,000 urban communities. Results of the project included: First, expert groups compiled data and information on governance restructuring and community residents' participation in urban governance in the pilot site. Then, they conducted overseas study tours on the same issues in order to learn lessons and experience in grassroots governance building and community residents' participation in grassroots governance. The expert groups, analyzing results of both the pilot site research and overseas study missions comparatively, drafted a research report and generalized lessons learned. Secondly, guidebooks on urban community development were developed by the Ministry of Civil Affairs and published widely, and they are causing a paradigm shift of China's urban community governance, providing grassroots social workers and civil affairs officials with new skills required for new circumstance, which is quite different from the one

in a planned economy in the past. Finally, the project disseminated these lessons nationwide through policy recommendations by the Ministry of Civil Affairs. For instance, proposals made by the pilot activities made a valuable contribution to the revision of the Organic Law on Resident Community Committee in China.

UNDP is also working with some civil society organizations to support rural residents, such as female village heads, migrant workers, etc. to participate in local governance and to promote rights protection of the disadvantaged groups. For instance, women in China experience low political participation at all levels, especially at the village and township level. Statistics indicate that only 1% of village committee chairs are women. There is also concern over the fact that this level of participation seems to be declining at the village level. Making gender equality a reality is a core commitment of UNDP as it lies at the heart of human development and human rights and is also considered by the CO to be crucial in supporting China to achieve MDGs on gender equality. Gender equality is inextricably linked to good governance, since women make up half of the population but have historically been under-represented and discriminated against. Equality of political participation is important to ensure that both men's and women's interests are represented in governance processes and institutions.

Therefore, UNDP China has launched a new project in 2007 on Promoting Women's Equal Rights and Participation in Local Governance, with the support of DGTTF. At the local pilot level, this project supports local women CSOs to build the capacities of women elected to village committees. Training will strengthen their leadership and management skills, and support their networks by bringing them together with local women's organizations, activists and experts. The project will also work to increase gender awareness amongst local leaders and decision makers to create an enabling environment for women's participation in local governance. At the policy level this project will support women activists, gender experts and CSOs to engage the government in policy dialogue on good governance, gender equity, and how to follow up on the CEDAW Committee recommendations. All project activities will be carried out by civil society organizations, thereby strengthening their capacity in this area and bringing them into close cooperation with government.

It is clear that in a country as vast as China and in a situation with rapid economic growth the challenge to have more balanced development outcomes to a large degree will depend on a different balance of authorities and responsibility-sharing between the centre and the local structures. We stand to gain from all valid ideas and experiences as to how best this can be done.

Kind regards,

Subinay Nandy  
Country Director

# Thusitha Pilapitiya

Casals & Associates-USAID, Malawi

24 September

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Dear Moderation Team:

As I am out of the UN system at present, may I please focus on just one of the discussion questions that you have raised in Phase 2, which is:

*How can we strengthen partnerships with non UN organizations in this field, particularly with Associations of Local Government, and, regional research/resource centres or training institutions?*

The benefits of donor coordination in any area of development are well known and widely accepted. That the UN system is ideally placed to carry out the lead role in ensuring such coordination also is beyond dispute. Within such a scenario, in strengthening partnership with non UN organizations, UNDP should actively act as the lead coordinator with other donor agencies involved in the area of local governance.

One striking example of taking the lead in donor coordination occurred in Afghanistan with the establishment of the Afghan National Assembly. This happened at two levels. At one level many of the donor countries put all their funds for parliamentary development in to one project that was managed by UNDP. At the other level, donors who gave their support separately coordinated closely with the UNDP project. The coordination happened formally at weekly working group meetings, and informally whenever it was necessary to come together on specific issues. The lesson here is that if UNDP is able to gain the confidence of bilateral donors, it would be extremely effective to develop a comprehensive agenda for local governance and pool all donor resources in to one UNDP led project that would coordinate and interact with the donors in project implementation and monitoring. This approach was not always easy or without problems as some donor representatives such as France and Italy were rather unreasonable in their approach, and intrusive in their determination to drive the process, but overall the experience was extremely successful especially from the point of view of the national counterparts. USAID who had a separate project was also an active member of the working group for coordination. In the same example, while actors at the technical level were part of the working group, the senior management of the same donor agencies and countries formed part of a Steering Committee. Such an approach to local governance activities, would work towards ensuring maximum efficiency through a coordinated approach that brought together expertise, ownership, and enthusiasm from all parties through a coordinated approach.

The time for building such partnership by UNDP must begin at the point of including local governance as a part of the country office strategy in a particular country. Discussions with various bilateral donors must commence from that point to evaluate interest, and to build confidence. Many bilateral donors are happy to have UNDP implement their development activities provided UNDP is willing to build confidence in its ability to implement and monitor activities. Close coordination must then continue through the development of projects, including monitoring and evaluation plans with the donors participating actively in the monitoring of the activities.

“ Many bilateral donors are happy to have UNDP implement their development activities provided UNDP is willing to build confidence in its ability to implement and monitor activities ”

Another area of partnership building that is critical includes civil society organizations. Civil Society Organizations are useful for holding local government agencies accountable to the populace that they represent. As we have all experienced, it is extremely time and labour consuming to monitor local level projects. Civil society organizations who are present at the ground level can play a huge role to monitor activities related to local governance. Indeed, local governance inherently refers to elected and appointed local government officials as well as civil society organizations at the grassroots level.

Best regards,

Thusitha

Thusitha Pilapitiya

Chief of Party/Senior Anti Corruption Specialist

# Hafiz Pasha

UNDP RBAP HQ

24 September

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Dear Colleagues,

Decentralization and local governance are major areas of intervention for UNDP in the Asia-Pacific in terms of both policy and programme support in most countries. In addition, the Regional Centre in Bangkok helps UNDP provide policy advice and technical backstopping, while regional programme activities offer targeted support. Recent consultations with national governments on the new Regional Programme Document identified decentralized governance as a top priority, and providing an effective response to this demand remains high on our agenda.

The wealth of experience on decentralization in the Asia-Pacific region has already been noted by colleagues in the country offices and regional centre during this e-discussion. A key challenge for UNDP in this diverse region is to provide services to central and local government partners and other actors that are tailored to the specific situation in each country and specific localities within countries. Such context-specific support is reflected in UNDP's assistance in developing different kinds of sub-national governance institutions and large programmes in post-conflict Afghanistan, Nepal and Timor Leste. Similarly, UNDP's support in countries with strong traditions of local democratic governance (e.g., Pakistan and India) is radically different from the assistance provided in countries where decentralized governance is still getting off the ground (e.g., Bhutan, Maldives, Mongolia).

I would like to highlight a couple of additional points with regard to emerging decentralization support in the Asia-Pacific region:

- At the corporate level, UNDP has been emphasizing the need for governance to deliver progress on the MDGs. Given UNDP's system-wide development coordination responsibilities and lead role in Governance, in the area of decentralization this requires that UNDP facilitate a UN-wide effort to assist countries in several areas: organizing government service delivery at different levels for the achievement of the MDGs; deciding how best to finance these responsibilities; and making available methodologies for systematic assessment and development of the local governance capacities needed to deliver for the MDGs. In this regard, I am happy to note that our decentralized governance programmes are increasingly implemented with strong collaboration with other UN agencies in the Asia-Pacific region. Besides strong partnerships with UNICEF, the UNDP and UNCDF regional advisors have been working as one team and we have joint programmes in all the LDCs where UNCDF is active (i.e., Bangladesh, Bhutan, Cambodia, Lao PDR, Nepal, Timor Leste and Vietnam).
- UNDP has an important role in promoting democratic development and state-building at the sub-national level. Across Asia, UNDP has been supporting development of local governance institutions in most of the areas affected by violent conflict or recovering after crisis. It is significant that the draft Strategic Plan (2008-11) identifies the development of inclusive and accountable representative institutions as a key area of support. In this regard, a major effort to develop sub-national governments that are representative of, and accountable to, poor and vulnerable women and men will be an integral part of our effort to support peace-building and effective service delivery.

Again, thanks to colleagues for organizing and contributing to this useful e-discussion. I am convinced that it will be very helpful in defining and deepening UNDP's role in decentralization and local governance.

Best regards,

Hafiz Pasha

Assistant Administrator and Director

# Ram Krishna Pokharel

UNDP Nepal

25 September

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Dear Colleagues,

Thanks for giving me an opportunity to share experiences from Nepal. Please find my opinions and experience below in response to the questions set for both the phases.

## PHASE I — LOCAL GOVERNANCE AND DEVELOPMENT - LESSONS AND CHALLENGES

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

### Challenges

- Preparedness of national/central government undertaken responsibility by -political parties -commitment for decentralization
- Local government over dominated by political parties one party accountability need to make in local government
- Local government councils must be made more competent to assess, analyze and decide on the local plans
- In the case of Nepal, Ministry of Local Development has taken more authority in mobilizing the bureaucrats for the local government, especially in the absence of elected representatives, which has centralized the decision making process.
- Elected representative should always be in local government otherwise people's sovereignty remains in threat because bureaucrat who is not directly accountable to the people would be running local government
- Local government should be given full authority to mobilise resources from development partners and financial institutions.
- Participatory or bottom up planning mobilizing all walks of life -women, poor, destitute, marginalized population often left in this process hence need to develop separate strategies with especial focus in their meaningful participation

## Lessons Learnt and Good Practices

- Well defined decentralization acts in the area of fiscal control, intergovernmental issues especially on tax and duties, resource utilization, fiscal transfer from central government, revenue sharing, staffing and its management, local service acts so and so forth
- Local government's role in promoting local institutions in planning, implementing development programmes
- The 14-step planning process has been tremendously contributing to ensure decentralization at all levels from community, settlement, village to the district government level.
- Promotion of citizen oriented governance structures at grass roots level to make accountable and responsive to local government-often periodic election 4/5 years thus punishing them by then already eroded the desires of the people
- In order to strengthen the decentralized governance right from the grass root level the government has prepared integrated social mobilization guideline which has been able to prepare people to exercise governance.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

- Donors technical assistance would be required for human resource development and in the area where local government has more risk in bringing the desired level of results and outputs
- The assistance for the decentralized governance support should be able to capacitate the government and its bodies for taking resources to the poorest of the poor, especially in the current transition in Nepal. This would not only improve the service delivery but also ensure accountability of the government for the programs which would ultimately contribute to better results.
- During the conflict, there was a trend that programs were directly implemented and the government was totally isolated from the process. This weakened the capacity of the government. Now that there is transition in the country, the government needs to be strengthened and it should onboard for the implementation of the programs instead of going directly. Failing to do this would raise questions over replication, duplication and accountability. So donors vision and perspective should be complementary not competitive.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women's representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

- If integration in local government plan rather central ministries proved more effective thus local government seemed more effective in resource mobilization and allocation for cross cutting issues in gender equity, HIV/AIDS, human rights and anti-corruption.

- Regarding MDGs, often donors talk about it but efforts made for localizing MDGs is far behind the need. Similarly in the case of other issues such as human rights, women's representation and gender equality the role of local bodies is highly important so that real thrust of decentralization is realized in terms of all cross-cutting issues.
- For control of corruption central watch dog mechanism needs to be established with the support of civil societies and at local level community governance structure emerged from community mobilization/social mobilization would be a watch dog at local level for examining weather of corruption and act on it by mobilizing CBOs and its network

***How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?***

- Community practice area's network needs to be established which would be a local initiative forum. For such practice, a separate network group needs to be prompted at district or province level. Authorities in UNDP need to understand local value, culture and practices to boost up such networks and ensure its sustainability.

**Phase II (11-21 September): "One UN" on Local Governance at Country level**

What are the challenges, good practices, and lessons learned on inter-agency coordination and cooperation on local governance or local development or decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?

Challenges

- In absence of elected representative, accountability diminishes and people's mobilization become very weak-participatory planning virtually become just a rituals to local government
- Inclusion of various ethnicities in various levels of governance
- Role of local government in constitutional assembly and constitution formulation is not clear and the government, as per its commitment to make alternative arrangement for the local bodies has failed to do so.

Good practices

- Social mobilization and its network of community organization's role in delivery of development services were successful in conflict period of Nepal, which is the milestone for ensuring decentralized governance.
- Community governance established in village successfully demonstrated in resolving local deference and disputes
- Community Development Fund established in Village Development Committee level has become the vehicles of the development programme undertaking and full ownership laid with villages and community

## Lessons learned

- Direct implementation modality of UNDP did not instigate ownership with government
- Local government become more weak and fragile when donor partners directly implement projects and programme in the name of dividends
- Value chain in the system of marketing community products needs to strategize from the beginning of the community mobilization for the livelihood package
- Community mobilization if failed to link with public service organization especially to the local government would not bring desired impact in the life of the people due to unsustainable organizations back up

### ***How can we strengthen partnerships with non UN organizations in this field, particularly with Associations of Local Government, and, regional research/resource centres or training institutions?***

Often it has been assumed that UN agencies are working to strengthen government system for the sustainability. However, it is not true in all cases. So, it is recommended that from the very beginning UN agencies must have the rosters of such institutions and organization and let UN agencies to capacitate them to demonstrate the best performance by providing effective services. Thus, there is need of concerted efforts form all the concerned stakeholders to utilize association and research centres for the assessment and evaluation as well as to encourage such organization for the publication of best practices and lessons learned for UN works

### ***What types of capacities will UN Country Teams (UNCTs) require to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?***

Following are the interventions required to produce effective on local governance and decentralisation:

- a network of UN country team members and programme working in this sector to get ground reality of governance
- need to develop cadres from projects/programme who are directly responsible for bringing effective results and enable them to support on developing policies and strategies
- It is often observed that UN team do not have much exposure working with the government agencies. Thus, there is a need for comprehensive orientation to the newcomers at UN and better collaboration with government agencies.

Ram Krishna Pokharel

# Narine Sahakyan

UNDP Armenia

25 September

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My apologies for the late submission. Hopefully, it will still contribute to the discussion. The purpose of this contribution is to share Armenian wide experience in the fields of Local Governance and Decentralization and as well as some lessons learned.

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

In recent years Armenia has made significant progress in reforming the governance system. However, regardless of the progress made, a large agenda remains in order to create and to put the building blocks for the creation of an effective, efficient and transparent system of governance in place, capacity building requirements remain high, in particular at the local government level.

UNDP Armenia is working in the areas of local government and decentralization since 2002, when UNDP in cooperation with GTZ and Save the Children has initiated the formulation of a Local Governance Program (LGP) for the Republic of Armenia. Draft Programme document provided a situational and contextual analysis of the state of decentralized local governance in Armenia and brief overview of the challenges and opportunities for future reform. It also outlined the goal, purpose, outputs, guiding principles and main components of the proposed LGP model, together with the proposed capacity building, institutional and funding arrangements and some of the principal implementation arrangements for the LGP.

In 2003 UNDP with the assistance and expertise the Swedish Association of Local Authorities International Development Agency (SALA IDA) worked on further formulation and finalization of the LGP. The modified LGP was based on the inter-relation between poverty reduction and improved forms of decentralized and democratic local self-governance.\* \*The programme formulation was founded on the necessity of a twofold approach, including establishment of a national strategy on decentralization and capacity building as well as testing of the strategy on the local level of government. Support to the development of a national strategy and its implementation through technical advice on suitable mechanisms for decentralization was one of the cornerstones ensuring sustainability of the proposed LGP.

LGP was widely discussed with stakeholders including central and local governments, donors and CS organizations. Unfortunately, at that time Government was not prepared to adopt the Programme and until now country lacks the National Decentralization Strategy. Although, international and local experts are mentioning the relevance and right sequence of reforms implemented by the Government in this field, absence of adopted Strategy creates difficulties and uncertainty for donor support. Identification of the right area to support requires a lot of consultation and negotiation, which is real challenge for all actors in the field.

The new Law on Local Self-Government adopted by the National Assembly on 2002 has made drastic changes to the acting local self-governance system. In order to ensure further development

of the local self-governance system it was necessary to amend and develop acting legislation. The Law on Self-Government stipulated the urgency of enacting the law on Municipal Service, which was developed, adopted and rolled-out with the support of UNDP. Actually, the new governance institute – municipal service, was established. The main challenge for us was the resistance of the elected community heads. Most of them were openly against the establishment of protection system for professional municipal servants and prefer to not have restrictions for hiring and firing their staff. A lot of efforts, time and money were invested in awareness rising. Even having the full support of and very good counterpart in government, which is one of the key factors of success, the whole process of developing the Law and its actual roll-out took more than four years. To ensure the critical mass of supporters among LSG members was the serious challenge.

***What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.***

UNDP Armenia is supporting the decentralization process in Armenia through several programs and projects at the local level. Professional and well protected public/municipal servants, capable, transparent and accountable public administration, skilled and capable local government bodies, active and demanding civil society/citizens, and quality public services at community level are the objectives of UNDP Programme in this area.

Policy advise supported by its piloting and capacity building are the type of Programmes we have implemented to strengthen LSG and deepen decentralization. As an example of successful intervention, I would like to present one of our Projects. One of the tools through which the decentralization process is being promoted in the country is the introduction of new budgeting methodology - \*Performance \*based or result based \*budgeting \*(PB). The overall goal of the Project is to support the introduction of PB into planning, monitoring and evaluation processes at the community level. It proves to be effective entry point and mechanism for enhancing planning and monitoring capacities of elected authorities, CS groups and community members and to ensure transparency and accountability in public service delivery. Accountable public administration and an active civil society are two element of the PB concept, where budgeting is recognized both as a technical and a political processes. Both aspects are important and mutually reinforcing.

Project allowed bringing participation concept into local policy making processes: - planning, budgeting, implementation and monitoring. It supported the effort of promoting effective mechanisms that translate public \*participation\* into effective decision-making. Project generates a community-based processes of prioritization of community and district development needs, creates partnership-based implementation structures to convert the plans into investment realities, focusing on social infrastructure, economic development priorities and income generation.

The UNDP interventions at community level are based on comprehensive analyses of community profiles/databases, as well as on assessment of several key criteria, such as the vulnerability and economic viability of communities. The availability of comprehensive and well-structured information on municipalities is the necessary basis for making policy decisions, as well for developing effective, relevant and targeted programmes and projects. Development of the\* Community Typology\* makes more effective and targeted the Government and donor support to communities, supports the development of strategy and reforms program on new administrative division and community consolidation/formation of inter-community unions, facilitates the fiscal decentralization processes.

The development of a competent and professional municipal administration is essential for the success of the ongoing and future public administration reforms in Armenia. The establishment of a professional training system for municipal servants with effective and efficient functioning elements is the key focus of one of UNDP interventions for 2007.

During 2003-2006, an E-governance System for Territorial Administration (EGSTA), was developed, installed and put into operation in all the regions of Armenia. A national network of e-governance system for territorial administration has been created in Armenia, consisting of twelve municipalities, ten regional and one ministerial portal, which provide online public information and a number of public services on the regional level. It provides a framework for more comprehensive public involvement into the processes of democratic governance, e-services consumption, and decision making.

***What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women’s representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?***

Here in Armenia we are more experienced in mainstreaming of gender and human rights aspects in programming local governance initiatives. Armenia was one of the pilot countries involved in global initiative “Human Rights Approach to Regional Development Planning”.\*\*Project Document and Project Review Report are attached to this message.

Gender perspectives and gender analysis are integrated into all stages of the PB project cycle. We see the Gender mainstreaming as the process of making women’s and men’s concerns and experiences an integral dimension of the design, implementation, monitoring and evaluation of Project and assessing implications for women and men of any planned action. Project is not looking at women in isolation; it is looking at women and men - both as contributors to the development process and as its beneficiaries. Gender aspects are mainstreamed also into monitoring and evaluation processes. It means that indicators and targets are gender sensitive: they consider the situation and needs of both women and men. Targets are set to guarantee a gender balance in activities throughout the Project implementation.

Two other cross-cutting issues such as climate change and MDGs are currently in the process of mainstreaming across the all UNDP Programme. Recently special mission was in Armenia to review the opportunities for the integration of Climate Change Risk Management into the UNDP’s development assistance in the country. Technical Report is available upon request.

Development of MDG regional frameworks (MDG localization) also is undergoing. Results will be ready in the beginning of next year.

Narine Sahakyan  
Portfolio Manager

# Janet Awimbo

Impact Alliance, Kenya

25 September

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I would like to thank DGP-Net for inviting us to share some of the thinking within The Impact Alliance about the key issues for local governance/decentralisation within Africa.

I trust you realize that I'm at a disadvantage: late and without reference to the wider dialogue. Bearing in mind the practice notes and guides in the list of recommended resources, I assume that other discussants have already noted the importance of:

- 'meaningful' contextualization of the principles and priorities for decentralized governance;
- promoting the understanding that 'governance at local level' extends beyond the formal functions of local authorities;
- maintaining forums/platforms for information sharing, dialogue and collaboration.

Recognising inadequate leadership, partnership and means of assessing governance as constraints to the work they were doing to enhance the capacity of local authorities and civil society organizations to localize the development agenda, members of the Impact Alliance struck upon the idea of designing a "Local Governance Barometer" (LGB). In the seven African countries where the barometer has been applied, it has proved a valuable means of getting a wide range of stakeholders to arrive at shared understanding of the parameters and criteria for good governance within their local context, in a manner that is also meaningful and relevant from the global perspective.

Driven by local actors, the LGB process promotes dialogue, shared learning, ownership of the results, and collaboration in addressing short-comings. In this way, the LGB process simultaneously builds and measures local government capacity while also promoting consensus around alternative interventions. At the 22 sites where it's been initiated, the LGB process has shown great potential as a platform to generate (and build upon) the knowledge, enthusiasm and commitment of diverse stakeholders to share responsibility for achievement of their shared development objectives.

Now that we've concluded the pilot phase, we're preparing more documentation on the approach. So please let me or Jean-Michel know if you'd like more information. You may wish to visit [www.impactalliance.org](http://www.impactalliance.org)

Janet Awimbo  
Africa Coordinator

# Christian Hainzl

UNDP Bosnia and Herzegovina

26 September

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Dear colleagues,

We are very happy to participate in this interesting discussion on LGD and to share views and experiences of the Rights-based Municipal Development Programme (RMAP) of UNDP Bosnia and Herzegovina (BiH).

Our contribution mainly refers to question no. 3 (on the crosscutting issues) of the phase 1 but also makes reference to the questions on challenges faced and types of technical assistance and programmes required.

Within RMAP and over the past 4 years we have integrated the human rights-based approach (HRBA) into development analysis and planning at the municipal level. The human rights analysis is used to broaden and complement traditional economic analysis and other best practices in local development with human rights based programming components. By going beyond a pilot and having worked in partnership with more than 20 municipalities in BiH, RMAP can be seen as forerunner when it comes to the looking at local development planning through a human rights lens in BiH and in the broader region.

## Results

The most significant result that we managed to achieve within RMAP relates to development of a methodology which translates HR norms and principles into practical tools, which are used for development planning at the local level. Application of HRBA within the municipal development planning process was based on the assumption that better solutions can be identified if putting on a HR lens, rather than if sticking to approaches and methods used so far. This called for adopting a trans-disciplinary approach, by involving a team that reflects the perspective, methods and skills of economists, local governance experts and human rights practitioners to jointly work on tailoring a HRBA to local planning. The challenge was to explore, in a more structured way, the question of “connectivity”: meaning a systematic attempt to connect the HRBA to other accepted approaches, to learn and understand the language and the concepts of other disciplines (e.g. LED) and to discuss, identify and understand points of connections and establishing consensus. Against this background, while developing tools, we tried to balance between precision/details related to HR assessment and analysis and practical usefulness and transferability in order to avoid the danger of “analytical deadlock” which often causes problems within HRBA related programming.

The HRBA inspired tools and the RMAP methodology in general proved to be successful in offering a model how social inclusion can concretely and coherently be addressed at the municipal level in BiH. A specific success factor in this regard was that the project moved beyond assessment and local policy design and included the prioritizing, development and co-funding of concrete local projects targeting the most vulnerable, as and additional project component. (For more information on RMAP funded projects: <http://www.rmap.undp.ba/index.aspx?PID=3&RID=15>)

Furthermore, within RMAP we designed inclusion and consultation mechanisms to reflect the important human rights principles of participation and non-discrimination in local development. These mechanisms ensured citizens' participation in the identification and responses to (political, social and economic) exclusion at the municipal level. RMAP proved to be successful in organising highly participatory processes (usually directly involving over 150 local stakeholders per municipality), by mobilizing citizens to participate through different working bodies and ensuring involvement of "participation champions" with a range of expertise. Through specific focus group discussion particular attention is paid to the inclusion and participation of vulnerable parts of the population such as the Roma, returnees, elderly, youth, rural population, etc. as to avoid elite or majority capture of the process. In this sense, by applying the HRBA, within RMAP we defined a framework and gave a concrete and process related meaning to equity and inclusion.

Applying the HRBA principles of participation and accountability at both, vertical and horizontal levels proved to be successful also when it came to the selection, resource mobilization and co-financing of the implementation of priority projects resulting from municipal development strategies. While in our view a thorough assessment and focus on broad participation is the basis for strengthening of accountability and local ownership, RMAP also developed tailor-made information campaigns in cooperation with municipal information officers in order to strengthen local democratic processes and inform and create opportunities for citizens to make pressure and monitor implementation of the adopted strategies and of annual action plans.

Another important success factor of RMAP relates to incorporating tailored capacity building measures into development planning and implementation processes at the local level. This ensures the transferability of the HRBA and at the same time provides on-the-job training for the full skill set needed for local development planning along the logic of a multidisciplinary and integrated approach. A close link is established between training/capacity building and immediate application in the process, thus ensuring that local stakeholders can effectively take the lead in the respective process phases (learning by doing).

### **Difficulties and Challenges**

Among the main difficulties encountered we would like to mention the low level of HR awareness and lack of understanding of the link between local development and HR among local as well as international actors.

RMAP first phase was very useful in this regard, focusing on assessment and analysis only and providing a critical and detailed overview of the human rights and development situation in BiH and for overall sensitizing. Another important difficulty was linked to the methodology design and transferability. Initial RMAP methodology for human rights assessment and analysis (developed jointly with OHCHR) proved to be thoroughly designed and detailed, but at the same time it was too complex for staff and local stakeholders to be fully implemented. Subsequently, particular attention was paid to the sustainability of the approach via the transformation of the initial approach/methodology into practical process oriented tools. (For an example of HR checklists in use for sectoral data collection, please see: <http://www.rmap.undp.ba/upload/sc/checklist%20education.pdf>).

We have also understood the need and relevance of “tailoring” of the HRBA to the local context and of the creation of concrete learning cycles. Thus subsequently tools were developed by or in close cooperation with project staff combining different types of expertise, rather than outsourcing this task to external consultants. Such approach makes it however pertinent to have such expertise available on a continuous basis and to have strong HRBA know-how within the project.

Other difficulties related to the lack of reliable quantitative and qualitative data at the local level due to inexistent data collection mechanisms at the municipal level; absence of an accurate census; lacking capacities of statistical agencies; political influence over data production and sharing, etc. Even if data is available at higher levels, procedures for obtaining it are slow and cumbersome. Moreover, considering the lack of social mapping in BiH and poor technical resources of social welfare offices, these institutions often miss reliable data on most vulnerable groups. This asked for some creativity in “data mining” and for focusing more on quantitative deepening. In this regard focus group technique proved to be particularly successful in identifying such groups and deepening vulnerability assessment in qualitative respects. (For more information on RMAP vulnerability assessment via focus groups piloted at the local level: [http://www.rmap.undp.ba/Upload/SC/FG\\_vulnerability%20assessment.pdf](http://www.rmap.undp.ba/Upload/SC/FG_vulnerability%20assessment.pdf)).

Another difficulty relates to a generic lack of capacities for development planning and implementation at the municipal level in BiH. In this regard the answer was to strengthen the overall set of capacity building measures offered and go beyond building knowledge and skills for HRBA only, and offer training that helps to build the basis for policy, planning design as well as project cycle management. (For more information on the capacity building agenda: <http://www.rmap.undp.ba/?PID=3&RID=24>)

Involvement of representatives of the business community into development planning processes at the local level was another frequently encountered obstacle as responsibilities for economic development mostly rest with authorities at higher levels; thus motivation of this group is low. Thus, although some actions in improving the overall business environment can be taken at the local level, fruitful cooperation and communication between public and private sectors is often inexistent. Within RMAP we exploited different methods (questionnaires, one-to-one meetings, focus groups) aimed at increasing the participation of business community in the local development planning.

Monitoring of implementation of annual action plans was not fully satisfactory as it was solely the responsibility of respective municipalities that adopted rights-based development strategies. As municipal counterparts generally lack capacities, proper monitoring, follow-up and internal evaluations were not conducted. One answer developed was to come up with information campaigns (as mentioned above) to increase public scrutiny. In addition, in municipalities under the implementation component, RMAP developed monitoring mechanism for projects and also built capacities of municipal counterparts to plan, implement, monitor and evaluate projects through on the job training.

## Lessons Learnt & Knowledge Sharing

As a conclusion we would like to bring to your attention several lessons learned related to integrating a HRBA into local development.

On the conceptual side, the most important lesson learned concerns a practice based understanding of the HRBA as a holistic, integrated and trans-disciplinary approach that needs to be “pragmatic” rather than “dogmatic”. A HRBA, based on our experience, is feasible if it combines the conceptual and analytical strength of HR with established development practices for solving concrete development problems. In this regard it is helpful to start from the established practices, not to “reinvent the wheel” and to see where and how HR can really deepen and change presently achieved outcomes. In this sense we see a HRBA as an “opportunistic” framework.

We think a basic rule can be applied to practical implementation of a HRBA: the broader the scope of the development problem is for which a HRBA is to be applied, the more need is to focus on implementation of HR principles and the less guidance for programming can be taken directly for HR standards as this might easily leads to “analytical deadlock”.

Overall for the RMAP process, dealing with local development analysis and policy, ESC rights are key, as is non-discrimination. However, one has to keep in mind that there are not too many standards developed what implementation of ESCR should concretely mean at the local level, in BiH or elsewhere. (As the focus of ESC rights understanding is undoubtedly still at the macro level.) Thus in this sense, RMAP HRBA programming had to come up with some kind of “standard setting” by itself, which is a challenge (but also motivating as it helps to pave new ground.)

On the practical side, lessons learned relate to the selection of committed and pro-active municipalities, as from the very beginning a systematic way of selecting partner municipalities must be established in order to avoid bias and to ensure competitive process. If the process should be highly participatory one has to be aware that applying a HRBA to development programming might run into problems when the most difficult municipalities (in human rights terms) are chosen. Thus to have a good “mix” in this regard also helps to have cross municipal comparison on the effectiveness of the methodology.

Capacity building in the form of on-the-job training is important but it still remains a complex process and its impact assessment takes time. Generally, capacity needs should be thoroughly assessed and planned from the very start of any HRBA project as it creates additional difficulties if to be enforced in the middle of the process. Involvement of local experts in the adjustment and adaptation of the methodology used is of a particular importance given their theoretical knowledge and in-debt knowledge of specific issues in their communities. This is crucial for further transfer of knowledge and ensuring of local ownership over the process and HRBA sensitization.

“ Involvement of local experts in the adjustment and adaptation of the methodology used is of a particular importance given their theoretical knowledge and in-debt knowledge of specific issues in their communities ”

Making sure that the project has concrete (local) development impact via co-funding and implementation of priority projects. While analysis, policy development and strategizing is important, we felt a strong need to show that development strategies can be implemented in practice and have an impact on local development and poverty reduction.

In our view HRBA as applied by RMAP has helped in at least four regards to contribute to programming for local poverty reduction/ social inclusion:

- i. the HRBA changes the vision of local development and per definition (equality & non-discrimination) tasks the process (and the implementer) to think about specific processes & tools how to focus on the more vulnerable and poorer segments
- ii. the HRBA changes the way how analysis is done and proved particularly helpful regarding social sector analysis
- iii. analysis gives concrete meaning to accountability for local development which is helpful for advocacy as well as for deciding who (which government layer) has the prime responsibility for funding;
- iv. applying a HRBA leads to local development strategies that contain a host of projects one will not easily find in results of the standard LED driven processes which still rely too much on the idea of later “trickle-down”.

Being involved at several regional information sharing and facilitation activities within the RBC community of practice, RMAP was recently also engaged in an interregional peer to peer exchange of experience / consultancy with a GTZ implemented project (PROMUDEL) in Guatemala, which also works on local governance issues and seeks to strengthen their HR / HRB approach.

This inter-regional cooperation was initiated and designed jointly with the human rights task force within German GTZ (“Realizing Human Rights in Development Cooperation”) and against the background of German BMZ being among core RMAP donors. RMAP representatives participated in workshops and field visits, where discussions focused on practical questions of integrating a HRBA and local development, deepening of baseline assessments through a human rights lens, applicability and transferability of tools as well as training and capacity building.

While the RMAP programme will phase out by the end of this year, the BiH UNDP CO jointly with donors has initiated two follow up local governance projects that will build on RMAP experience: the Integrated Local Development Project (with a focus on strengthening local capacities for social inclusion and working toward harmonization of local planning methodologies in BiH) and the building up of a Training System for Local Governments in BiH (addressing deficiencies in local human resource and training management as also mentioned in the contribution by Jurgita Siugzdiniene, UNDP BRC).

All the best,

Christian Hainzl & the RMAP team

# Aladeen Shawa

UNCDF HQ

27 September

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The following is a response to the questions raised under phase 1 of this e-discussion based on the experience of the Decentralization and Local Development Support Programme (DLDSP) in Yemen which was initiated in early 2004 through a partnership between UNCDF and the UNDP. The DLDSP is implemented through the Ministry of Local Administration (MOLA). The Programme was designed by UNCDF based on its approach for structuring Local Development Programs (LDP) and focused initially on piloting an initiative to activate the functions of 6 districts of the country's 333 through the introduction of procedures for Public Expenditure and Asset Management (PEAM). Pilot districts also received budget support, which they applied, combined with their own resources, toward the implementation of their participatory and program-based development plans. The DLDSP's geographic scope expanded to 28 districts in 6 governorates (out of 22) by 2005 and to 48 districts in 8 governorates by 2006. The number of donors funding the DLDSP grew from 3 during the initial 18 months of its implementation to 9 by 2007 transforming the Programme into the primary platform for harmonizing and guiding support to Yemen's local authority system.

The activation of the local authority system through this pilot and other investigative interventions conducted by the Programme enabled the DLDSP/MOLA to observe the functionality and effectiveness of the system and assess the suitability of its policy and legal environment and the efficiency of its organizational structures and operating systems. It also enabled the DLDSP to support the Government of Yemen in the development of the National Decentralization Strategy (NDS) that aims to improve the local authorities' effectiveness at managing and guiding the process of local development. It is anticipated that the National program for implementing the NDS will be initiated in 2009.

**1. *What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged?***

- One of the primary challenges faced in the design of the Programme was in the structuring of partnerships with the two national funds (the Social Fund for Development (SFD) and the Public Works Project (PWP)). The partnership agreements introduced adjustments to the implementation modality adopted by these funds from direct intervention at the community level bypassing local authorities to working through LAs at pilot districts and providing budget support as opposed to direct project financing.
- Maintaining the integrity of such agreements and ensuring the continued commitment of these Funds to this modality continues to be a challenge.

- Situating the Programme at the Ministry of Local Administration and functioning through it continues to present a significant challenge given MOLA's low capacity. To address this capacity gap at the counterpart ministry, the DLDSP carried out an institutional assessment of MOLA and in coordination and consultation with its leadership and staff, has produced an institutional development strategy, which will be implemented over the coming 18 months. In retrospect, and as a recommended good practice, it would have been critical to work on the activation/restructuring and capacity development of the Ministry from the outset to ensure that it functions as a viable counterpart to the Programme and that it gradually assumes its role as the primary national entity for supporting and supervising local authorities.
2. *What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

The experience from Yemen confirms the effectiveness of an integrated program for enhancing and strengthening a local authority system and upgrading its effectiveness as the primary tool for managing and guiding local development. Such a programme should be able to:

- Provide sound policy and legal framework reform recommendations designed to improve the performance of the local authority system and align its institutional and organizational structures with this framework.
- Effectively guide the development of local authority capacities (human and financial) that enable this system to produce its anticipated outputs and development outcomes.

3. *What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women's representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

The DLDSP's scope of substantive coverage addressing the policy, institutional and capacity dimensions of the local authority system enabled the integration of a range of cross-cutting issues including gender, the environment, conflict prevention and others within its interventions:

- Gender equality and Women's representation was addressed in the reforms proposed to the policy and legal environment of the local authority system and relating to the electoral system. Women's representation was also addressed in proposed modifications to institutional and organizational structures of local authorities that ensure the increase of women hired as civil servants in the system.
- Gender equity was also introduced into the participatory needs assessment and planning procedures developed as part of the PEAM package.

- The integrated planning procedures also ensured the integration/localization of the MDGs and other national development objectives.
- Procedures for the external audit of the operation/functions (financial, administrative) of the local authorities are being developed and piloted through a joint initiative by the DLDSP and the Central Organization for Control and Audit to ensure the transparency of local authorities and to address corruption.
- Modalities for the decentralized governance of scarce water resources at the water basin level were also devised by the DLDSP in support of the National Water Resource Authority

**4. *How can we strengthen the UNDP Community of Practice on Local Governance and Decentralization?***

A response to this question will be provided during phase 2.

Aladeen Shawa

Local Economic Development Advisor

# Somchai Ynesabai

Programme Manager

27 September

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Thanks for this opportunity to share discussion on local governance practice. My experience is based in Thailand. Thailand's decentralization process officially started in 1990s. The Decentralization Committee was established in 1999 with national decentralization plan in 2001. Thailand has over 7,000 local government units (a very large number measured against the size of the country). The foundation for decentralization has been laid out in the past decade and has been improved in the past five years. However, there are some challenges in the process of decentralization in the Thai context. The main challenges include:

- (1) fragmentation and unclear delineation of powers and duties;
- (2) lack of resources and disparity between smaller and larger local government units including capacity and expertise problems;
- (3) slim percentage of public participation in local politics and decision making;
- (4) other problems involving accountability and responsiveness of local government.

In order to solve these problems, UNDP Thailand has created a program titled "Partnership for Local Development through Democratic Governance." The program has three pronged strategy aiming at (1) developing participatory tools called "People's Audit"; (2) including youth in the process of good governance; and (3) enhancing partnership of development between community-based organizations with local administration through community initiative projects.

This program is to respond to the above challenges. We believe that we have partially assisted Thailand to the problem relating to public participation and responsiveness of local government. Other aspects in local governance, e.g. inter-local cooperation and gender mainstreaming, are something we need to push for. Interlocal cooperation can be a way to remedy the problem of the lack of expertise and resources and a way to solve the problem that goes beyond particular boundaries of each local government units. Although this is not the scope of our UNDP Thailand works, I would like to recommend colleagues from other countries to explore the possibilities to formulate this kind of project to help decentralization and solving the lack of resources and expertise especially for small local government units.

In regards to cross-cutting issues, e.g. gender mainstreaming, we did not have much involved in this respect at the local level. However, UNDP Thailand is interested to look at this issue for the next phase of our program as part of promoting inclusiveness of local governance.

In order for the program to be effective, we used bottom up approach e.g. project test and initiative by local communities then have it mainstreamed by national institution, especially at the policy level. The knowledge management system is needed to be well planned as well in order to ensure that the result is sustained and contribute to impact after the program is terminated.

Somchai Ynesabai

Programme Manager

# Alexander Avanessov

UNDP Armenia

27 September

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Dear Colleagues,

I am very pleased to contribute to the 2<sup>nd</sup> phase of the ongoing DGP-Net e-discussion.

Local development and local governance issues are high on our agenda in Armenia and have become recently a visible part of the inter-agency cooperation within UNCT. It reflects the fact that existing regional disparities of this country are of the most serious impediments and major challenges for human development of Armenia and well-being of the population. As we say here, there are “two Armenias” - one that is concentrated in the capital with its booming construction works and service sector, and another one in the regions, where people are lacking basic social infrastructure and capacities to govern”.

The fact that the local development has emerged this year as a topic within several UNCT theme groups demonstrates a growing interest of UN agencies to pilot joint initiatives in this multifaceted area with the expectation that it will bring a bigger development results and impact on the socio-economic situation. It should be noted that these joint interest was nurtured and instigated by serious research on concrete topics, brainstorming analysis (including opens space techniques method with a major stakeholders) and, of course, by intensive communication among those involved from the Agencies.

Among major prerequisites for a successful work of UNCT, in general, and community development, in particular, I would stress the high quality expertise on the topic and effective facilitation of the inter-agency dialogue. These capacities coupled with a good understanding of national priorities in this area, well elaborated UNDAF and a strong willingness to work together are key to respond effectively to the emerging challenges in local development and to achieve meaningful results. Further harmonization of different agencies operational procedures will also be helpful.

I would like to bring to your attention two concrete examples of ongoing UNCT initiatives elaborated within two UNCT Theme Groups here in Armenia, e.g. on economic governance and democratic governance, which address the local development challenges

*\*Economic Governance\**: As a result of a brainstorming session and with the purpose to maximize the impact of UN Agencies work the EGTG decided to prioritize one UNDAF Outcome, which is a current priority for the country, and is of the highest common interest for the participating agencies of this Theme Group. The UNDAF Outcome jointly prioritized is “The poor and socially disadvantaged in targeted communities participate actively in generating employment opportunities”. Based on the analysis of the activities with potential to contribute into the selected UNDAF Outcome, the following could be foreseen:

- Activities can be concentrated in a cluster of villages where the UNDP Community Development and Performance Budgeting projects are being implemented;

- UNDP's ongoing SME project can implement a business start-up support programme in those villages, based on the participatory definition of priorities conducted by the two projects mentioned above, focusing on the income generating activities that will be identified (UNIDO contribution is also possible in this activity);
- ILO will provide with training modular packages for using them in training programmes for the targeted vulnerable groups;
- Food-For-Work and Food-For-Education/Training (WFP) schemes can be applied in the implementation of investment projects (economic and social infrastructure rehabilitation, provision of public services, etc.) prioritized by communities;
- The involvement of UNICEF and UNFPA has to be further discussed.
- UNICEF could support through its programme for the disabled and UNFPA supporting the involvement of youth, women and elderly in the decision-making processes at community level.

A Steering Committee (comprising the members of the Theme Group) will agree on the specific coordination and monitoring of activities (including targets and indicators) in accordance with an approved Work Plan. Twice a year they will present a progress report to the UNCT. Mid-term assessment/evaluation of ongoing activities is planned for September to make necessary adjustments to the Work Plan.

- Democratic Governance\*: UNCT Theme Group on Democratic Governance agreed to pilot a joint program on promoting understanding and appreciation of the rich variety of world's culture and ways of human being among young generation of Armenia with particular focus on the regions of the country, formal and informal education institutions and youth organizations for combating intolerance among children and teenagers.
- This objective is focused on strengthening capacities of formal institutions, particularly in the regions (schools, pre-schools facilities, art and music schools, creative centers, etc) and youth organizations (Youth NGOs, Youth Centers, Clubs, Associations, Student Groups, etc.) for tolerance education and promotion of human rights. Selected stakeholders will be invited to participate in a Strategic Workshop on Tolerance. The Workshop will be conducted by UNCT partners (UNDP, UNFPA, UNHCR and UNICEF) using Open Space Technology (OST) method.
- The results of OST meeting will be used to shape future strategy. Currently there are several projects and programs being implemented in Armenia addressing different needs and issues of youth and community development. Proposed project should coordinate and collaborate with major players and agencies involved in this area. Wherever possible joints activities should be identified and implemented by UNDP with other agencies of wider UN family, such as UNICEF, UNFPA, UNHCR, UNIDO and other structures.

Hope these examples provide you with some useful information.

Thanks for organizing this very pertinent discussion and for the opportunity to participate in it.

Alexander Avanesov  
Deputy Resident Representative

# Moises Venancio

UNDP HQ

27 September

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Dear all,

First of all congratulations on a great discussion. As you have seen from several RBEC contributions, support to local Governance is a significant part of our Governance activities which comprises the overwhelming majority of our activities and financial portfolio across RBEC. Support to stronger and more effective local multi-ethnic Governance has become a linchpin in consolidating post conflict transitions, particularly in the Balkans (specially BiH, Kosovo and Macedonia) and is also playing a crucial role in revitalizing post crisis Chernobyl and in conflict prevention in the Crimea. The Local Governance agenda has also emerged as key in countries such as Armenia, Georgia and the Ukraine. Even In Central Asia, that continues to be characterised by strong central Government, there is a growing realization that equitable development can only be achieved by greater emphasis on local development that avoids the growing marginalisation of already disadvantaged regions (Kazhakstan and Tajikistan are paving the way). UNDP 's niche even in the new member states of the EU such as Bulgaria and Romania is very much on supporting the implementation of EU funding either at local or regional level. In Turkey, another EU candidate country, UNDP is very much engaged in supporting decentralisation.

In other words, support to local Governance in RBEC is and will remain a cornerstone of Governance support in the region including in countries that have joined or are expected to joining the European Union. In fact , in the Western Balkans, UNDP is currently undertaking one study on what are the key challenges for the sub region in meeting the standards set by European Accession with regard to improved local Governance and service delivery.

## Challenges

Clearly support to Local governance in RBEC faces a number of challenges. In Central Asia whilst there is a move towards "local development" it is still an anathema to talk about strengthening local Government. This of course constrains what you can do and how you do local development. Another political reality for local Governance in RBEC is the standards set for Local Government by the EU's Charter for Local Self Governance and which applies to all the countries which are expected to join the Union in a few years, namely the Western Balkans. Whilst there has be much talk of MDGs to date in the countries within the orbit of the EU, it is more relevant, both politically and substantive to talk about linking local Governance with vulnerability and social inclusion. The contribution of my colleague from BiH , shows a UNDP office that has sought to combine the challenges of building a post conflict multi-ethnic local Government structure with growing importance of EU accession priorities.

As in many other cases around the world, lack of resources and financial decentralisation at local level hamper at times even the best intentions to strengthen local Governance. However, this is simply a challenge that will most likely remain and that we will simply have to live with!

“ Even In Central Asia, that continues to be characterised by strong central Government, there is a growing realization that equitable development can only be achieved by greater emphasis on local development that avoids the growing marginalisation of already disadvantaged regions ”

### Struggles

Given the continued importance of Local Government in RBEC's assistance portfolio we are currently grappling with a number of key issues, namely:

- When does UNDP support a strengthening of local Government and when does it advocate Decentralisation? This is a particularly acute issue in small, post conflict states where political post conflict realities dictate the need for some sort of half way house between the two variants.
- Where to obtain information of successful and most so successful examples/best practices for strengthening local Governance and /or Decentralisation and the conditions that contributed to success and or failure.
- Which approach is most likely to have an impact on poverty reduction and/or fostering more equitable economic growth that benefits the most vulnerable?

Our new Director is very much keen to pursue these issues and we hope to assess some of these in the on-going work for our Local Governance Report for the Western Balkans. In the meantime, it would be great if BDP inline with DGP-Net e-discussion could develop background papers on some of these issues and particularly on the “Dos” and “Don'ts” of both Strengthening Local Government and Supporting Decentralisation.

Cheers!

Moises Venancio

Senior Programme Manager and Team Leader, Western Balkans

# Michael Soko

UNDP Zambia

27 September

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Dear Colleagues,

To start with I would like to express my gratitude to the very informative contributions that have been made. There is no doubt that these contributions will be most useful in our on going work.

I would like to add to the discussion (particularly phase 1) our experiences as follows:

## Main Challenges

The main challenges that we faced and continue to face when designing and implementing decentralization programmes are:

- Incorporation of a realistic situation analysis that takes into account socio economic, political, legal challenges and capacities required is a major challenge because in most case only technical issues are addressed. Our experience has been that such a detailed analysis is vital to enable the identification of issues and social dynamics that if unattended to would inhibit full participation of stakeholders. Without a detailed analysis
- Correct sequencing of activities proved to be a major challenge especially if a rigid approach to implementation is adopted. To address this we found it useful to maintain a relatively flexible set of benchmarks that were continuously adjusted based on new developments in the political environment and social dynamics.
- The mismatch between stakeholder perceptions and expectations, policy pronouncements and understanding of roles and responsibilities of various levels of Governments is a major challenge. This is often exacerbated by the ramifications of many years of support programmes that by passed regular central or local governance structures. For example communities have in many instances been encouraged over several decades to implement civil works such as roads, construction of clinics water wells etc on self help basis or through support from donor or NGO funded programmes outside the framework of local authorities. This causes such communities to have limited or no expectations of any services to be delivered by the local authorities.
- Multi donor funded programmes often tend to have some benchmarks established and these in most some cases tend to be unrealistic especially if the situation analysis was not sufficiently detailed. A major consequence of this is that goals that may be set may tend to be unrealistic. If this situation is corrected it tends to reduce or even stop disbursements to the programme. A possible solution to this is continuous engagement of all stakeholders and maintenance of an open dialogue.

## **Types of Technical Assistance**

Technical assistance is a useful input in the successful implementation of support programmes aimed at enhancing local governance and decentralization. In Zambia we have realized that local governance and decentralization extend beyond the technical issues of deconcentration and devolution of responsibilities to including social, legal, economic and political dimensions. Therefore it is essential to engage multidiscipline teams of short-term and long-term advisors with experience in relevant thematic discipline and management of change. We are currently engagement bilateral partners and government with a view of encouraging them to review the challenges, priorities and the capacities needed.

## **Programming Cross-cutting Issues**

To effectively programme crosscutting issues our main focus for capacity development was at the district planning unit. In this regard, district and provincial planners were trained in mainstreaming gender, HIV/AIDS, MDGs etc. In addition national level planners were trained in mainstreaming crosscutting issues. This proved useful as it allowed discussion of these issues at the first planning level and this level is also the level at which provide the closest link with the communities.

## **What Can Be Done**

One suggestion is that anthropology, sociology and political economy consideration should be mainstreamed in the discussion on local governance and decentralization. Current discussion is to focus on issues such the more technical issues leading to a disconnect between perceptions and expectations of a large section of the community.

## **Strengthening the Community**

This is perhaps a good start. However the moderation team may wish to consider using the ROAR to identify some country offices from which cases studies could be solicited.

Best Regards

Michael Soko  
Assistant Resident Representative/Governance Advisor

# Liliana Proskuryakova and Alessia Scano

UNDP Russia

28 September

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Dear colleagues,

We are pleased to contribute to this very colorful e-discussion with a Russian perspective.

*What are the challenges and lessons on the inter-agency coordination and cooperation on local governance or local development or decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?*

## Challenges

Inter-agency coordination and cooperation is already a challenge in itself, because it requires not only dialogue and cooperation among agencies, but that each of the UN agencies and offices in the country acts coherently in itself. As already underlined by Mahesh Shukla in a previously posted contribution, given UNDP multi-faceted approach first thing needed is inter-unit coordination, in order to employ resources as efficiently as possible, to profit from previous experiences (for example as regards existing relationship with local authorities and organizations) and to plan a comprehensive and efficient intervention.

## Future Perspectives

The local governance reform underway in Russia clearly goes beyond the Governance area and UNDP project “Support to local governance reform in the Russian Federation”. The local governance reform has clear implications for inter-budgetary relations of the newly created municipal units and therefore is closely linked with the UNDP project “Support to Reform of Budgetary Process”. Constant underfunding on many environmentally important sites at municipal level, like waste treatment plans, cannot be resolved without an active contribution from Environment practice area. Likewise strategic for sustainable and economic municipal development have to benefit from involvement of colleagues from poverty/economic development and environment practice areas.

It is often a practice that one and the same governance official is approach by various UNDP units/UN organizations with a request to collaborate on initiatives that are, in essence, complimentary. On certain occasion cooperation is occurring.

It is also often a practice that same NGOs or NGO experts are attracted by various UNDP units/UN organizations and here, again, sometime double resources are invested (financial, labor, etc.) instead of gaining a multiplication effect.

Sharing information across practice areas is essential and in UNDP-Russia takes place at weekly staff meetings.

UN Country staff meetings also regularly take place. However, such regular working interaction should take place also among the staff at lower level, not just heads of agencies.

*How can we strengthen partnerships with non UN organizations in this field, particularly with Associations of Local Government, and, other regional research/resource centres or training institutions?*

## Challenges

In Russia with over 80 regions and thousands of municipalities cooperation at the level of municipal associations is a viable solution. Such associations of local governments (municipalities) are to be obligatory created in all Russia's regions in accordance with the new federal Law. However, it should be noted that the effectiveness of such associations vary from region to region.

There are also a number of all-Russia municipal associations, with who UNDP interacts. It is likely that other UN agencies also interact with them (as well as other research centers & NGOs), but no information or source of information is readily available.

## Future Perspectives

A possible solution here would be to register all contractors/partners in a single database with thematic and other search options. As UNDP is progressively adopting new ICT tools in programming, this might be a reality in the near future.

One way to strengthen the partnership is to grant them an increasingly active role in the project implementation. They should participate not only in the implementation phase, but since the beginning of the needs assessment. It is important that local associations perceive themselves, and are perceived by the UN agencies operating in the area, not as a mere contractor in the project, but as a real partner, whose experience and knowledge of the background are irreplaceable in the interaction with the project's beneficiaries.

As for our experience, examples of successful partnerships with research and resource centers, other UN agencies:

- UNDP "Support to Local Governance Reform" project, which is based on a number of collaborations with regional research and training institutions (such as the Center for Fiscal Policies, the Center for Legal Information, the Center for the public policy, civic education and human rights of the Republic of Karelia);
- Sustainable Reintegration and Recovery in the North Caucasus Program, where, besides federal and regional authorities, UNDP activities are based on the cooperation with and the support of the local communities, local NGOs, UN agencies (UNHCR, the WB, FAO, etc.).

Liliana Proskuryakova, National Program Officer  
Alessia Scano, Intern

# Maleye Diop and Kwame Asubonteng

UNDP Johannesburg Regional Center

28 September

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Dear Colleagues,

First of all, we would like to thank you for this lively and interesting discussion on a growing field in which we believe UNDP has been doing a lot and can do more in the future as per the efforts of supporting programme countries to meet the MDG targets and their longer term development goals. We would like to share herewith below some inputs from the Public Private Partnerships for Service Delivery (PPP-SD) programme (formerly known as PPP for the Urban Environment - PPPUE) to add to the richness of this discussions. For 8 years now, the PPP-SD Programme has established strong collaboration with a network of Tertiary and Local Government training institutions, in Africa, Asia-Pacific, Latin America, and Eastern Europe & CIS to address the skills and knowledge gaps identified at the local level for implementation of sustainable PPPs to improve service delivery for the poor and contribute to the realization of the MDGs. The collaboration has led to the teaching and learning of PPP courses in a number of institutions in these regions to improve the quality and quantity of human capacities needed to promote PPPs as an alternative and complimentary local service delivery approach to supplement direct public provision of services.

With this context, the submission below seeks to address one of the key questions you have raised: “How can we strengthen partnerships with non UN organizations in this field, particularly with Associations of Local Government, and, regional research/resource centres or training institutions?”

Availability of professional capacity at the local level for improved design and delivery of basic services, has been and continue to be a big challenge to small and medium sized municipalities. The challenge is even exacerbated by lack of access to cutting edge knowledge on more inclusive alternative service delivery approaches such as Public Private Partnerships (PPPs) which is now becoming a complementary approach to supplement traditional mechanisms for public service delivery. To address this challenge, the UNDP Public Private Partnerships for Service Delivery (PPP-SD) Programme has made efforts to strengthen partnerships with training institutions in Africa, Asia, Eastern Europe & CIS and Latin America. The efforts initially supported by Yale University (USA) have resulted in the establishment of Collaborative Learning Courses on PPPs to build a cadre of professionals across the world who are being trained in various aspects of PPPs for local level service delivery in tertiary training and professional institutions. One of such efforts is the establishment of intra mural PPP courses for regular students and extra mural PPP courses for elected officials, technical staff from public sector and professionals from private and civil society/NGO sectors, in the Polytechnic of Namibia. The establishment of the PPP course in Namibia was galvanised by the implementation of the National Public-Private Partnership for Urban Environment Programme which was supported by UNDP Namibia through the PPP-SD Programme to address policy, regulatory and institutional reforms, offer capacity development support and facilitate partnerships to implement local level pro poor PPPs to improve key basic services contributing to the achievement of MDG's at the local level.

To begin the process the National PPP-UE Programme and the UNDP CO approached the Polytechnic of Namibia in 2002 to promote the business case for PPPs and to advocate the need for a local course on PPPs. The Management of the Polytechnic saw the future demand for PPP knowledge in local service delivery as a business opportunity and committed itself to establish a course and mainstream as part of its regular degree programmes. The PPP-SD Programme provided the local training institution with training materials and the other tools that PPP-SD had developed as part of the capacity development work. To ensure greater coherence and alignment with local demand for PPP training, the institution was also given membership status on the Steering Board for the National PPP-UE Programme.

With access to information from the National Programme as a Steering Board member, and with the learning materials and tools available, the institution used the recommendations from a PPP capacity needs assessment conducted by the Programme with the Ministry of Regional and Local Government and Housing (the implementation partner for the National Programme) as a basis to develop a standard curriculum for regular students and for local authority staff, elected officials and PPP practitioners from the private and NGO sectors. Both curricula have been approved by the Senate of the Polytechnic and the courses are being run on cost recovery basis by the School of Business and the Centre for Entrepreneurial Development without any additional funding support from UNDP CO, PPP-SD Programme or the Namibian Government. The Polytechnic of Namibia is currently exploring opportunities to sign a Memorandum of Understanding with the Ministry of Regional Local Government and Housing to train elected local authority officials to enable them to better understand PPP as a new alternative for local service delivery and also be prepared to make adequate policy decisions for implementation of PPP local level service delivery initiatives.

The catalytic training services being provided by the Polytechnic of Namibia has helped to boost capacity building activities and implementation of PPP initiatives in a number of local authorities in Namibia. Similar efforts have been led by the PPP-SD programme in other countries through its network of training institutions members of its learning network. So far over 2000 of students and practioners have been trained during the last 7 years. In some of these countries, the PPP training materials and tools have been adapted to fit to the local context and in some instances translated into local languages (e.g.: Iran, Nepal, Ukraine, Poland, etc). Local Authorities in Namibia, whose officials have benefited from the training courses have integrated PPP service delivery approaches into the local development plans and made budget provisions for their implementation. The introduction of the PPP course has opened new opportunities for the newly graduated students who benefited from this training and who have been recruited by local authorities are making a big difference to shift the role of local authorities from service providers to become enablers and regulators of services. They are also supporting the institutional reforms being conducted by the Government of Namibia to support the implementation of PPPs which has been adopted by cabinet as a national strategy for local service delivery in the areas of basic services, infrastructure provision and tourism services.

“ The Management of the Polytechnic saw the future demand for PPP knowledge in local service delivery as a business opportunity and committed itself to establish a course and mainstream as part of its regular degree programmes ”

These are some contributions that the PPP-SD programme would like to make in these e-discussions and the main capacity development tools in the form of a toolkit to support the improvement of local service delivery through the use of PPP as a new alternative service delivery can be found at the programme website at: <http://www.undp.org/pppue>. Another tool in the form of a step-by-step guide to start a PPP for service delivery is also available and the PPPSD team will be glad to share it with any colleagues and partners interested to explore PPP as new service delivery approach that has great potential to contribute to the realization of the MDGs at local level.

In Asia-Pacific region also, PPP-SD programme jointly with other regional programmes based at the UNDP Regional Centre in Bangkok (namely, Asia Regional Governance Programme (ARGP), Asia-Pacific Gender Mainstreaming Programme (APGMP), Capacity 2015 (Cap2015), and Special Unit for South-South Cooperation (SU-SSC)) and the UN's regional commission -UNESCAP, have identified that an effective way of addressing the capacity shortfalls of Local Authorities in the region (i.e., absence of necessary set of very specific skills required from Local Government personnel to effectively undertake a PPP in basic service provision) is to assist local professional capacity development institutions in the region in developing and conducting training and relevant institutional development programmes on pro-poor PPPs that meet their country/local needs. Furthermore, it has been considered that channelling such a support through and/or in partnership with an association/network of organisations specialised in capacity development of LG personnel, such as LOGOTRI (Association of Local Government Training Institutions for Asia), may prove to be an efficient way of reaching out to a large a number of such personnel working with LGs in the region, whilst ensuring the continuity of the activity after external assistance is concluded.

Hence, the UNDP and UNESCAP partners have recently embarked upon a regional initiative to identify and address the capacity gaps of LGs in Asia to attract and enter into partnership arrangements with the private sector to deliver basic services to the poor. In order to achieve greater efficiency in the deployment of such resources and most effectively to serve LGs in the region, the project will resort to the support of LOGOTRI and its operational network of LG training institutes in the region to provide training and other institutional development interventions to the potentially large audience of LG officials in over 10 countries in AP, where its member institutes are based. By collaborating and supporting an established and relatively well networked organisation like LOGOTRI, it is expected that LOGOTRI will develop a service line aimed at facilitating the replication of the demonstration activities, coordinating and delivering PPP trainings for trainers, and sharing PPP information with the rest of its members well beyond the UNDP–UNESCAP project investment timeframe.

Kind Regards,

Kwame Asubonteng, PPP Policy Specialist  
Maleye Diop, Global Task Manager

# Kadmiel Wekwete

UNCDF HQ

28 September

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Dear Colleagues,

Please find below my contribution to the ongoing e-discussion:

*What are the challenges, good practices, and lessons learned on inter-agency coordination and cooperation on local governance or local development or decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?*

1. The first challenge in achieving inter agency coordination and cooperation is lack of clarity on definitions and understanding of the meanings of local governance, local development, local government and decentralization. There is a need to have a clear framework, which recognizes both the internal and external elements for achieving sustainable local development impacts. Empowerment through local government reforms and decentralization initiatives, together with the way authority is organized and legitimated locally to provide services and local economic development results in local development impacts. The design of Programmes therefore needs clarity on the focus and emphasis of the interventions. Whilst UNCDF/UNDP local development Programmes have been targeted to achieve local development through local governments, there are others which by pass local governments and directly target communities through provision of social funds. These different agency traditions and biases are critical in shaping inter agency coordination and cooperation. The international conference on Local development hosted by the World bank in 2004 highlighted three alternative approaches to local development –decentralized sectoral approaches, local government approaches and direct community support approaches. Based on the understanding of the merits and demerits of the different approaches, it is easier to design and programme together. There is therefore a need for serious technical dialogues among the relevant UN agencies to iron out the differences in order achieve the necessary harmonization in approaches.
2. The second challenge is having adequate resources for programming. This creates a stampede for non-core resources which in turn creates unhealthy competition among agencies and undermines the design and implementation of local development Programmes. It is therefore important to adopt a sector wide approach for local development, which encourages the pooling of resources and technical expertise. Based on the agreed country PRS or national plan, UN agencies must have a common pool of resources which they use to support decentralized local development. Excellent examples of such pooling of resources in UNCDF/UNDP Local Development portfolio include Mozambique, Yemen, Bangladesh and Somalia.
3. The third challenge is ensuring government ownership and commitment to the intervention supported by the UN. This is the key to effective design and implementation of UN joint Programmes. Clarity and leadership on the part of government and local governments ensures long-term sustainability. It also ensures that the donors fall in line and support the joint programme.

***How can we strengthen partnerships with non-UN organizations in this field, particularly with Associations of Local Government, and, regional research/resource centers or training institutions?***

Partnership with non – UN is very critical in local development. This includes the private sector, NGOs and CBOs. Partnership can only be strengthened in action and therefore it is critical at the initial stages of design to involve them. They should not be an add on during implementation. In the Local Development Programmes supported by UNCDF/UNDP, partnerships have been forged particularly in the local implementation of Programmes – through contracting local private sector, through giving NGOs and CBOs space in the community mobilization. Associations of Local Government and related global bodies (UCLG) have been particularly interested in capacity building and partnerships have been forged in capacity building with them. Once the UN has achieved clarity of working together in Local Development, it is much easier to connect with Associations. Equally regional research and resource centers have been an important source of expertise for research and in the overall monitoring of programmes. More needs to be done to build the platforms of learning and giving local development the focus it deserves. Important collaboration has been achieved over the years with the Municipal Development Programmes in Africa and working with them to support central and local governments in promoting decentralization and local development.

***What types of capacities will UN Country Teams (UNCTs) require to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?***

Capacities needed by UNCTs are varied. The first is capacity for ongoing dialogue with government and local governments and understanding their needs. The second is capacity for mobilizing the right expertise to support and address the articulated needs. UNCTs must be at the service of governments and helping to shape the agendas to support local development. They have to provide the needed hands on support and engage the donors in supporting the agenda. UNCTs must have the capacities to regularly monitor ongoing programmes.

I look forward to reading more contributions! Thank you.

Kadmiel Wekwete  
Director, Local Development

# Oumar Sako

UNDP Central Africa Republic

28 September

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Dear colleagues,

Let' me jump in now to congratulate all the colleagues who contributed already and the network for taking this initiative. I would like to contribute sharing some experience from Mali (UNDP-UNCDF) related to the issues raised in phase 1.

Regarding the 1<sup>st</sup> question related to the main challenges that we're facing designing and implementing programmes, I would say that the decentralization process reached a cornerstone in Mali after the instauration of multi-party system (1991) following a long period of poor governance and the strong determination of the new authorities to speed up the process. So to conduct the preparation of the legal framework ("Cadre juridique") and prepare the main implementing tools, the Government established a special administrative unit under the authority of the Ministry in charge of Interior (1993) for one year and later of the Prime Minister Office (1994) to finally (1997/8) the unit moved to the President office. At very the beginning UNDP was asked to support the process and UNDP Mali was along the few donors (among which Canada, France, Germany, EU) who decided to support the process.

Since the request from the Government to UNDP was of classic capacity building type, the big challenge for UNDP Mali was how to support the process according to its mandates and the debate which was going on around our business model (Advisory services, Development services, Coordination support, operational services) and be able to show concrete results – the type of support requested being less visible mainly support to the operating cost and some training sessions/Study tours. This support was crucial for Mali because of two main reason:

1. the decentralization process was considered as one the key elements of the peace agreement signed between the Government of Mali and the rebels groups who were fighting against the government troops in the Northern part of the country (Regions of Gao, Timbuktu and Kidal) and since UNDP supported the peace process it was important for UNDP to give assistance to the decentralization process.
2. As part of the move to the multi-party system, the Decentralization is considered as a major reform which will help to empower local people, increase their participation to the development process and improve the delivery of basic need services and infrastructures.

During the first years the assistance of UNDP –although well recognized by Malian authorities – was not visible for some observers. In fact UNDP assistance was so strategic that if it would have been difficult to achieve within few years what was achieved.

Two major elements helped UNDP to sell its experience and gave it visibility:

- the first element was the evaluation undertaken in 1999/2000 by UNDP and BMZ/ Germany at corporate level covering several countries on their respective assistance in the area of decentralization. The results of this evaluation were presented to the German Parliament in the presence of some the ResRep (including UNDP-Mali Rep). The conclusion of this mission was quite positive about the assistance provided to the government and said assistance was appreciated as a basic strategic need,

- the second element was the close partnership established by UNDP and UNCDF to support the decentralization process. UNCDF decided to re-orient its assistance towards strengthening the decentralization process. This change helped to highly position UNDP-UNCDF in this area. By doing so the joint assistance UNDP-UNCDF through a project established in Timbuktu, helped to design planning and financial tools/mechanisms and implement them on pilot basis before share them for general use. For example the financial tools helped to demonstrate that project funds or other resources can be channeled through the Public Treasury mechanisms to fund investments for the communes with no risk of loss of the resources. That was an important lesson learned since this thought impossible. Later the tools and instruments developed by UNDP-UNCDF projects were share with all partners and they were used by the new financial institution called “Agence Nationale d’Investissements des Collectivités Territoriales” (ANICT) which was established by the Government to fund investments for the communes and other decentralized entities. The partnership UNDP-UNCDF also helped to put resources in ANICT in the very beginning and helped to build confidence from other donors who were still hesitating to put in their resources.

Concerning the types of technical assistance/support programmes required to strengthen local governance, I would say that there two main types of technical assistance: the first type is technical assistance meaning support the local governance institutions to be able to plan, formulate programmes and projects, implement and monitor and evaluate. The time the local governance institutions in most of the targeted countries are new, without capacities (low capacities). In Mali in order to give technical support to the more than 700 communes created ( with more 680 new ones), the Government instead of using the public sector mechanisms decided to design a new system called globally “Appui technique” organized around supporting unit called Centre de Conseil Communal” (CCC). The CCC was composed of NGO, technical associations, technical bureaus or projects which are choose after a selection process to give assistance the commune. This mechanism was established for five years and extended to eight years. This extension period is ending 31 December. The mechanism was fully funded by external donors. Today the challenge is how to build a system starting from January 2008 and which be sustainable? The second type of assistance is financial meaning funding communes’ investments. Mali established as mention earlier the ANICET (especially with the support of the European and UNDP-UNCDF) which is performing quite well and as the confidence of external donors. ANICT seems to an interested model which can be share with others countries but its’ important periodically evaluate it and adapt and adjust its modes of interventions. To find out more it’s possible to refer to [www.undp.ml](http://www.undp.ml) or [www.uncdf.org](http://www.uncdf.org).

Oumar Sako

Governance and Crisis and Prevention Unit

# Extension of Phase 2

**The Moderation Team**

*28 September*

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Dear Colleagues,

As we are transmitting the 102nd contribution to the hugely popular DGP-Net e-discussion (Towards a Local Governance and Development Agenda: Lessons and Challenges), we are still receiving members' inputs for both the phases. Many colleagues have already informed us that they are in the process of finalizing their e-discussion contributions. Hence, we are pleased to extend the e-discussion period by one more week (until 05 October 2007). This has been, indeed, a rewarding experience for us: to be able to receive, read and, post so many thoughtful and, at times, exciting messages from all over the world. The e-discussion has also been immensely benefited from the very kind participation by our external partner organizations, think tanks, and NGOs.

Thank you very much for your support, understanding of the e-discussion processes, and very substantive participation.

We look forward to a vibrant closing of the e-discussion next week.

With best regards.

The Moderation Team

# Pradeep Sharma

UNDP Timor-Leste

1 October

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Dear Colleagues,

The second phase questions are critical and must be addressed if we have to move towards a more cohesive UN-wide development programme, particularly in view of limited resource availability with UN agencies and strong need to converge on the ground to enhance development outcomes.

A key challenge is to arrive at a common understanding about “decentralization”. As someone who has been associated with the Inter-Agency Working Group on Decentralization in India, I know it is not easy. Unlike UNDP, which is more willing to accept and work with the constitutionally and legally mandated local elected bodies as true representative of local governance, many other UN agencies feel more comfortable working with civil society organizations and other entities specially created for executing the project activities (e.g. users associations or PMUs). From their perspective, working with single-theme dedicated bodies is smart and efficient way of working. In taking this approach, they are merely reflecting the thinking in the line ministries with whom they have to work very closely. In the past, many major programmes on health, education and joint forest management have been taken up without any reference to locally elected panchayats. This takes away from local bodies the functions that rightfully belong to them thus disempowering them. This situation will not improve as long there is bureaucratic dominance over panchayats and there are forces (line ministries, donors, private sector) not willing to come out of their comfort zone to work with panchayats.

UN agencies should present a more uniform and united front by accepting and trusting duly elected local bodies. Through joint programmes they can demonstrate convergence on the ground. Quality of joint programmes can improve only after there is a common goal and common understanding.

In terms of capacities, I think a major area of focus should be development of a common monitoring framework for all participating UN agencies and building staff capacities at cutting edge level. This should not be difficult as MDG targets and indicators already provide a good basis to work upon. The proposed framework should bring out interdependent nature of MDGs (for example impact of women’s education on child mortality) and should be localized.

India has some of the finest research organizations – at national and sub-national level – and CSOs on decentralization and UNDP India is already working closely with them. Many of them have worked for the regional projects of UNDP. Some are also providing support to other countries. For example, the Bangalore-based MYRADA has supported community-mobilization through self-help groups in far away Timor-Leste.

Regards,

Pradeep Sharma

# John Jackson

**Capacity Building International**

1 October

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Dear Colleagues,

Being an external practitioners, I just would like to focus on (a) need to strengthen Local Government Association (LGA), and, (b) Development of leadership capacities of Mayors and their senior colleagues. The UNCTs could look into these with further considerations.

I have really become convinced that there are two key priorities in building good local government in SE Europe, assuming the responsible Ministry is competent. First, the Local Government Association (LGA) needs to be strong enough as an institution – strong enough to be seen as a reliable partner of the Government in promoting and delivering greater decentralisation and to be able to provide capacity-building services to municipalities. In the decade since the first local elections, the LGAs have naturally focused on advocacy and, with one or two exceptions, have tended to build themselves around a dominant Executive Director with a few staff who do little more than administration. The time has come to expand that role with better paid, more effective staff who can accept higher levels of responsibility and authority. To this end, UNDP and the Council of Europe worked together to produce a Toolkit ‘Towards a Modern Local Government Association. It was launched by UNDP this year in Turkey with an international Training of Trainers programme, with a second programme planned in FYR Macedonia by SNV for November.

The second priority is to develop the leadership capabilities of Mayors and their senior colleagues. Better leadership will help Mayors build the capacity of their own municipalities, harness the energies of not only their staff and elected representatives but also local people and organisations. They will be better able to hold their LGA to account with higher expectations. From the CoE, we started down this road by developing a Benchmark of an Effective Democratic Local Authority and using peer review methodology to develop improvement programmes based on mutually-assessed performance. The time has come to raise the profile of leadership and offer those who lead municipalities – both officials and elected representatives – the opportunity to participate in a more in-depth, longer term leadership development programme over, say, a period of 9 months – one where the outcome would be real change in leadership thinking and behaviour.

With a good LGA and competent municipal leadership, local government would be able to make better use of donor expertise and funding. It would help to shift the process from being supply-driven to demand-led and to insert the key building blocks of ownership and sustainability. It would put pressure on Governments to take decentralisation more seriously. Programmes to strengthen LGAs and develop leadership capacity are not one-off events; rather they should be on-going year after year, operating in parallel to all those other modernising initiatives in which donors are involved and where longer term effectiveness has been so hard to achieve.

John Jackson

# Chencho Gyalmo

UNDP/UNCDF Bhutan

1 October

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Dear colleagues,

I am happy to share my experiences related to the process of decentralization and local governance in Bhutan.

Bhutan is currently undergoing significant political developments with its preparations for the first national democratic parliamentary elections next year and will enact its first written Constitution in 2008. It is expected to further usher in an era of democratic political developments and greater political participation.

An important advantage for Bhutan is the political will of the government to make decentralization work by empowering the people to promote good governance, including popular participation, through a transparent, efficient and accountable system within a short period of four decades.

Decentralization support activities play a vital role to recognize the role of the rural communities in the devolution of power and strengthening of local governments as they form a key focus for Bhutan in terms of effective targeted development intervention activities. Democratic governance constitutes the central thrust of UNDP's support to the people and the RGoB, as it is an important area of collaboration in light of the current political developments.

In Bhutan UNDP's assistance in the area of good governance mainly falls within three areas;

- Decentralization and Local governance
- Policy support for democratic governance
- E-governance and access to information

UNDP and UNCDF have been actively engaged in supporting the decentralization process Bhutan since 1997 with support for block grant funding and improved planning and budgeting under the Geog (Block) Development Facilitating Activities (GDFA) in 10 geogs. This was later expanded under the Decentralization Support Programme (DSP).

The Decentralised Support Programme (DSP) 2003-2007 is a collaborative effort of UNDP, UNCDF and SNV in supporting the Royal Government of Bhutan's (RGoB) policy of decentralization. The DSP is implemented through the national execution modality, and the partnership strategy based on parallel funding coordinated by UNDP. This has meant that UNDP is the main donor counterpart in terms of negotiation with the RGoB.

The DSP aims to create an enabling environment for effective implementation of the decentralization policy; enhance citizen participation in local planning, decision making and management through provision of training, and capital investment funds to 32 blocks (geogs) in five districts of the country; support the implementation of the 2001 Chatrim (local governance act) and enhance capacity in Ministry of Home and Cultural Affairs (MoHCA) to provide overall management support for the decentralization policy.

“ Democratic governance constitutes the central thrust of UNDP’s support to the people and the RGoB, as it is an important area of collaboration in light of the current political developments ”

The assistance is focused on capacity building of key institutions at Block, District and Central level. Support also includes strengthening the existing policies and to enable Block Development Committee (GYTs) to implement their own prioritized development activities, through hands-on experience with provision of annual block grants so that blocks can be responsible for their own implementation arrangements.

Within the DSP, UNDP provides resources for upstream technical assistance, capacity building, programme management and capital investment. UNCDF provides capital investment resources and technical backstopping services, and SNV provides primarily technical assistance, but also financial support to some aspects of the Programmes capacity building activities. In addition, associated with DSP, the Danida Good Governance Programme includes support to institutional capacity building of MoHCA, and a JICA programme (which will begin its second phase later this year) which also involved capacity building and local governance strengthening activities.

The DSP has now been operational for more than two years and there has been steady progress from de-concentrated to partially decentralized, democratic local governance. Fiscal transfers to lowest tier geogs for rural infrastructure and services have increased to US \$ 66,000 per annum (an average of \$25 per capita).

The outputs to the DSP policy/programme monitoring framework are;

1. enabling policy environment for local governance established
2. local democratic accountability deepened for more participatory governance
3. administrative capacity enables more efficient and accountable service delivery
4. functional devolution provides for more effective service delivery
5. fiscal devolution supports more efficient and equitable budgetary provision

Many important areas of policy reform relating to streamlining the legal framework, strengthening the planning and budgeting system, introducing a fiscal formula and enhancing capacity development have already been identified by the RGoB. It will be important to monitor this process for decentralization to succeed.

In addition to the above, we would like to share the following documents which provides a picture of some of the lessons learned as well as challenges with regard to decentralization in Bhutan:

Decentralization Outcome Evaluation Report – Bhutan, 2005

[http://www.undp.org.bt/Governance/dec\\_OER.pdf](http://www.undp.org.bt/Governance/dec_OER.pdf)

Challenges of Decentralization in Bhutan: Financing Local Governance, Discussion Paper, UNDP Bhutan, July 2005

[www.undp.org.bt/Governance/docs/Financing%20Local%20Government.pdf](http://www.undp.org.bt/Governance/docs/Financing%20Local%20Government.pdf)

Challenges of Decentralization in Bhutan: Coordination and Human Capacity, Discussion paper, UNDP Bhutan, July 2005

[www.undp.org.bt/Governance/docs/Coordination%20and%20Human%20Capacity.pdf](http://www.undp.org.bt/Governance/docs/Coordination%20and%20Human%20Capacity.pdf)

Chencho Gyalmo

National Programme Officer

# Benoit Larielle

UNDP/UNCDF Rwanda

2 October

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Dear Colleagues,

Thank you for all your contributions. I am also pleased to share our experience as a UNCDF programme in Rwanda.

Background: In December 2004, UNCDF launched with UNDP-Rwanda a local development programme in the Byumba Province, named “*Projet d’Appui au Développement Communautaire de la Province de Byumba - PADCB*” – aiming at building local capacities and financing local development.

## Challenges in the Design and Implementation

- A couple of months after the project document was signed, the Government launched a major administrative and territorial reform (August 2005) that was achieved by January 2006 and followed by local elections. The reform and electoral processes hindered the normal pace of activity implementation, with some activities to be suspended between September 2005 and March 2006 (six months).

Subsequently, administrative structures, territorial boundaries and local staff were deeply modified. As a consequence, institutional memory, knowledge and statistical data were no longer available or outdated for the new appointed local authorities. Additionally, local administrative and technical staffs often came without significant experience (right from university) or were moved to other place.

This administrative and territorial reform was preceded by a public service reform that led to major staff realignment and (temporarily?) affected national capacities and ownership.

- Centralized political system: In addition to the lack of fiscal resources and some persisting confusions of responsibilities between the different layers of administration, local governments don't have much freedom to act proactively (e.g.: performing districts to start their local development planning earlier). Other local development actors also have limited access to influence and work with the districts (in spite of the new Joint Action Forums set up at district and now also at sector level).
- Local Development Funding (LDF): 68% of the PADCB budget is allocated to support districts budgets and thus complementing government transfers and other donor contributions. The funds are channeled through the Common Development Fund (CDF), a government mechanism recently set up to allocate financial resources to local governments (upon submission of micro-projects) according to a formula based on poverty criteria. UNCDF is among the first few donors to trust and actively support the CDF.

- Poverty baseline: Due to the reform, poor quality of available studies and delays in government data collection and analysis activities, a comprehensive poverty baseline is not yet available. As a consequence, the District micro-projects financed mostly reflected the participatory community development planning processes (Ubudehe) but were not consistent with a poverty and socio-economic analysis based on updated and comprehensive data.
- UNCDF-UNDP Partnership: additional efforts are still needed at country level to develop further a common local development approach.

### Lessons Learned and Good Practices

- The Government should keep a continuous and open dialogue with its partners to ensure that launching development programmes is well coordinated with and aligned on upcoming major political reforms. This is necessary to avoid waste of time and resources. This also raised the question of our ability to anticipate and manage such a risk.
- Local Development Funding (LDF): micro-project identification and implementation is a long (in average three months for the identification) and complex process for districts to manage. The local coordination team has therefore been strongly involved in this area (see below). A special District commission should be put in place to take these processes in charge.
- Public subsidization (LDF approach) vs Private financing with public guarantee (micro-finance approach): big debate on two complementary approaches of financing local development. It may depend on existing public and private sectors capacities, legal framework and possibility of adequate supervision of microfinance institutions.

In this case, the LDF approach seems to offer the advantage of channeling massive financial resources in a straight line to answer the needs at grassroots level and increase temporary job creation (HIMO). It is also a budget support modality offered to the districts encouraging their commitment and giving them additional means.

However, the tendering process and the control of budget expenditures are highly sensitive and require a close monitoring by the local coordination team, the CDF, the Ministry in charge of Community Development and Donors. Under this approach, controlling the quality of infrastructures financed through the LDF is also particularly important.

- Local development planning: The PADCB has strongly contributed to develop a grassroots-based development planning process with important population participation. The local coordination team also worked on the preparation of a Community Development Planning Manual. Document available upon request.

- Decentralization and Local Development monitoring: After piloting a two year experience at district level on the UNCDF Management Information System (MIS) in partnership with the World Bank, the PADCB has been requested by the Ministry in charge of Decentralization and Community Development to adapt the MIS to the needs of Rwanda, as reflected in the new PRS and in the National Decentralization Strategic Framework.

It has now been agreed to adapt the UNCDF MIS for the needs of Decentralization in Rwanda at two levels:

National (Phase 1): The Ministry in charge of Decentralization and Community Development will use the MIS to monitor districts budget expenditures and the implementation of national policies.

Local (Phase 2): The role of districts will be reinforced in monitoring the implementation of national policies, especially in the area of planning, coordination, community development monitoring and monitoring of special national programmes like Vision 2020/Umurenge. Data will be collected at sector level.

- Capacities: District and provincial authorities have been strongly involved in the programme but nonetheless are regularly unavailable, lack of technical capacities and equipment. For these reasons, the hiring of “community development agents” by the programme up to March 2007 has proved to be highly satisfactory to all parties.

Similarly, Cells and Sectors communities and their representatives are able to identify key development problems, priorities and options but need further support in analytical analysis, written formulation of micro-projects and access to external resources.

- The lack of data is restraining the capacity to measure the effects of the PADCB on key priorities agreed with the Donors, such like poverty reduction, income generation, agricultural productivity or local capacities. In particular it has been difficult to give evidence of the adequation between some micro-projects and durable benefits for targeted vulnerable groups.
- Private sector development (through inclusive and micro-finance, trainings, enhancing LGs role as business facilitators) is emerging as an increasingly important area where support is needed. A local investment committee was recently set up with the PADCB support and might be a powerful instrument for fostering local entrepreneurs.
- To some extent, the administrative and territorial reform accelerated the decentralization process (launched in 2000): the “performance contracts” established between the Mayors and the President of the Republic is, for instance, a practical tool to make Districts more accountable. The Rwanda Decentralization Strategic Framework (RDSF) and a revised Decentralization Implementation Plan (DIP) also followed the reform.

## Technical Assistance

The technical assistance provided by the PADCB is essentially based on a UNDP local technical team made of three national experts and a UNCDF international M&E expert (up to August 2007). Six “Community Development Agents” were also hired from December 2007 to March 2007 for supporting districts and sectors in planning and other management activities related to the programme. This modality has been extremely useful in a constantly changing political environment and somehow ensured an institutional memory whereas all levels of administration were profoundly restructured. It has also guaranteed the independency of the project team when facing local political pressures. Nonetheless, this modality runs the risk of becoming a parallel structure and is not fully in line with the Paris Declaration, even though the technical assistance is essentially based on the expertise of three national staffs. Besides, like most NEX programmes, the opportunity to transfer the project team supervision responsibility to the Ministry (instead of UNDP) should be considered.

Relocating the team, or at least the coordination activities, in the Ministry building (like a similar WB programme) would present the advantage of making easier the capitalization of the PADCB experience and is therefore an option that should be considered.

## Cross-cutting Themes

**Conflict prevention:** There is a common assumption in the development sector that our action contributes to prevent and resolve conflicts. Similarly, it is often considered that decentralization and local development policies or programmes have a positive effect on local conflicts. However, such statements are often done without presenting a clear view of “how” and “who” is benefiting or affected. This probably comes from the fact that such considerations mix up the general approach (e.g.: decentralization improves service delivery and vertical accountability) and the concrete impact of specific activities in the field (e.g.: Private companies controlled by military or government officials benefiting from spoiled tendering process).

Therefore, participatory local conflict analysis in sensitive areas may be integrated among programme activities. Such analysis would enhance dialogue among communities and between representatives, leaders and the population. The analysis should include a local actors mapping and identify the nature and quality (bad/neutral/good) of their relationships.

**Gender:** As part of the LDF approach, the PADCB and the Districts prepared and agreed on a range of performance criteria that would give access to extra (LDF). Two criteria make direct and specific reference to gender.

This contribution is a personal opinion and does not necessarily reflect UNCDF or UNDP-Rwanda views.

Benoit Larielle  
Programme Officer

# Steve Glovinsky

UN Country Team India

2 October

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Hi all,

Thank you for extending the deadline for this discussion. It offers an opportunity for me to put in a promotion for our India Country Team initiative “Solution Exchange”, earlier referred to in the first comment of Pradeep Sharma in Timor-Leste. For UN collaboration and strengthening partnerships, It fits the bill quite well. Solution Exchange will be familiar to UNDP users of the Practice networks, since they have the same genesis. The difference here is that while DGP-net is a network within UNDP, Solution Exchange networks are comprised of national development practitioners convened by the relevant UN Country Team Head (or Heads) of Agency. We build Communities of Practice of professionals who have a common passion, interest and job objective to work towards poverty alleviation in India. Our Decentralization Community, anchored by UNDP, was begun two years ago and now has over 1,800 members: 20% from Government, 34% NGOs, 19% policy/research institutes, 10% private sector and consultants, and 16% UN agencies, donors and others. We offer four services: “Help” - members ask questions and receive consolidated Replies; “Consult” - decision makers get feedback on draft policies, programmes and projects; “Discuss” - where the Community’s insights are needed (like this one); and “Collaborate”, where Community members work together to design or implement strategic initiatives and interventions.

Relating this to the question, I can offer the following:

Challenges, good practices and lessons learned, and improving Joint UN Programmes: Many of our questions stem from our UN agency programme staff interested in learning from experience, getting feedback from beneficiaries and development partners, and generally wanting to improve programme or project quality, effectiveness and chances for success. On decentralization, the UNDAF Thematic Working Group for decentralization circulated its situational analysis paper for comments. UNV got advice about the role of volunteerism in local governance. The UNDP governance unit received examples of district plans that addressed peri-urban issues, and the AIDS unit got experiences of working with local government representatives on HIV awareness. UNICEF sponsored a collaborative assignment of a group in Kerala state to develop a media strategy for promoting Panchayati Raj. Overall, the Community has considered more than 70 issues to date. I am putting in a link to the index of Consolidated Replies as of 31 May 2007 ([www.solutionexchange-un.net.in/for\\_info/Solution\\_Exchange\\_Consolidated\\_Replies\\_Index\\_May\\_2007.doc](http://www.solutionexchange-un.net.in/for_info/Solution_Exchange_Consolidated_Replies_Index_May_2007.doc) - 712K) to give a better idea of the range of issues covered. The Decentralization Community is covered on pages 31-37.

Strengthening partnerships with non-UN agencies in the field: Solution Exchange stresses connecting people, partnership and collaboration. Through it, the UN Agencies have discovered, learned about and then worked with organizations that they would otherwise not have been aware of. Another UNDP query produced a roster of 51 organizations to be tapped for UNDP’s support to the national Rural Employment Guarantee Scheme. Several questions specifically examined the various roles of NGO organizations and CSOs - as well as research and training centers - in local governance issues such as planning and priority setting, programme implementation, and social audit.

What types of capacities will UN Country Teams require? Two staff per Community - one Community moderator, and one research associate.

Solution Exchange does not actually “work” with the knowledge we generate. We spin that off to anyone interesting in taking it further to add value. For UN Agencies that would mean analyzing Consolidated Replies around a particular topic to derive findings about what works and what doesn’t, and then generating branded products that would both demonstrate and apply our rich depth of experience. To help make this happen we plan (subject to funding) to introduce Solution Exchange to Country Teams globally. So far there is a Solution Exchange Community in Bhutan, which recently had a rich discussion on how to bring more women into politics. That community is accessing the knowledge and experience of practitioners working with or covering Bhutan from the outside world.

Solution Exchange, for me, is simply an updated version of what I have been doing over my UNDP career as a governance specialist, having helped many governments become more efficient, effective and responsive. In this case, the UN system is simply enabling them to listen to, learn from and connect more closely to their partners in development. I would recommend considering it for your Local Governance and Development Agenda.

In the meantime, we are happy to cross-post queries to DGP-net; we have done this with other networks (the last joint posting was just issued between HIV-net and the AIDS Community)

And, of course, everyone is welcome to join and find out what is happening to decentralization in India. Being the Adviser for Solution Exchange, I have an easy job giving advice: Sign up!

Steve Glovinsky  
Adviser

# Neus Bernabeu

UNDP RBLAC

2 October

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**English Translation by Haley Horan, Research Analyst, BDP/DGG, NY**

Resources from América Latina Genera

Local Development and Decentralization

To what degree are the incipient processes of decentralization in the Latin American region leading to more democratic decision making, a better and more egalitarian distribution of power between men and women, an opening of spaces for participation for women's organizations or movements? How are we incorporating gender equity in the processes of local development?

Some authors such as Alejandra Massolo alert us to some perverse effects of decentralization that are being seen in certain countries, such as the marginalization of women from positions in local government when these receive decentralized funds. In our opinion, it is still too early to determine whether decentralization processes (which in most countries are also deconcentration processes) have promoted or undermined advances with regard to gender equality.

What we can state is that every day there are more experiences that, whether due to the intervention of municipal governments, the support of aid organisations, and above all to the insistence and efforts of women's organizations, succeed in generating innovative initiatives that make a creative contribution to municipal management, which take into account the practical and strategic needs of women, and which make a local contribution to reducing gender inequalities and to transforming societies to make them more equitable. A good example of this is some of the initiatives that participated in the Good Practices Fair that we have organized as Latin America Genera, and which will be available for access from next week onwards at [www.americlatinagenera.org](http://www.americlatinagenera.org)

However, I would also like to describe in broad outlines some of the major challenges we have encountered as a region in this difficult field:

1. The first, and most basic, issue is to ensure that participants in local development (and the specialists, etc.) recognize that the problem of inequality and gender discrimination has clear implications for inclusive and equitable local development. At the very least, some treat this as a marginal issue as if women were merely another sector, thereby avoiding the need to incorporate gender issues in all local tasks in order to really transform existing inequalities. This requires a clear change of mentality, but if we do not aim for this, any changes that we achieve will not be structural.
2. Without the leading participation of local stakeholders, local development is theoretically inconceivable. Despite this, we continue to fail questioning those local development processes that marginalize women or that visibly maintain the superiority of one gender in decision-making.

“ In our opinion, it is still too early to determine whether decentralization processes (which in most countries are also deconcentration processes) have promoted or undermined advances with regard to gender equality ”

3. In this regard, it is essential to achieve greater plurality in local government with a larger representation of women (of African descent, indigenous, racially mixed, of different ages) in positions of power. Quotas, while insufficient by themselves, are certainly a useful mechanism for achieving greater equality.
4. To restore political and institutional mechanisms that allow policy initiatives and equality plans to be maintained despite changes in government.
5. To recognize gender equality as a measure of modernization and of the quality of municipal management, and not just as a factor which promotes the equality and efficiency of municipal interventions. This leads to us to incorporate the gender approach in all local government planning and budgeting exercises.
6. To construct a real capacity to implement gender mainstreaming in municipal and local activities, and above all among local government officers.
7. To strengthen the capacities of women's organizations so that they can participate effectively and exercise citizen's control.
8. To ensure that subnational governments assume their responsibility in responding to key women's issues in their localities, such as for example the issue of violence.

Last but not least, it is important that we systematize the empirical knowledge that we are developing throughout the region, and that we turn this individual knowledge into collective knowledge, into learning for the whole region. We continue to work in isolation, without sharing our knowledge. For this reason, one of our priorities as Latin America Genera is to contribute to breaking down those barriers and to pooling the resources and experiences of the many stakeholders in our region.

A range of local government, decentralisation and gender resources are included, consisting of publications, tools, experiences and links. This is all available via the América Latina Genera portal: <http://www.americlatinagenera.org/index.php>

## 1. Useful Publications

### **Reflections. Local Development with gender equity**

This document is a theoretical analysis which addresses the concepts involved when carrying out specific work in this field in three areas: the basic concepts of local development; local economic development; and decentralisation. Firstly, it posits a close link between the concepts of local development (regional and systemic approach) and gender (condition and position). The second part focuses on economic and regional development, identifying how gender fits in with this issue. The third chapter addresses the issue of decentralisation, and how this is relevant in the Latin American context with regard to women's rights and the aim of achieving gender equality. Finally, it offers some thoughts on local development and empowerment, local participants and participation, productive enterprises and other relevant issues.

*Alejandra Massolo*

### **Analysing the experience of incorporating gender in the local strategic planning process**

This report has been produced within the framework of the reform and decentralisation of the Ecuadorian state, and analyses the experience of incorporating a focus on gender into local strategic planning in 10 cantons of Ecuador.

*María Cristina Cucuri*

### **Participating is arriving. New local institutions for Gender in Latin America**

Working Document which forms part of phase one of the execution of the project "Strengthening governability, with a focus on gender and the political participation of women in the local context" which brings together, reviews and analyses information, studies, theses, books, articles, papers, guides, manuals and other documents regarding the new local institutionalisation of gender and the inclusion of this issue in its management. The document is divided into 5 thematic sections and ends with a range of conclusions and recommendations. The first section addresses the issues of the decentralisation and revitalisation of local government. The second presents different analyses, discussions and proposals from a gender perspective, around decentralisation and "local issues". The third addresses public policies on gender equity in the municipal context, the fourth refers to equal opportunities plans at the municipal level, concepts and some examples. The fifth section provides information about the toolbox, which contains instruments designed to be of help in applying and strengthening policies and in institutionalising them.

*Alejandra Massolo*

### **Institutionalising a gender focus in local development**

Starting from the current situation, the author sets out her analysis of the institutionalisation of a gender focus both at the level of central and/or national governments, and at other levels; she also analyses what institutionalisation means, and the necessary requirements to introduce, apply and evaluate public policies that focus on gender, at the local level. She then identifies some of the strengths and weaknesses of these processes, with a particular emphasis on the participation of women.

*Adela Britos*

## **Local governments and women: new changes and challenges in Latin America**

The author summarises a longer document for the project on Gender, Democratisation and Good Governance, by the United Nations Research Institute for Social Development (UNRISD), Beijing+10, 2005. This discusses the concept of the municipality, its characteristics and how it has developed, and explores the idea of democratic governability as a set of conditions of the political system, which mediate between society and the state, setting out three types of governability which may arise. After doing this, the author goes on to analyse the role of women in this new concept of the municipality and their participation in local government, and identifies how incorporating a gender focus has led to innovations in local government, opening up space for the participation of women and establishing a new relationship between civil society and local government.

*Alejandra Massolo*

## **To participate is to arrive. Participation of indigenous women in governability processes and in local government. Case studies: Bolivia, Colombia, Ecuador, Guatemala and Peru**

This publication was produced within the framework of the “Governability, political participation and gender in the local context” project. The document provides context for issues relating to the participation of indigenous women in governability processes and in local government, and seeks to link discussions of women’s rights and citizenship, gender and empowerment, with the presentation of evidence relating to the political and social participation of indigenous women in the five countries covered by the study. Participation is considered at two levels – political and social – and the issue of inter-institutional cooperation is also considered. Finally, it presents its conclusions in two sections: strengths and weaknesses of the processes and experiences analysed, and lessons learned. The analysis of strengths and weaknesses is presented in relation to two issues: i) political and social participation of indigenous women in the local sphere, and ii) interinstitutional cooperation and public policies.

*Claudia Ranaboldo, Guilles Cliche and Antonieta Castro, RIMISP – Latin American Centre for Rural Development, La Paz (Bolivia) and Santiago (Chile)*

## **2. Tools.**

### **Guide to creating and strengthening a women’s department in local government**

The guide is divided into two sections: the municipality, and how to create a women’s department in local government. It explains conceptual and regulatory issues, and then goes on to set out arguments and targets for establishing women’s departments, accompanying this explanation with an analysis of the legal aspects that underlie this proposal. It also presents a proposal for the reform of basic legislation and a proposed agreement for the creation of a women’s department.

*INMUJERES*

### **Local development and gender equity**

The author presents a document linking the concepts of local and gender development with others such as social capital. It also recounts specific experiences, and presents tools and methodologies for incorporating gender in the local development of various bodies.

*Ingrid Schrevel*

### **Manual for a diagnosis of the position of women in local government with a focus on gender**

The manual was created as part of the project on Public Policies for Gender Equity in Local Government by the team belonging to the Interdisciplinary Group on Women's Issues, Work and Poverty (GIMTRAP) A.C. The aim is to support the process of awareness-raising and training in various regions of Mexico so as to build public policies for gender equity in local government. The aim of the manual is to provide an instrument for use in analysing the situation of women in local government, so as to identify the needs, demands and priorities of women's groups and to include them within the local development plans, and their position in the electoral programmes of all the political parties. It is divided into three modules: the first discusses the context and concepts for analysing the position of women in local government with a focus on gender, the second addresses the thematic areas of the analysis, and the third considers the methodology for conducting the quantitative and qualitative analysis.

*Alejandra Massolo; Dalia Barrera; Irma Aguirre*

### **3. Experiences**

#### **Promoting Local Development and Gender Equity in the Municipality of Villa González, Dominican Republic**

Gender-focused local development is still in its infancy in the Dominican Republic and has a history of less than six years. Villa González established a Municipal Policy for Gender Equity (MPGE) before creating the corresponding municipal body, as in this instance the need for a Municipal Women's Office arose from the MPGE. It is also important to note that the policy actually grew out of a wider process of coordination and participation, which started at the end of the 1990s. The Municipal Policy for Gender Equity and the Municipal Women's Office are closely linked, as the first set out the lines of action and political strategies for addressing the gender gap in the municipality, and the second is the legal structure for implementing this policy.

*Dominican Republic*

#### **Process for participatory construction of an equal opportunities plan for the district of Comas 2006-2010**

This Equal Opportunities Plan for the District of Comas was drawn up within the framework of the proposed National Plan for Equal Opportunities between Women and Men 2006–2010 of the MIMDES, and seeks to guide efforts to implement this at a local level. It also takes as a reference the strategies of the Integrated District Development Plan. As part of the educational initiative School for the Training of Female Leaders “First-Class Women Citizens” (1999), a number of participatory agenda-building initiatives were launched, including proposals like the Gender Coordination Committee, Casa de la Mujer, the Women's Commission, and an administrative department within the municipality, Municipal Programme for the Training of Women Leaders, and so on. These spaces have already been established. Currently, Comas is in a period of transferring strategies, programmes and techniques for the promotion of coordinated, inclusive development that promotes gender equity.

*Peru*

### **Project for the development of a Gender Focus as a strategic horizontal axis of the Local Human Development Programme**

This PDHL/UNIFEM project had as its objective: “Promoting and strengthening a gender focus as a strategic axis of human development, which is implemented across all levels and in the local planning processes in all the project’s actions and initiatives.” The lines of action or components aimed at achieving these objectives were: Participation of the Federation of Cuban Women in the participatory planning process of the PDHL – Economic development – Rolling Funds for Local Economic Development – FRIDEL – with the participation of UNIFEM – Generation of statistical information on gender. The PDHL/UNIFEM Project was developed on the basis of the local development strategy implemented through the Local Human Development Programme (PDHL) developed by PNUD-Cuba. This strategy, implemented within the framework of the local programme to support processes, is based on planned and participatory management where local stakeholders (municipal and provincial) have a key role in defining the priorities and drawing up proposals, with multi-disciplinary coordination at national level.

*Cuba*

### **Sustainable local development for equality**

This project was developed in the community of Oña, in Ecuador, and was supposed to strengthen and enable local public institutions to improve their response to the needs of citizens. The main focus was the interaction between local government and community-based organisations, with the aim of creating a new, fair system for distributing resources and to open up and give legitimacy to spaces for participation, with an emphasis on the presence and contribution of women.

*Ecuador*

### **Abra Pampa indigenous local development programme**

This is a local development programme for the Warmi community, consisting of five components: organisation, training, microfinance system, business development service, and community health system. Cutting across all these components are the issues of cultural identity, gender and the environment, and the programme objectives therefore focused on these three issues in particular.

*Argentina*

### **Promoting local development with gender equity in the municipality of Villagonzález**

This project was developed within the strategic municipal development plan 2005/2010, and consists of a proposed municipal policy for gender equity, based on the participation of women in decision-making processes, working from within local government, at the council and municipality level. Its lines of action are health and violence, education and training, income generation and employment, municipal management and political and social participation.

*Dominican Republic*

### **Local experiences in economic development in the municipality of Rosario**

The municipality of Rosario, through its department of Social Development, has since 2002 implemented socio-productive programmes to promote participatory, cooperative sources of genuine financial income for that part of the population excluded from the market. These programmes are: Urban Agriculture Programme (PAU), and Productive Enterprises Programme (PEP). The PAU promotes local development, bringing men and women into the creation of

social enterprises for the production and preparation of foodstuffs, using ecological techniques. The food is destined for family and community consumption, and for market sale, helping build social integration, combating poverty, improving the urban habitat and environment. Furthermore, the PEP also aims to promote the creation of productive enterprises within the framework of active local policies, to generate economic activities and employment.

*Argentina*

#### **4. Links**

We recommend visiting the FESTIVAL de las Buenas Prácticas which will shortly be available at the Portal of América Latina Genera, as a lot of experience has already been acquired with regard to local development: <http://www.americlatinagenera.org/bazarexperiencias/festival-bp1.php> [in Spanish]

The following page of the América Latina Genera Portal provides overall context: <http://www.americlatinagenera.org/tematica/gobernabilidad.php> [in Spanish]

#### **Other links [in Spanish]:**

- PNUD – La Democracia en América Latina
- PNUD – Feria virtual de gobernabilidad local
- PNUD – Gobernabilidad
- PNUD – Proyecto diálogo democrático
- PNUD – Informe y Proyectos sobre el Desarrollo de la Democracia en América Latina

## Original Spanish Version

### Desarrollo Local y Descentralización

¿Qué tanto los incipientes procesos de descentralización en la región latinoamericana están suponiendo una mayor democratización en la toma de decisiones, una mejor y más igualitaria redistribución del poder entre hombres y mujeres, una apertura de espacios de participación para organizaciones o movimientos de mujeres? ¿Cómo estamos incorporando la equidad de género en los procesos de desarrollo local?

Algunas autoras como Alejandra Massolo alertan de algunos signos perversos de la descentralización que se están viendo en algunos países como la marginación de las mujeres de los cargos de los gobiernos locales cuando éstos reciben fondos descentralizados. En nuestra opinión, todavía es demasiado temprano para ver si los procesos de descentralización (que en la mayoría de países además son procesos de desconcentración) han facilitado o perjudicado avances en materia de igualdad de género.

Lo que sí podemos afirmar es que cada día son más las experiencias que logran, ya sea por interés de los gobiernos municipales, por el apoyo de organismos de cooperación, pero sobre todo por la insistencia e incidencia de las organizaciones de mujeres generar iniciativas innovadoras que aportan de manera creativa a la gestión municipal, que retoman las necesidades prácticas y estratégicas de las mujeres, que contribuyen desde el plano local a reducir las desigualdades de género y a transformar las sociedades para hacerlas más equitativas. Una buena muestra de ellas son algunas de las iniciativas que han concursado en el Festival de Buenas Prácticas que hemos organizado como América Latina Genera y que pueden consultar a partir de la próxima semana en [www.americatlatinagenera.org](http://www.americatlatinagenera.org)

Nevertheless, I would like very in broad strokes to raise some great challenges that we confronted as a region in this difficult field:

Pese a ello, me gustaría plantear muy a grandes rasgos algunos grandes desafíos que afrontamos como región en este difícil campo:

1. Lo primero, y muy básico, es lograr que los actores de desarrollo local (y los especialistas, etc.) reconozcan que las problemáticas de desigualdad y discriminación de género tienen implicaciones claras para el desarrollo local pleno y equitativo. En el mejor de los casos, algunos de ellos abordan el tema de manera muy marginal y como si fuera un sector (las mujeres), obviando así la necesidad de articular este enfoque de género en todo el quehacer local para transformar realmente las desigualdades. Eso supone un claro cambio de mentalidades, pero si no apuntamos a ello los cambios que lograremos no serán estructurales.
2. Sin la participación preeminente de los actores locales no es concebible en teoría el desarrollo local. Sin embargo, seguimos sin cuestionar esos procesos de desarrollo local que marginan a las mujeres o que visiblemente mantienen la preponderancia de un género en la toma de decisiones.
3. En ese sentido, es imprescindible lograr una mayor pluralidad en los gobiernos locales con una mayor representación en cargos de mujeres (afrodescendientes, indígenas, mestizas, de diferentes edades). Las cuotas, sin duda, son un mecanismo útil, aunque no suficiente por sí solo, para lograr una mayor igualdad.

4. Instaurar mecanismos políticos e institucionales que permitan sostener esfuerzos de políticas y planes de igualdad a pesar de los cambios de gobierno.
5. Asumir la equidad de género como un criterio modernizador y de calidad de la gestión municipal, además de un criterio que favorece la igualdad y la eficiencia de las intervenciones municipales. Eso nos lleva a incorporar el enfoque de género en todo el ejercicio de planificación y presupuesto de los gobiernos locales.
6. Construir capacidades reales para operativizar el gender mainstreaming en el quehacer municipal y local sobre todo en el personal de las municipalidades.
7. Fortalecer las capacidades de las organizaciones de mujeres para su efectiva participación y el ejercicio de control ciudadano.
8. Lograr que los gobiernos subnacionales asuman su responsabilidad en dar respuesta a problemáticas claves de las mujeres de sus localidades, como por ejemplo el tema de la violencia.
9. Lograr que los gobiernos subnacionales asuman su responsabilidad en dar respuesta a problemáticas claves de las mujeres de sus localidades, como por ejemplo el tema de la violencia.

Por último, y no menos importante, es importante que sistematicemos el conocimiento empírico que estamos desarrollando en toda la región y que convirtamos este conocimiento individual en conocimiento colectivo, en aprendizaje para toda la región. Seguimos trabajando de manera aislada sin compartir conocimiento. Por eso, una de nuestras prioridades como América Latina Genera es contribuir a romper esas barreras y poner en común los recursos y experiencias de multitud de actores de nuestra región.

Se incluye una serie de recursos sobre desarrollo local, descentralización y género que incluye, publicaciones, herramientas, experiencias y enlaces. Todos ellos están disponibles en el portal de América Latina Genera: <http://www.americalatinalgenera.org/index.php>

## 1. Publicaciones destacadas

### **Reflexiones. Desarrollo Local con equidad de género**

Este documento representa un esfuerzo de reflexión teórica que aporta elementos para trabajar en el territorio de forma concreta desde tres áreas: Los conceptos básicos de desarrollo local; El desarrollo económico local y la descentralización. Primero plantea una vinculación estrecha entre los conceptos de desarrollo local (territorio y enfoque sistémico) y género (condición y posición). En la segunda parte se enfoca el desarrollo económico y territorial señalando los puntos rojos de género en esta temática. En el tercer capítulo se aborda el tema de la descentralización, y como esta adquiere relevancia en el contexto latinoamericano para los derechos de las mujeres y los objetivos de la equidad de género. En último lugar, se proponen una serie de reflexiones sobre el desarrollo local y el empoderamiento, los actores locales y la participación, los emprendimientos productivos y otros temas relevantes.

*Alejandra Massolo*

## **Sistematización de la experiencia de incorporar género en el proceso de planificación estratégica local**

Este informe se elabora en el marco de la reforma y descentralización del Estado ecuatoriano, y sistematiza la experiencia de incorporar el enfoque de género en la planificación estratégica local en 10 cantones de Ecuador.

*María Cristina Cucuri*

## **Participar es llegar. Nueva Institucionalidad local de Género en América Latina**

Documento de Trabajo forma parte de la primera fase de ejecución del Proyecto “Fortalecimiento de la gobernabilidad con enfoque de género y la participación política de las mujeres en el ámbito local” en él se recopila, revisa y analiza información, estudios, tesis, libros, artículos, ponencias, guías, manuales y otros documentos sobre la nueva institucionalidad local de género y la incorporación de este enfoque en su gestión. El documento ha sido dividido en 5 puntos temáticos y finaliza con una serie de conclusiones y recomendaciones. El primer punto trata aspectos de la descentralización y la revitalización de los municipios. En el segundo se presentan análisis, discusiones y propuestas desde la perspectiva de género, en torno a la descentralización y “lo local”. El tercer punto trata sobre las políticas públicas de equidad de género desde el ámbito municipal, el cuarto punto se refiere a los planes de igualdad de oportunidades a nivel municipal, conceptos y algunos ejemplos. El quinto presenta información de la caja de herramientas donde se encuentran instrumentos útiles para ayudar a la aplicación y fortalecimiento de las políticas y la institucionalidad.

*Alejandra Massolo*

## **La institucionalidad del enfoque de género en el desarrollo local**

La autora plantea sus análisis desde la realidad actual de la institucionalización del enfoque de género, tanto en el nivel de los gobiernos centrales y/o nacionales, como en otros niveles; analizando también qué significa institucionalizar y qué requerimientos son necesarios para introducir, aplicar y evaluar las políticas públicas con enfoque de género, al nivel local. Señala también las fortalezas y debilidades de estos procesos con especial énfasis en la participación de las mujeres.

*Adela Britos*

## **Gobiernos locales y mujeres: nuevos cambios y desafíos en América Latina**

La autora elabora un resumen de un documento más amplio para el proyecto sobre Género, Democratización y Buena Gobernanza, del Instituto de Investigación para el Desarrollo Social de Naciones Unidas (UNRISD por sus siglas en inglés), Beijing + 10, 2005. En él se hace un recorrido por el concepto de municipio, su evolución y características y ahonda en la idea de gobernabilidad democrática como conjunto de condiciones del sistema político que juegan de mediación entre la sociedad y el estado, detallando los tres tipos de gobernabilidad que pueden darse. Tras esto la autora pasa a analizar el papel de la mujer en este nuevo concepto de municipio y su participación en el gobierno local y señala cómo la incorporación del enfoque de género ha innovado los gobiernos locales abriendo el espacio para la participación de la mujer y estableciendo una nueva relación entre sociedad civil y gobierno local.

*Alejandra Massolo*

## **Participar es llegar. Participación de las mujeres indígenas en los procesos de gobernabilidad y en los gobiernos locales. Casos: Bolivia, Colombia, Ecuador, Guatemala y Perú**

La presente publicación se enmarca en el Proyecto “Gobernabilidad, participación política y género en el ámbito local”. En el documento se contextualiza la temática de la participación de las mujeres indígenas en los procesos de gobernabilidad y en los gobiernos locales y hace un recorrido en el que se busca vincular las discusiones sobre derechos y ciudadanía de las mujeres, género y empoderamiento, con la presentación de evidencias relacionadas a la participación política y social de las mujeres indígenas en los cinco países de cobertura del estudio. La participación se aborda desde dos niveles, político y social, y se trata también el tema de la coordinación interinstitucional. Por último presenta conclusiones estructuradas en dos niveles: fortalezas y debilidades de los procesos y las experiencias analizadas; y lecciones aprendidas. El análisis de fortalezas y debilidades se presenta en relación a dos temas: i) participación política y social de las mujeres indígenas en el ámbito local; y ii) coordinación interinstitucional y políticas públicas.

*Claudia Ranaboldo, Guilles Cliche y Antonieta Castro, RIMISP -Centro Latinoamericano para el Desarrollo Rural, La Paz (Bolivia) y Santiago (Chile)*

## **2. Herramientas.**

### **Guía para iniciar y fortalecer una instancia municipal de las mujeres**

La guía se divide en dos secciones: El municipio y ¿Cómo iniciar una instancia municipal de las mujeres? Explica aspectos conceptuales y regulatorios, para luego exponer justificaciones y objetivos de conformar instancias municipales de las mujeres, acompañando esta exposición con un análisis sobre aspectos legales que fundamentan esta propuesta. Además presenta una propuesta de reforma de las leyes orgánicas y una propuesta de acuerdo para la creación de la instancia municipal de mujeres.

*INMUJERES*

### **Desarrollo local y equidad de género**

La autora presenta un documento donde vincula los conceptos de desarrollo local y de género y otros como capital social. Se presentan además experiencias concretas y herramientas y metodologías para incorporar género en el desarrollo local de diversos organismos.

*Ingrid Schrevel*

### **Manual hacia un diagnóstico sobre la situación de las mujeres en el municipio con enfoque de género**

El manual se enmarca dentro del proyecto sobre Políticas Públicas de Equidad de Género en el Ámbito Municipal elaborado por el equipo del Grupo Interdisciplinario sobre Mujer,

Trabajo y Pobreza GIMTRAP, A.C. La finalidad es apoyar en diversas regiones de México el proceso de sensibilización y capacitación para la construcción de políticas públicas de equidad de género en los gobiernos municipales. El manual tiene como objetivo brindar un instrumento que permita realizar el diagnóstico sobre la situación de las mujeres en el municipio, para poder conocer las necesidades, demandas y prioridades de los grupos de mujeres y considerarlas dentro de los planes de desarrollo local y su posicionamiento en las plataformas electorales de todos los partidos políticos. Se divide en tres módulos; el primero aborda el contexto y los conceptos del diagnóstico sobre la situación de las mujeres en el municipio con enfoque de género, el segundo las áreas temáticas del diagnóstico y el tercero la metodología para realizarlo en sus aspectos cuantitativos y cualitativos

*Alejandra Massolo; Dalia Barrera; Irma Aguirre*

### 3. Experiencias

#### **Fomento del Desarrollo local con Equidad de Género en el Municipio de Villa González, República Dominicana**

Las experiencias de desarrollo local con enfoque de género están en sus inicios en el territorio dominicano y cuentan con una historia de vida de menos de seis años. Villa González se dotó de una Política Municipal para la Equidad de Género (PMEG) antes de crear el órgano municipal para tales fines, ya que en este caso específico, la necesidad de una Oficina Municipal de la Mujer proviene de la misma PMEG. Es también importante señalar que la Política, proviene de un proceso de concertación y participación ciudadana más amplio, en construcción desde finales de los años 90. La Política Municipal para la Equidad de Género y la Oficina Municipal de la Mujer están íntimamente relacionadas ya que la primera representa las líneas de acción y planteamientos políticos para enfrentar las brechas de género en el municipio y la segunda es la estructura legal para ejecutar dicha política.

*República Dominicana*

#### **Proceso de construcción participativa del plan de igualdad de oportunidades del distrito del Comas 2006-2010**

El presente Plan de Igualdad de Oportunidades para el Distrito de Comas, es un documento que se enmarca por un lado en la propuesta de Plan Nacional de Igualdad de Oportunidades entre Mujeres y Varones 2006 - 2010 del MIMDES, y que pretende orientar la concreción operativa para el ámbito local, y por otro lado toma como referente las líneas estratégicas del Plan de Desarrollo Integral del Distrito. Como parte de un espacio educativo denominado Escuela de Formación de Lideresas “Ciudadanas de Primera” (1999) se impulsan procesos participativos de construcción de agendas, dentro de las que se incorporan propuestas tales como: Mesa de Concertación de Género, Casa de la Mujer, Comisión de la Mujer y una dirección administrativa dentro de la Municipalidad, Programa Municipal de Formación de Liderazgos Femeninos, etc. Estos espacios ya están establecidos. Actualmente se encuentran en Comas, en un período de transferencia de estrategias, programas y técnicas de promoción del desarrollo concertado, inclusivo y con equidad de género.

*Perú*

#### **Proyecto para el desarrollo del Enfoque de Género como eje estratégico transversal en el Programa de Desarrollo Humano a nivel local**

El Proyecto PDHL/UNIFEM tuvo como objetivo: “Promover el fortalecimiento del enfoque de género como un eje estratégico del desarrollo humano, que se implemente de manera transversal en todos los niveles y en los procesos de planificación local en todas las acciones y coordinaciones del proyecto”. Las líneas de acción o componentes dirigidas a alcanzar el logro de estos objetivos fueron:- Participación de la Federación de Mujeres Cubanas en el proceso de planificación participativa del PDHL- Desarrollo económico- Fondos Rotatorios para el Desarrollo Económico Local -FRIDEL- con participación UNIFEM- Generación de información estadística con enfoque de género. El Proyecto PDHL/UNIFEM se desarrolló en función de la estrategia de desarrollo local que se implementa a través del Programa de Desarrollo Humano a Nivel Local (PDHL) desarrollada por el PNUD-Cuba. Esta estrategia, enmarcada en el enfoque de programa y de apoyo a procesos, está basada en la gestión planificada y participativa donde los actores locales (municipales y provinciales) tienen un papel fundamental en la definición de prioridades y en la formulación de propuestas, que se coordinan finalmente en un espacio multidisciplinar a nivel nacional.

*Cuba*

### **Desarrollo local con igualdad y sostenibilidad**

El proyecto que se desarrolló en la comunidad de Oña, en Ecuador, consiste en un trabajo de fortalecimiento y capacitación de las instituciones públicas locales para mejorar su respuesta frente a las necesidades de los ciudadanos y ciudadanas. El eje principal es la interacción entre el gobierno municipal y las organizaciones de base comunitaria, enfocado a crear un sistema nuevo y equitativo de distribución de los recursos y de apertura y legitimación de espacios de participación, poniendo de relieve la presencia y la contribución de las mujeres.

*Ecuador*

### **Programa de desarrollo local indígena Abra Pampa**

Es un proyecto de desarrollo local para la comunidad Warmi, formado por cinco componentes: organización, capacitación, sistema de microfinanzas, servicio para el desarrollo de negocios, y sistema solidario de salud. Transversalmente a todos los componentes se cruzan los enfoques de identidad cultural, género y medio ambiente, y es por eso que los objetivos perseguidos se centraron especialmente en los tres enfoques transversales.

*Argentina*

### **Fomento del Desarrollo local con equidad de género en el municipio de Villagonzález**

Este proyecto se enmarca dentro del plan estratégico de desarrollo del municipio 2005/2010. Se trata de una propuesta de política municipal para la equidad de género centrada en la participación de las mujeres en los procesos de toma de decisiones trabajando desde y dentro del gobierno local, a nivel de ayuntamiento y de municipio. Las líneas de acción son salud y violencia, educación y capacitación, generación de ingresos y empleo, gestión municipal y participación política y social.

*República Dominicana*

### **Experiencias locales en desarrollo económico en el municipio de Rosario**

El municipio de Rosario, desde la Secretaría de Promoción Social, ha impulsado a partir del año 2002 programas socio-productivos que generan formas participativas y solidarias de ingresos económicos genuinos para la población excluida del mercado. Estos programas son: Programa de Agricultura Urbana (PAU), y Programa de Emprendimientos Productivos (PEP). El PAU promueve el desarrollo local integrando a varones y mujeres en la generación de emprendimientos sociales de producción y elaboración de alimentos, mediante técnicas ecológicas. Está destinado al consumo familiar, comunitario y al mercado; contribuyendo a la integración social, la superación de la pobreza, el mejoramiento del hábitat y del ambiente urbano. Por otro lado, el PEP tiene el objetivo de promover la generación de emprendimientos productivos dentro del marco de políticas activas locales, generadoras de actividades económicas y empleo.

*Argentina*

#### 4. Links

Recomendamos dar seguimiento y visitar el FESTIVAL de las Buenas Prácticas que en breve estará disponible en el Portal de América Latina Genera, ya que existe un gran número de experiencias relacionadas con desarrollo local: <http://www.americalatinagenera.org/bazarexperiencias/festival-bp1.php>

Contexto y marco general en el Portal de América Latina Genera

<http://www.americalatinagenera.org/tematica/gobernabilidad.php>

#### Otros enlaces:

-PNUD – La Democracia en América Latina

-PNUD – Feria virtual de gobernabilidad local

-PNUD – Gobernabilidad

-PNUD – Proyecto diálogo democrático

-PNUD – Informe y Proyectos sobre el Desarrollo de la Democracia en América Latina

Neus Bernabeu  
UNDP RBLAC

# Alain Kanyinda

UN-HABITAT Kenya

3 October

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Dear Colleagues,

We wish to share UN-HABITAT's strategy in the field of decentralization and local government promoting decentralization and improved local governance for sustainable urban development.

The essence of this communication is reflected in the question raised at the end of the text. However, in order to capture the core issues, it is recommended to understand UN-HABITAT's long walk with local authorities towards their recognition at the international level.

## 1. Background

During the last ten years, UN-HABITAT developed and strengthened its partnership with local authorities through various innovative initiatives at the advocacy and normative, as well as operational levels.

The 1996 City Summit in Istanbul included the first World Assembly of Cities and Local Authorities (WACLAC). It resulted in the recognition by national Governments of local authorities as "closest partners in the implementation of the Habitat Agenda".

Further, Governments committed themselves to decentralizing responsibilities and resources to the local level. The role and influence of international associations of local authorities vis-à-vis the United Nations system has increased ever since, particularly with the establishment of the UN Advisory Committee of Local Authorities (UNACLA) in year 2000, and the adoption of the "Declaration on Cities and Other Human Settlements in the New Millennium", as the political outcomes of the Istanbul + 5 Special Session of the UN General Assembly in June 2001.

At the same time, several global programmes and initiatives of UN-HABITAT, as well as country projects, have deliberately targeted local authorities, and their needs for capacity-building. Hundreds of local authorities have benefited concretely from this collaboration on issues such as urban management, environmental sustainability, city planning, infrastructure management and slum upgrading.

UN-HABITAT has worked intensively with all founding members of United Cities and Local Governments (UCLG) and has supported every step towards the harmonization of local authorities interest at the international level since 1996.

## 2. Partnership at the Global and Regional Levels

Given its mandate, UN-HABITAT has a natural linkage with local authorities and their associations and networks. As the United Nations system's Agency in charge of urban development, UN-HABITAT has served as the focal point for local authorities and has been cooperating with them and their citizens at the policy and programmatic levels for many years.

At the global policy level, the Governing council decided to create UNACLA, which held its inaugural meeting in Venice in January 2000 and has, since then, provided a number of substantive inputs to the work-programme of UN-HABITAT and has been able to advise the Executive Director on several strategic issues, including on UN reforms and the international dialogue on decentralization. Its composition, combining Mayors of large cities – from Johannesburg and Rio de Janeiro to Chengdu and Moscow – and leaders of international associations of local authorities, guarantees stimulating exchanges and geographically-balanced insights.

Indeed, a number of global programmes of UN-HABITAT have involved local authorities associations in their governance structure. The Urban Management Programme, for example, has worked closely with most regional and sub-regional associations in Latin America. The Cities Alliance has benefited from the presence of representatives of the former International Union of Local Authorities (IULA), United Towns Organization (UTO) and Metropolis in its consultative group. IULA has been very active in the steering Committee of the Urban Governance Campaign, until 2004, when UCLG, United Cities and Local Governments, was created. In each case, the perspectives and expectations of local authorities have provided UN-HABITAT with the necessary feedback to guide its priorities in programming and evaluation for the benefit of the urban poor.

In the aftermath of the establishment of UCLG, UN-HABITAT has signed a comprehensive agreement of cooperation, focusing its leadership on five major components of this crucial partnership namely: (i) urban governance, (ii) decentralization, (iii) observatory of local democracy, (iv) localizing MDGs, and (v) strengthening UNACLA, as interface between local authorities and the international community.

Biannually, UN-HABITAT has been organizing the World Urban Forum, a non-statutory meeting which brings together representatives of local authorities, civil society associations, central governments as well as development agencies. The forum which is hosted by cities in different regions of the world has developed into an important platform of exchange among key stakeholders of urban development.

At the regional level, collaboration with local government associations has been strengthened and support to established vehicles of consultation and mobilization has been consolidated. In Africa, for example, the Agency has been collaborating with the regional chapter of UCLG in the convening of Africities, which is a regional summit of local authorities.

## 3. Operational Partnerships at the City Level

The greater part of UN-HABITAT's managed resources is spent to support operational activities in urban areas in developing countries. A majority of UN-HABITAT's projects address the needs of local authorities, in terms of capacity-building, urban policy reform, environmental planning and monitoring, as well as concrete housing and slum upgrading programmes.

Since its creation in 1978, UN-HABITAT has supported hundreds of cities in improving their living environment. These range from the poorest towns in Least Developed Countries to the wealthy cities of the Middle East. UN-HABITAT has, for instance, cooperated for many years with small towns in Burkina Faso and with Dubai Municipality, bringing about crucial changes in municipal management and planning. This work has contributed to a complete renewal of urban planning approaches, with a move from top-down spatial planning to multi-stakeholders action planning, based on city consultations and debates.

Within the framework of the Global Campaigns of Secure Tenure and Urban Governance, a partnership has been established with a number of countries to initiate systemic reforms through strategic intervention in a number of areas. Such 'campaign launches' have taken place in Nigeria, India, Philippines, Brazil, Cuba, Morocco, Senegal, Burkina Faso, Uganda to mention a few.

UN-HABITAT has also played a major role in post-conflict urban rehabilitation, including re-establishment and training of local authorities in countries such as Somalia, Kosovo or Afghanistan. This intimate knowledge of the capacities and needs of local authorities around the world constitutes a solid reference basis and also a testing ground for UN-HABITAT's normative work and policy guidelines.

Indeed, this cooperation with local authorities works both ways as many cities support UN-HABITAT activities, either through city-to-city cooperation or through direct contributions. In this latter category, mention should be made for cities such Fukuoka in Japan, or Rio de Janeiro in Brazil, which host and support financially the regional offices of UN-HABITAT for Asia and Latin America respectively, and of Dubai, which co-finances the Best Practices Programme through a biennial competition, the Dubai Award. Several Chinese cities have also hosted and financed major events of global reach, organized in recent years in collaboration with UN-HABITAT. In this context, it is useful to note that the World Urban Forum 4 will be held in Nanjing, China, from 13 – 17 October 2008.

Obviously, the operational cooperation between local authorities and UN-HABITAT benefits from the political (and often financial) support from many national Governments, which are increasingly aware that democratic local authorities are essential for the improvement of housing conditions and the sustainable development of cities and other human settlements.

In order to enhance the fulfillment of its mandate in the future, UN-Habitat has merged its twin Campaigns into a Global Campaign on Sustainable Urbanization. The revitalized campaign will complement the medium term strategic plan through promoting its normative, advocacy and networking dimensions.

A key instrument of the Campaign will be a global network on sustainable urban development, called SUD-Net that will focus on governance, decentralization, strengthening local authorities, and environmental issues, as for example, and the impact of climate change on human settlements in different climatic zones. This network, which will be web-based, will comprise of cities that have already cooperated with Habitat through different programmes and projects, but also new cities, Habitat partner universities, NGOs, youth and female groups, and also the private sector.

From 2008 on, SUD-Net will be launched as a basket funding solution, possibly under the lead of Norway, but offering other donors to contribute to individual components in order to carry out the Mid-term Strategic and Institutional Plan (MTSIP) of UN-Habitat as approved by the 21<sup>st</sup> General Council in April this year.

#### 4. Normative support to decentralization and local governance

In June 1996, at the Partner's Committee of the Habitat II Conference in Istanbul, local authorities made the case for the preparation of a worldwide charter on local autonomy. The Chairperson's summary of the hearings refers to the matter as follows: "It was suggested that the experience gained in the implementation of the European Charter of Local Self-Government could be used as a basis for developing a global charter that would set out the key principles underlying a sound constitutional or legal framework for a democratic local government system."

UN-HABITAT followed up on this request from local authorities in a Memorandum signed with the World Associations of Cities and Local Authorities Coordination in July 1997. An expert group meeting was held in April 1998 to prepare a first draft of the charter, which was thereafter submitted to consultations in all regions of the world in 1999-2000. These consultations, held in Agadir, Strasbourg, Santiago de Chile, Mumbai, Chonju and Accra, involved hundreds of local authorities representatives as well as ministers and government officials.

The draft charter was then revised and submitted to the UN Commission on Human Settlements in February 2001. However, the Commission could not reach a consensus on the proposed charter because some governments felt that it could contradict their constitutions and that therefore they would prefer a less binding declaration of principles. As a result, the Commission adopted a resolution (18/11) calling on the Executive Director "to intensify dialogue among governments at all levels on all issues related to effective decentralization and the strengthening of local authorities, including principles and legal frameworks in support of the implementation of the Habitat Agenda".

The Special Session of the General Assembly (Istanbul +5) of June 2001 welcomed "the efforts made by many developing countries in effecting decentralization in the management of cities". But the General Assembly did not issue specific guidelines.

The international dialogue started in earnest on 30 April 2002 during the first session of the World Urban Forum which recommended the development of constructive guidelines on effective decentralization as a tool for development. UN-HABITAT then commissioned a set of case studies on the current legislative frameworks on decentralization which formed the basis for a dialogue session at UN-HABITAT's Governing Council of May 2003. This resulted in a new resolution (19/12) calling on the Executive Director "to take further steps and measures to intensify dialogue with the aim of developing recommendations to be presented to the next session of the Governing Council" in April 2005. The establishment of an Advisory Group of Experts on Decentralization to support the dialogue process was also endorsed by the Governing Council. This group met for the first time in March 2004 in Gatineau, Canada.

#### 5. International Guidelines on Decentralization

On 20 April 2007, the Governing Council of UN-HABITAT finally adopted a landmark resolution on "Guidelines on decentralization and strengthening of local authorities", which represents a breakthrough for local authorities and their partners ([www.unhabitat.org/GC21/3](http://www.unhabitat.org/GC21/3)).

The Guidelines are main outcomes – so far of 10 years of labor (1996-2006). The process has involved extensive consultations with member States, working with our local authority partners and an untold number of experts.

The Guidelines are subdivided into four (4) main sections, which represent the essential dimensions of the problematic of decentralization namely: (i) governance and democracy at the local level – representative and participatory democracy; (ii) powers and responsibilities of local authorities – subsidiarity, incremental action; (iii) administrative relations between local authorities and other spheres of government – legislative action, empowerment, supervision, oversight; (iv) financial resources and capacities of local authorities – capacities and human resources of local authorities, financial resources of local authorities etc.

They provide the international community with the means to engage member States in one of the key aspects of the Habitat Agenda and the Millennium Development Goals – to support efforts in strengthening the front-line role of local authorities in its implementation.

The guidelines should serve as a catalyst for policy and institutional reform at the national level to further enable and empower local authorities to improve urban governance in attaining the human settlements related Millennium Development Goals. The success of Phase II - mainly from 2001, derives from the following lessons learned: (i) decentralization is both a technical and political process, whose components are interdependent, (ii) political will in this process is important, but trust based on the complementary roles of both spheres of Government is key, (iii) decentralization could effectively benefit to both local and national Governments if only both spheres could jointly ensure that it is effective.

It goes without saying that this key policy-document, which has been approved by the Governing Council of UN-HABITAT – a subsidiary body of the General Assembly, can only be implemented in concerted efforts by both national and local Governments in the respective member States.

However, UN-HABITAT and all interested UN Agencies are expected to follow up and accompany this process in a collaborative effort to support the implementation of the Millennium Development Goals in line with the emerging complementary approach and the “One UN” spirit.

In view of the above, our real challenge remains the question: How can such an interagency e-discussion help to advance the debate on the Guidelines to pave the way towards making decentralization effective for the benefit of the poor?

Many thanks

Mohamed Halfani, Chief, Urban Development

Raf Tuts, Chief, Capacity Building

Marco Keiner, Chief, Urban Environment

Alain Kanyinda, Coordinator, Local Governance

# Joachim Bonin

UNDP Tanzania

3 October

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Dear Colleagues,

I'm pleased to share my contribution for the second phase:

*Q1: What are the challenges and lessons on the inter-agency coordination and cooperation on local governance or local development or decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?*

## **Experienced challenge: Agency specific programming and planning cycles**

Our joint programme in Northwestern Tanzania is managed in pass-through mode with five UN agencies, some of them ExCom agencies and some Non-ExCom agencies. Our inter-agency team in the field experienced that this setup created challenges for joint planning and coordinated implementation, because each agency had to follow its own programming and budgeting cycle. This meant that some agencies needed to plan activities and commit funds at least two years in advance, in some cases even further ahead. Other agencies with more core resources and decision-making authority regarding budget allocations on country office level were able to respond more flexibly. In our experience this challenge is especially relevant if joint programmes are implemented in the pass-through and/or parallel funding modality for joint programmes.

## **Lesson learned: pooled funding mode facilitates Jointness**

Streamlining budget and programming cycles, especially across ExCom and Non-ExCom agencies could not be adequately rectified during the implementation period, because rules and guidelines in this regard are issued by respective agencies headquarters. This is an issue that could be looked into on HQ level.

Partly based on these experiences, the UNCT in Tanzania decided to favor the pooled funding arrangement of joint programmes that are part of the ONE UN reform pilot in Tanzania. In the pooled fund arrangement, the agency which is appointed as the management agent is expected to facilitate the implementation of all UN interventions on local government level (of participating agencies). This includes the processing of advances and the procurement of goods and services for the respective local government authority.

As all UN supported activities would be merged in one work plan, supported through one UN entity, the challenge of agency specific programming and budgeting cycles disappears as an inhibiting factor in UN relations with local government and becomes a UN internal "back-office" issue that does not affect our clients.

**Experienced challenge: Agency specific entry points at local government level**

From our experience, different UN agencies tend to have their own specific entry points / government counterparts not only on national level, but also on local government level. They would usually be chosen in respect to the agency's mandate and the support they provide. Entry points could be the District Planning Officer, the District Livestock Officer or the political leadership of the district. As a result UN support to a single district was sometimes uncoordinated and not always mutually supporting. Additionally, as agencies provided funds separately to the same local government authority, each UN agency requested separate progress reports and financial reports, thus burdening local government capacities. From a customer perspective of local government, a United Nations one-stop-shop did not exist.

**Lesson learned: Strive for a “ONE-stop-United Nations” on local level**

As a first step, UN staff on field level made a concerted effort to go on joint field missions to local government authorities whenever possible. On country office level operations units of different agencies agreed with government on streamlined financial disbursement and reporting standards that will apply to several agencies. However, the challenge of separate reporting remains unless a radical step is taken. In the ONE UN reform pilot most joint programmes therefore will be advancing funds through only one UN agency, the management agent, to local government institutions. This is a vision for a huge, albeit radical, step towards a “ONE-stop United Nations” approach. It will substantially reduce transaction costs for local government institutions (one advance – one report), improve the UN's ability to monitor, minimize overlapping funding and strengthen good governance. It does require UN agencies, however, to step over their old agency boundaries and deal with their own internal red-tap decisively. Our experience from the field is: It can be done if there is a common vision and a political drive from agency's senior management.

Many thanks!

Joachim Bonin

Focal Point for Crisis Prevention & Recovery

# Enrique Cabrero Mendoza

CIDE México

4 October

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**English Translation by Haley Horan, Research Analyst, BDP/DGG, N**

## **Administrative problems of Latin American local governments**

The administrative problems of the municipal government in Mexico are similar to those that face most local governments in the Latin American region. The issues derive from a variety of factors that are related to the history and the institutional configuration of the system of government and the political, economic and social systems of our countries. Among the problems that can be mentioned as obstacles to the efficient achievement of the functions of a municipal administration are:

1. The fragility of the normative framework, this talks about to that the life of a municipal administration passes in a scene of insufficiency and obsolescencia of the laws and regulations that govern the municipalities; in addition the impossibility of this level of government exists to create its own normative frame, which depends on external agents to the municipal scope.
2. The fragility of the normative framework, this refers to when the life of a municipal administration passes in a atmosphere of insufficiency and disuse of the laws and regulations that govern municipalities; in addition there is the impossibility of this level of government creating its own normative framework, which depends on agents outside the municipal scope.
3. The precariousness of systems of management of municipal public services, who technically are not updated and sufficiently equipped to take care in a suitable form - in regard to coverage and quality – of all users.
4. The lack of professionalizing of municipal civil employees, who generally arrive at the municipal administration without experience or previous preparation, without the required technical knowledge, and without the desired spirit and ethics of public service. The improvisation in the municipal function and the lack of a greater commitment to the term of each administration is part of the Latin American reality.
5. The absence of systems of municipal planning that provide a medium and long term vision to the urban and environmental development of each municipality. The short term vision that does not evaluate the consequences of each decision, and does not involve nongovernmental agents and does not have a clear and integral conception of its actions, is indicative of the environment of the municipalities of the region.
6. The absence of instruments of management to incorporate an integral vision of local development that allows to conceive to the municipality as a promotional agent of development and part of a regional project, with diverse actors and resources, simultaneously complementary and in competition, between regions of the country. The vision of the municipality as that of an isolated being, that must be self-sufficient and unique, has generated inefficiency in its policies and weakness in its projects.

This set of factors has placed Latin American local governments in a position of institutional and administrative fragility, with few spaces of autonomy of action and with limited resources at least to assume the totality of the functions that the law grants them.

### Original Spanish Version

#### Problemática administrativa de los gobiernos locales latinoamericanos

Los problemas administrativos del gobierno municipal en México son comunes a los que enfrentan la mayor parte de los gobiernos locales de la región Latinoamericana. Esta problemática deriva de una diversidad de factores que tienen que ver con la historia y la configuración institucional misma del sistema de gobierno y del sistema político, económico y social de nuestros países. Entre los problemas que se pueden mencionar como obstáculos al logro eficiente de las funciones de una administración municipal están:

1. La fragilidad del marco normativo, esto se refiere a que la vida de una administración municipal transcurre en un escenario de insuficiencia y obsolescencia de las leyes y reglamentos que rigen el municipios; además existe la imposibilidad de este nivel de gobierno para crear su propio marco normativo, el cual depende de agentes externos al ámbito municipal.
2. La persistencia de sistemas administrativos obsoletos, en muchos de los casos altamente improvisados y casi siempre inadecuados a la amplia agenda de asuntos municipales; esto genera ineficiencia y derroche de los escasos recursos disponibles.
3. La precariedad de sistemas de gestión de servicios públicos municipales, los cuales no están técnicamente actualizados y suficientemente extendidos para atender de forma adecuada -en cobertura y calidad- a la totalidad de usuarios.
4. La falta de profesionalización de los funcionarios municipales, los cuales generalmente llegan a la administración municipal sin una experiencia o preparación previa, sin los conocimientos técnicos necesarios, y sin el espíritu y ética de servicio público deseable. La improvisación en la función municipal y la falta de un compromiso mayor al periodo de cada administración son parte de la realidad latinoamericana.

“ The issues derive from a variety of factors that are related to the history and the institutional configuration of the system of government and the political, economic and social systems of our countries ”

5. La ausencia de sistemas de planeación municipal que den una visión de mediano y largo plazo al desarrollo urbano y ambiental de cada municipio. La visión de corto plazo sin evaluar las consecuencias de cada decisión, sin involucrar agentes no gubernamentales y sin tener clara una concepción integral de las acciones, es parte del escenario común de los municipios de la región.
6. La ausencia de instrumentos de gestión para incorporar una visión integral del desarrollo local que permita concebir al municipio como un agente promotor del desarrollo y parte de un proyecto regional, con actores diversos y recursos a la vez complementarios y en competencia, entre regiones del país. La visión del municipio como un ente aislado, que debe ser autosuficiente y único, ha generado ineficacia en sus políticas y debilidad en sus proyectos.

Ese conjunto de factores ha situado al gobierno local latinoamericano en una posición de fragilidad institucional y administrativa, con escasos espacios de autonomía de acción y con limitados recursos siquiera para asumir plenamente las funciones que la ley le otorga.

Enrique Cabrero Mendoza  
Director General

# Rafeeqe Siddiqui

UNDP Nepal

4 October

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Dear Colleagues,

I am pleased to share my experience from Nepal to the discussion on 'Local Governance and Development Agenda' (Phase 2).

1. *What are the challenges, good practices, and lesson learned on inter-agency coordination and cooperation on local governance or local development or decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?*

## Challenges

- In the area of decentralisation, it has been noticed that different development agencies implementing their own model at the district and village level.
- Local government and communities are found highly confused with the different models and guidelines provided by the different development agencies especially in the area of decentralisation and implementing community development programme.
- The central government also found weak to coordinate with different donors and UN agencies for one programme in the area of decentralisation and community development.

## Good Practices

- The collaboration between UNICEF and UNDP for providing support to Para legal committees found very effective to support poorest of poor and socially excluded communities to settle their disputes at village level under UNDP supported Decentralised Local Governance support Programme (DLGSP).
- Programme and projects supported by development agencies ( UNDP, UNCDF, UNICEF, ADB, WFP, DFID, SDC. SNV ) are being implemented within the decentralized framework.
- District Development Fund (DDF), a non operating account established in District Development committees (DDCs) as one window-financing framework for district government.
- Upgrade of District Information and Documentation Centre (DIDC), installation and operationalisation of computerised accounting and planning package in most of the DDCs, generation of resource maps based on GIS, poverty mapping, social mobilization mapping, vulnerability mapping and DAG mapping have supported to link social inclusion and poverty reduction plans for different UN agencies.

## Lessons Learned

- Inclusion of socially excluded groups into local governance is necessary.
- Uniformity on the concept of devolution is a must to promote local governance.
- Coordination and complementarity among donor agencies is necessary to strengthen decentralized local governance.
- Donor's harmonization mechanism is necessary for decentralization and local governance support to bring synergy and coherence.

Regarding the improvement in the design and implementation of UN joint programmes it is necessary that the government, donor agencies, implementing partners and UN agencies finalise their plan jointly both at central and local level. All the UN agencies should share their plan with each other especially for the capacity development of central and local governments in the area of decentralisation and good governance.

### *How to strengthen partnership with non UN organization in this field, particularly with Associations of Local Government and regional research / resource centers or training institutions?*

The pre-requisite for strengthening the partnership with the Association of Local Government is regular sharing of UN supported programme and taking their feedback for better result. UN organizations should involve these associations from the very beginning while formulating the programme especially in the area of decentralization and local development. UN organizations should put the representative of association of local government in project executive board of projects designed for strengthening the capacities of central and local government, strengthening decentralization process, and establishing practices for the good governance. Furthermore, UN organizations should involve local government associations while supporting the central government for the policy formulation and supporting for the amendments of laws and acts.

Furthermore, the local government association should also be given opportunities to participate in different national and International forums organized by the UN agencies in the field of decentralization, local development and good governance. The genuine concerns expressed by the local government associations should be taken seriously and support mechanism should be devised.

It has also been realized that the regional research centers and different resource centers has done many productive researches in the field of decentralization, allocation and utilization of resources for local development, establishing good governance practices and adopting alternative mechanism of development activities in conflict situation. The UN organization should establish a very strong working relation with such type of organization and able to utilize their extensive knowledge.

“ UN organizations should put the representative of association of local government in project executive board of projects designed for strengthening the capacities of central and local government, strengthening decentralization process, and establishing practices for the good governance ”

*What types of capacities will UN Country Teams require to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?*

- With recent political development, Nepal is moving from unitary system of government to a federal system. The federal system will certainly provide a very strong basis and greater prospect for development. This will also support to reduce poverty by enabling socially excluded communities. The adequate representation of socially excluded people at all level will support to bring political stability, peace and good governance. At present there are lot of confusion and uncertainties in the future system of the government. Therefore, UN country team needs to develop capacity to provide technical support to the government in this area.
- Need to develop a mechanism for regular sharing among UN agencies about their work and support to the government in the field of decentralization and governance.

Thank you

Rafeeqe Siddiqui  
Local Governance Officer

# Arun Kashyap

UNDP BDP/PB/PSD HQ

4 October

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Dear Colleagues,

I have greatly enjoyed the discussion and wish to congratulate our colleagues for starting this discussion. From the responses it is obvious that the queries have positively touched an area of common and vital interest as we assiduously strive to make progress in achieving the MDGs.

## Missing Issue - Local Private Sector Development

I am taking this opportunity to highlight a component in the discussion that I have really missed; with the exception of one or perhaps two responses the issue of private sector and local development has been conspicuously absent. I am therefore taking the opportunity to highlight the same – not only because I work on these issues, but also because local private sector development as well as working with the private sector at the local levels, is vital for ensuring a better quality of life for all, particularly for the vulnerable population.

Successful mobilization of the communities - may it be through the efforts of the governments, and/or private sector and other non government organizations - represent the collective action at the local level that is vital for the achievement of equitable economic growth. Even though, the interventions reflect local interventions their implementation must recognize the global context that influences all development activities. Emerging development experience indicates a need for inclusive partnerships based on a shared agenda between small and large firms, governments, civil society and development actors for initiating innovative opportunities for improving the quality of life of the vulnerable population at the local levels. This is contingent upon operational state and public policies and necessary regulations that impact distributional equity at the local levels.

The analysis leading to UNDP's PS strategy indicates that private sector development initiatives (including partnerships) account for nearly \$80 million annually of UNDP's programme spending on approximately 400 projects in 101 Country Offices. Accordingly, many COs are already undertaking initiatives in this relatively new area and it would be useful to learn from their experiences. However, the challenges to effectively work with the private sector in developing local private sector and successful multi stakeholder partnerships - some of which are highlighted below - remain; good practices as yet, are limited.

## Public Private Partnerships (PPP)

The intrinsic challenges in strengthening partnerships with the private sector in general, and at the local levels in particular, span capacity development, governance, rule of law particularly in the context of decentralization while working within the framework of equity. A vital attribute is the partners' ability to define specific intervention/s that meet mutual priorities and comparative advantages and can be implemented at the ground level. Working with the private sector in this context, is not about privatization; it entails working together through Public Private Partnerships (PPP) to meet (i) the unmet needs for goods and services for the poor and the disadvantaged while (ii) also creating opportunities for livelihoods and employment. The emphasis, therefore

“ A vital attribute is the partners’ ability to define specific intervention/s that meet mutual priorities and comparative advantages and can be implemented at the ground level ”

is on creation of markets; markets that are inclusive and operate in a framework of (equitable) economic governance. And, partnership with the private sector is no longer simply about mobilization of resources; it is also about learning from its wealth of knowledge for instance, about entrepreneurship creation, management skills and global networking.

### **Missing Markets**

Public investments are essential for “private based economy” and the private sector to create employment and sustain long term economic growth. In the absence of adequate infrastructure, market forces alone can accomplish little. At the same time, basic and necessary services for the poor, viz., financial services, water and sanitation, health, education, energy, etc. represent “missing markets” or “incomplete markets.” Even though the demand for them clearly exists, it is not communicated through conventional market elements because of asymmetric information, and regulatory and transaction barriers to market access and market creation for new products and services. These constraints, in turn limit the supply of these goods and services. Not surprisingly, the private sector is reluctant to invest in measuring the demand for new products and services at the local levels because markets are new and relatively unknown. This limitation can be overcome and innovative interventions can be put in place through PPPs following strategies:

<http://www.capacity.undp.org/index.cfm?module=Library&page=Document&DocumentID=5885>

<http://www.capacity.undp.org/index.cfm?module=Library&page=Document&DocumentID=5886>

<http://www.capacity.undp.org/index.cfm?module=Library&page=Document&DocumentID=5887>

The challenge to make the “missing markets” play a economic role in local job creation as well as local service delivery is not in technological solutions to production and distribution but in structuring institutions, capacities, incentives and enforceable regulations at the local levels to provide certainty to economic exchange and therefore economic growth. For instance, it is estimated that the achievement of water and sanitation related MDG Goals require an additional annual funding of US\$10-US\$25billion; and bringing electricity to an additional 1.4 billion people would require an estimated investment of US\$700 billion. The governments by themselves do not have resources of this magnitude. Even if the resources were available, it would be difficult to achieve the goals efficiently unless the process of provision of access to these services was decentralized and structured within a governance framework that promotes accountability, costs and benefits distribution in an equitable manner and maximizes the use of local resources, capacities and institutions. Decentralization accompanied by service delivery through PPPs could provide an achievable scenario that could meet the unmet demand and in all probability at lower costs. Also the PPPs, if effectively formulated, could have positive externalities that go beyond the obvious benefits of livelihoods generation through improved health of the communities and provision of greater opportunities for the children to be in schools.

### **Need to Address Informality**

The local private sector in practically all developing countries is defined by micro and small enterprises with a majority of the labor force – on “survivalist” employment and in the informal sector. Women constitute the majority of micro-entrepreneurs in these informal economies. These enterprises operate outside the legal system with weak capacity and limited market information and lack access to financing and long-term capital leading to low productivity, uncertainty and lack of sustainability. The size of the informal economy is inversely related to economic development and there is a significant correlation between working in the informal economy and being poor. The challenge in front of us therefore is (i) to develop sound macro-environment including trade policies and institutional foundations and capacity to maximize the benefits of the global environment and more importantly (ii) to translate the macro level policies, incentives, capacities and institutions that promote distributional equity to the local levels. High Level Commission on the Legal Empowerment of Poor is addressing many of these issues including that of Business Rights for strengthening sustainable livelihoods and entrepreneurship. As we await the recommendations of the Commission, we can be confident, that the answer, my friend, to reformulate Bob Dylan’s song, is not blowin’ in the wind – it must include sound local economic governance.

Arun Kashyap

Adviser

Private Sector Development

# Bernardo Kliksberg

UNDP RBLAC

5 October

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## English Translation

A key problem for Latin American cities is rising crime: according to Latinobarómetro, urban crime is the second most serious issue of concern for Latin Americans, after unemployment. At present, this issue is discussed mainly in terms of policing responses. The results of this approach have been very poor. It seems vital to broaden the terms of debate to include other issues such as urban management and citizen's security. This is the aim of the work published by EuroSocial and prepared by us with support from the European Union (attached.). We hope that this note will contribute to the debate about urban poverty, urban management and local governability in Latin America.

## Original Spanish Version

Un problema clave para las ciudades latinoamericanas: el ascenso de la criminalidad: Según el Latinobarómetro, la criminalidad urbana es el segundo tema que más preocupa a los latinoamericanos después del desempleo. El debate al respecto en la actualidad es fundamentalmente policial. Los resultados con este enfoque han sido muy pobres. Parece imprescindible ampliar los términos del debate incluyendo muchos otros planos- la gestión urbana, la seguridad ciudadana. Ese es el objetivo del trabajo publicado por EuroSocial y preparado por nosotros con apoyo de la Unión Europea (en anexo. Texto en inglés). Esperamos que esta nota contribuya al debate sobre pobreza urbana, gestión urbana y gobernabilidad local en América Latina.

Bernardo Kliksberg  
Asesor Principal

# Ady P. Carrera Hernández

CIDE México

5 October

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## English Translation

My aim in writing this is to contribute some ideas to an objective, reasoned discussion of the challenges which still have to be overcome if Latin American local government is to be able to count on the elements it needs in order to deliver fairer and more effective financial management, so as to meet the needs of the continent's communities within a framework of democracy and transparency.

- Some of the factors which have hindered the progress of fiscal decentralisation processes in the region are:
- Inter-governmental fiscal coordination structures designed to maintain the financial dominance of the national government.
- Fiscal decentralisation processes based on a greater transfer of resources to national governments, but without strengthening their tax-raising powers.
- Defective design of transfers to municipalities, which strengthen their financial dependency, and thereby reduce their level of fiscal autonomy, which is the basis of their political autonomy.
- Inter-governmental transfers designed to fit with the interests of certain political players, rather than on the basis of criteria of efficiency or fairness.
- Insufficient level of institutional development in local government, which lacks administrative, legal and staff resources to deliver effective and efficient management.
- Lack of an integrated, systematic and ongoing policy to strengthen local government institutions.

Based on the theory and practice of fiscal decentralisation, it is possible to identify elements that should be present in any decentralisation process, which aims to financially strengthen government at regional and local level:

- Each sphere or level of government should have its own significant income source
- Likewise, it should have a considerable degree of autonomy in the administration of these income sources. This involves having the capacity to set the rates of any taxes over which the law gives it exclusive control (direct income)
- Local government should have an increased capacity to determine how to spend their budgets, and reduce interference from other spheres or levels of government.

## Original Spanish Version

Estas líneas pretende contribuir con algunas ideas para la discusión objetiva y razonada de los retos que aún hay que vencer para que los gobiernos locales latinoamericanos puedan contar con los elementos necesarios para una gestión financiera más equitativa y eficaz en la satisfacción de las necesidades de sus comunidades en un marco de democracia y transparencia.

- Algunos de los factores que han obstaculizado el avance de los procesos de descentralización fiscal en la región son:
- Esquemas de coordinación fiscal intergubernamental diseñados para mantener la preeminencia financiera del gobierno nacional.
- Procesos de descentralización fiscal basados en una mayor transferencia de recursos hacia los gobiernos nacionales, pero sin fortalecer sus facultades impositivas.
- Diseño defectuoso de las transferencias que reciben los municipios, las cuales refuerzan su dependencia financiera, disminuyendo así su grado de autonomía fiscal, base de su autonomía política.
- Transferencias intergubernamentales diseñadas de acuerdo con los intereses de ciertos actores políticos, más que con base en criterios de eficiencia o equidad.
- Insuficiente grado de desarrollo institucional en los gobiernos locales, los cuales no cuentan con los elementos administrativos, jurídicos y de personal, necesarios para una gestión eficaz y eficiente.
- Carencia de una política integral, sistemática y permanente de fortalecimiento institucional para los gobiernos locales.
- Con base en la teoría y práctica de la descentralización fiscal, es posible delinear elementos que deben ser encontrados en un proceso de descentralización que tenga como objetivo el fortalecimiento financiero de los gobiernos subnacionales:
- Cada ámbito o nivel de gobierno debe poseer una fuente sustantiva de ingreso propio
- Asimismo, deben tener un considerable grado de autonomía para la administración de esas fuentes de ingreso, lo cual implica capacidad para determinar las tasas de los tributos cuya explotación exclusiva les otorga la ley (ingresos propios)
- Los gobiernos locales deben elevar su capacidad para determinar cómo erogar su presupuesto; y
- Reducir la ingerencia de otros niveles o ámbitos de gobierno.

Ady P. Carrera Hernández

# Pelle Persson

Cities Alliance, World Bank HQ

5 October

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Dear colleagues and DGP-Net e-discussion participants,

This intervention and brief note comes from the secretariat of the Cities Alliance and summarizes some of the experiences the alliance has gathered during its 8 years of existence on what we do and what our priorities and challenges are.

First, let me shortly describe what Cities Alliance is; The Cities Alliance is a global coalition of cities and their development partners committed to improve the living conditions of the urban poor. Today the Alliance has 21 members consisting of Local authorities, represented by United Cities and Local Governments and Metropolis; national governments and their Aid agencies from Brazil, Canada, Chile, Ethiopia, France, Germany, Italy, Japan, Netherlands, Nigeria, Norway, Philippines, South Africa, Sweden, United Kingdom and United States of America; and international institutions like Asian Development Bank, European Union, UNEP, UN-HABITAT and the World Bank.

The Cities Alliance was established to improve the efficiency and scale up the impacts of urban development cooperation and urban investment. It is financing interventions (grants up to a maximum of 500,000 \$) in two key areas:

City-wide and nation-wide slum upgrading, to improve the living conditions of at least 100 million slum dwellers by 2020 in accordance with the Cities without Slums action plan (Millennium Development Goal Target 11); and City development strategies, which link the process by which local stakeholders define their vision for their city, analyze its economic prospects and establish priorities for action and investments.

Further the alliance is working to capturing lessons for cities and city associations and transforms the lessons into knowledge products to be shared with the urban development community. Since its launch in 1999, the Cities Alliance has rapidly established itself as one of the most important global network focused on the developmental role of cities, and on improvements of living conditions in slums. Although the seed funds that the Alliance provide for assisting cities to strategise their development, today in the range of 90 million US\$ for the 8 year period, the resulting investments in city development within the framework of these interventions, is in the range of 8-9 billion US\$.

The subject of this email discussion is? Towards a Local Governance and Development Agenda - Lessons and Challenges? Let me touch upon these topics in the light of the work of Cities Alliance members.

## Challenges

The Millennium Development Goals have brought into sharp focus the scale and nature of the challenges that need to be addressed in order to achieve basic levels of human dignity for all. Currently, close to 900 million people live in urban slums, an estimated 1 billion lack access to adequate water supply, 2 billion do not have access to adequate sanitation, and 4 billion live without adequate wastewater disposal. The scale of the problem is such that the imprecision of the figures is largely irrelevant.

There are a number of key factors for success that has emerged as lessons in the Cities alliance activities to cope with those challenges. They are largely embedded in the criteria the alliance has set for approving proposals and include issues of empowering cities (decentralization of responsibilities and resources), need to intervene at scale, link to investment resources and improved municipal financing, need for coordination of international partners, to mention a few.

## Empowering Cities

Despite the continued expansion of processes of democratization and decentralization, national governments are often still markedly reluctant to share their developmental responsibilities with local governments, leading to a mismatch between the risks local governments face and their responsibilities. Those national governments that still prefer to treat local governments as administrative extensions of the centre rather than as autonomous, but complementary, parts of a single, integrated system lose all the benefits of leveraging innovation, sharing responsibility, and demanding accountability from local governments.

Perhaps the greatest challenge still facing cities is that so few countries and development agencies have adopted policies and strategies to promote the positive impacts of urbanization. The need for this is both urgent and long term. Many cities suffer from the effects of genuinely bad national and local urban policies, including misguided incentives, little financial autonomy, and consistent exclusion of much of the population on which the cities depend. And given inadequate policy responses, inequality is also growing. This challenge is greatest in Sub-Saharan Africa and South Asia, where slum dwellers now make up the majority of urban populations and where, not coincidentally, policies have been the weakest. Faced with the reality that managing cities and their growth continues to be sidelined rather than viewed as a core development issue.

## The Need for Action is Critical in the Following Three Strategic Areas

- Encouraging different actors to take a hard look at what cities can contribute to national development and to identify and address cities?

Performance constraints. Instead of spending more time debating the contribution of cities to development, more energy needs to be spent on unblocking it. The best way to achieve this is by engaging local authorities in the national policy dialogue, for instance letting them take part at national level in discussions on national Poverty Reduction Strategies.

- Examining how cities can be proactive developers of urban infrastructure by mobilizing domestic capital more effectively. This underscores the importance of putting development priorities on the balance sheet and using policy consistency and budgetary commitment to attract stable, long-term investment? A process that can be supported through the use of sub-sovereign financing instruments.

- Recognizing that both national and city-level policies need to anticipate, and be explicitly predicated upon, the growth of cities. With policymakers in denial, urban growth is currently often taking place in a haphazard and unregulated fashion on the peri-urban periphery, which frequently results in the growth of new slums. Cities and towns are essentially markets, places for the exchange of goods, services, and ideas.

However, the mere physical concentration of people and firms does not guarantee a well-functioning city, let alone a liveable one. Realizing cities' economic and social advantages requires good public policy and investments in infrastructure and service delivery, along with an institutional environment characterized by accountability. At the same time, many challenges facing cities are rooted in national, and even international, policy environments. If cities are empowered from above through supportive intergovernmental relationships and from below through accountability to the local population, city leaders can create the conditions for stability and growth, including installing capable professionals in the local government and involving stakeholders from local businesses and the community. Many Cities Alliance partners are using city development strategies (CDSs) for just these purposes.

### Improve City Financing

The financing required by cities to address the challenges embedded in the MDGs is daunting. For example, the UN Millennium Project's Task Force on Improving the Lives of Slum Dwellers has estimated that the investment required to upgrade slums and provide alternatives to new slum formation between 2005 and 2020 will be of the order of US\$20 billion per annum. While most of the international debate has focused on the role of increased development assistance and debt relief, insufficient attention has been paid to the much larger and growing need for local sources of investment for infrastructure in the cities where the urban poor live. Cities are in the midst of coping with the impact of three major historical trends: globalization, requiring the creation of competitive infrastructure to attract investments; decentralization of responsibilities, often not matched by the delegation of authority or resources; and rapid population growth, mostly poor people whose contribution to the economy is rarely matched by their access to basic infrastructure and services. It is a paradox that the lowest level of government increasingly has to provide the most comprehensive response to the most complex developmental challenges. Yet the policy making process and institutional arrangements are often deeply flawed. Just as local governments are often ignored in the process of designing the very policy frameworks they are often required to implement, so too are slum dwellers and even the private sector often excluded in the design of vital local policies, notwithstanding their respective contributions to economic growth and tax revenues.

To meet these challenges, cities need to be transformed from passive service providers to more proactive facilitators of infrastructure and services. But this transformation cannot occur without imparting real authority, responsibility and resources to local government through a process of empowerment. A vital component of this is strengthening the city's ability to raise resources, create and maintain infrastructure and pay for these costs over time.

Most cities in the developing world have been pursuing traditional methods of financing, usually based on ad hoc grants and government guarantees. However, since the 1990s the widespread need for far-reaching urban reform has led some countries to provide an enabling framework for their cities to mobilize domestic capital, create infrastructure and take responsibility for repayments.

“ If cities are empowered from above through supportive intergovernmental relationships and from below through accountability to the local population, city leaders can create the conditions for stability and growth ”

Experience worldwide is now clearly demonstrating that urban infrastructure can be financed by cities accessing private capital markets, as long as supportive policy, legal and regulatory frameworks are in place. Moreover, this experience is also demonstrating that appropriate decentralization can facilitate local initiatives by rewarding performance and punishing mismanagement through local democratic processes. Indeed, financing infrastructure in this manner provides significant incentives for improved urban governance, since enhancing accountability for service provision encourages the consent of the governed for sound pricing policies, and creates stable revenue streams directly impacting on a city's creditworthiness and providing confidence to financial markets. Cities Alliance members are sharpening their focus on the challenge of sustainable financing strategies for cities, in particular, on how long-term domestic private financing can be mobilized for urban infrastructure and services. This strategic focus is predicated on two fundamental points of departure: i) only private capital can satisfy the sheer size of the financing requirements for urban infrastructure; and, ii) since external finance generates additional exchange risks, a long-term strategy for cities in the developing world requires linking city financing needs with domestic sources. In summary, the prospects of sustainable financing are enhanced when domestic finance perceives cities as empowered entities rather than as feeble and pliant administrative arms of central government.

### **City Development Strategies**

A key area of the alliance is to help cities strategize their future, and a key instrument to do so has been the City Development Strategies. A CDS has normally been defined as "A process by which local stakeholders define their vision for their city and its economic growth, environmental and poverty reduction objectives, with clear priorities for actions and investments". It is thus a broad based set of strategic actions, not only aimed at changing behavior and setting priorities for the municipal authorities but also for the business community, the civil society and the general public. Why should a city undertake a CDS? Why not allow the market and day-to-day bureaucratic forces to determine its fate?

The lessons that have emerged from over 150 CDSs, CA has financed shows that a strategy could have several advantages as; encouraging stakeholders to invest and behave according to a vision; effectively pulling the actors in one direction and getting priorities right. A CDS could cost-effectively allocate resources to a few key strategic areas and help a city anticipate future shocks and rapidly changing contexts (the risk environment) and raise its understanding of how stakeholders would respond under various scenarios. It could also enable a city to anticipate the rate, type, and physical direction of growth and to develop infrastructure ahead of growth.

### **What Constitutes a Good City Development Strategy?**

Effective CDS processes, outputs, and outcomes have the characteristics of being internally consistent. For example, strategic thrusts could follow from a Vision and SWOT analysis. A CDS should typically have only a few strategic thrusts, which are the products of tough choices as nothing is of equal importance. It should be realistic but challenging, and be focusing on areas where it has a high probability of success. The achievement of a CDS should be measurable and measured with lean, powerful, results-oriented indicators. Strategic thrusts would preferably be cross-cutting, relying on a variety of activities and agencies and the implementation responsibility should be clearly defined, against definitive targets and timelines. The role of incentives, in a variety of forms such as financial, awards, and community recognition driving good performance, are often not well understood. The strategic framework should be flexible enough to adapt to changing conditions and tactics, but a long-term vision should normally remain constant. To conclude, CDS priorities should, to be effective, be reflected in budgeting and investment strategies.

Finally, if someone is interested in knowing more about the Cities Alliance, please visit our web site <http://www.citiesalliance.org>.

Best regards

Pelle Persson  
Senior Programme Officer

# Joseph Annan

UNDP BDP/HIV/AIDS HQ

5 October

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Dear Colleagues,

In commenting on the DGP-Net e-discussion at these final stages I observe that the title “Towards a Local Governance and Development Agenda-Lessons and challenges” is perhaps suggestive of the fact that we may feel that achieving a local development agenda is somewhat off. The wealth of experience and the richness of the discussion however highlight the critical importance of local action for development and that it is ongoing nearly everywhere. The local level is the civil society- government interface where the vast majority of service provision, local environmental issues, governance challenges etc. come into play. This is as valid for developing countries as it is for developed ones.

The key questions remain, how best we can orient our work to take into account this reality that development takes place at the local level and how can we strengthen the civil society government interface? Lessons from local AIDS responses over the past years (AMICAAL, UMP, District Response Initiative etc.) have underscored the importance of answering these questions to achieve results that address the direct and indirect aspects of the epidemic. These experiences have implications for the broader local development agenda.

To help understand this and orient UNDP and UNAIDS’ work on AIDS and local governance the HIV/AIDS group and DGG are collaborating on an innovative cross-practice initiative whose results will highlight local government approaches and strategies in responding to AIDS, identify challenges facing local governments and the linkages between national and local strategies in responding to AIDS. The emphasis is on understanding the role, efforts and capacity building initiatives that have been undertaken for local governments and what remains to be done. It is hoped this will provide a framework around which the UN system can provide policy and programming advice on local AIDS responses and beyond.

Joseph Annan  
Senior Policy Advisor

# Stuart Gilman

UNODC HQ

7 October

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Dear Colleagues,

Let me share some thoughts from United Nations Office on Drugs and Crime (UNODC). I hope these are not repetitive because I have joined the discussion only lately and have not tracked earlier inputs.

1. I think the issues of corruption and integrity are most critical at the local level. All international agreements focus on the national level with little or no reference to how these will be implemented on the local level. Yet, most of the implementation will occur at the local level.
2. We are currently working with the government of Brazil to translate their commitment in the UN Convention against Corruption to the States and cities... in Brazil. Because Brazil is a strong federalist system this seems to make sense. There are other countries organized that way as well, but even in unitary regimes there seems to be a real gap between national commitments and local implementation. We hope the Brazil project, as it works out, will provide insights as to how the international can do a better job in helping governments implementation integrity and anti-corruption programmes at the local level.
3. It is worthwhile looking at, getting access to, or even attending the annual meeting of COGEL... The Council of Government Ethics Laws. It is represented by more than 45 US states ethics/anti-corruption agencies, all Canadian provinces and two Mexican states, as well as 17 cities agencies.
4. The models, responsibilities, authority and organization of these agencies vary widely. Each one of them is an experimental laboratory on building integrity and fighting corruption on the local level. They have a members only website, but perhaps international organizations might get guest access.
5. I had the privilege of recently attending The World Cities Conference on Fighting Corruption and Strengthening Integrity sponsored by the city of Amsterdam. There were presentations by 10 cities of their programmes and the organizers had hired academics to research and critically assess the presentations. It was absolutely fascinating and provided a very interesting model for gathering and distributing information for local governments.

I will be glad to respond in more detail if this is useful. Please keep up the good work!

Regards,

Stuart Gilman

Head

UN Global Programme against Corruption and the Anti-Corruption Unit

Rule of Law Section, Division for Operations United Nations Office on Drugs and Crime

# Bert Helmsing

Institute of Social Studies, The Netherlands

7 October

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Dear Colleagues,

This is a contribution on the relationships between local economic development and local governance, based in the case of Africa. Full text of the paper in which these comments are based are presented in attachment. I think this will be pertinent for the ongoing DGP-Net e-discussion.

Local Economic Policy (LED) policy is about a negotiation process to decide on a local course of action to improve the local economic environment and to define the overall direction of economic and territorial development. That is to say, a) to create, renew, rebuilt particular institutional endowments, b) to repair, maintain or expand local infrastructures; c) to manage natural resources and land of the area and d) to develop the local knowledge and skills base. Local competence for LED policy involves local collective learning that can be understood as the emergence of basic common knowledge and procedures across a set of local actors, which facilitate cooperation and the solution of common problems. From the above review we have concluded that the common understanding about problems is often lacking between government and business associations. Government officials resent giving room to BAs and BAs may not be effective. Also the relations between local governments and community associations may be varied, 'residualism', neglect and local corporatism are more frequent than local governments enabling CAs to assume a role in LED through, for example, settlement upgrading and the delivery of basic services.

The above leads us to the conclusion that there are relatively few actors 'on the dance floor'. They are dancing according to their own scripts or rhythms. There is as yet little 'acting in concert'. There is as yet limited experience and practices to learn from. Is there then anyone calling the tune? Unfortunately there is far too little evidence to be able to say much about this. It may also be too early to be able to speak as yet of local governance regimes. For sure, growth coalitions between local governments and private sector or between government and community associations as they have been found in Latin America (Helmsing, 2002) may not yet exist in Africa. There are authors that have encountered local corporatism there where local governments pretend to lead LED (Smit, 2001).

Overall, there seems to be an overarching problem of trust and mutual understanding. Government officials resist losing central control and opportunities for rent seeking and want to hold on to their jobs; Entrepreneurs and communities are keenly aware that state power may be used and abused for rent seeking and for extra-economic forms of competition. This may lead to one or other strategy. Either an entrepreneur or a community has access to state power and may use it for particularistic or small group gains or keeps a low profile so as not to become victim of predatory action by others. Under such zero-sum game perceptions it may be difficult to adopt a forthcoming attitude and to act in concert to generate positive sum game LED outcomes.

“ For sure, growth coalitions between local governments and private sector or between government and community associations as they have been found in Latin America may not yet exist in Africa ”

The above also leads to the last but not least conclusion that one should perhaps be careful not to ‘over-engineering’ local governance processes, drawing on particular governance models whereby local corporatism is looked upon suspiciously and pluralism is seen favourably. It may be more desirable to adopt a more eclectic approach and first see “what actually works on the ground”. Which governance configuration has actually been able to improve the local economic performance? Which one has produced positive and reduced negative externalities, created opportunities for various forms of learning and for competence in LED policy? From there on, one should reflect further and examine how impacts can become more socially inclusive. This calls for more empirical work on case studies of the governance of local economic development in Africa.

Bert Helmsing  
Professor of Local and Regional Development

# Ernest Fausther

UNDP Lesotho

07 October

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Dear Colleagues,

Let me respond to the 2<sup>nd</sup> phase questions:

*What are the challenges and lessons on the inter-agency coordination and cooperation on local governance or local development or decentralized initiatives? How can we improve the design and implementation of UN Joint programmes in these areas?*

In Lesotho we have not developed joint programmes in these areas but I see much potential. On the basis of experience we can improve the design and implementation by letting the Agency with interest and technical capacity take the lead responsibility rather than base that decision on mandates. We have noted during the UNDAF discussions that Agencies can be caught up in turf discussions forgetting implementation capacity which is the cornerstone of joint programmes. As all our Agencies are now engaged in the preparation of their CPAP we have the opportunity for our various teams to discuss issues related to local governance. In fact it is also the opportunity to discuss and establish a local governance theme group that would be led by UNDP. As the theme groups include all agencies, they give an ideal space for addressing design and implementation issues in a synergistic way. Two agencies are actively engaged in support to local governance but all agencies have activities at local level and we should be able at this early stage to establish the best way to bring to bear our various resources.

In our context of an early decentralization we need programmes that address two critical areas, fiscal decentralization and the enabling environment. We are still at a stage where substantial work needs to be done to have a wider acceptance of decentralization as a relevant strategy for the country's development. After several decades of strong centralized government it is not surprising that decentralization is facing resistance from various corners. How to get buy in from all stakeholders remains an important area of support. Fiscal decentralization is the other of area of need. Mastering the design of intergovernmental transfers, ensuring it's effective implementation and ultimately giving local communities better services requires much support. Programmes that will support capacity building in these areas will help UNDP make a difference.

Strengthening local leadership is also a target for technical assistance programmes. In Lesotho we have join forces with Habitat to train local councillors in discharging their functions. This has proven challenging but also full of promises and at times very rewarding. As functional capacities were being acquired in the domains of financial management, negotiations, visioning and planning the quality of engagement between the local and central authorities started changing. We have so far only uncovered the tip of the iceberg but are convinced of the necessity to maintain our efforts because of the development gains and the possible impact on people's lives.

***How can we strengthen partnerships with non UN organizations in this field, particularly with Associations of Local Government, and, regional research/resource centres or training institutions?***

Training institutions can provide us with specific technical capacities required by various stakeholders at different stages of our programmes of assistance including design, implementation, monitoring and evaluation. We have entered into an agreement with the Lesotho Institute of Public Administration (LIPAM) for the training of trainers of local councillors. These in turn have gone in districts and are training the councillors. We also supported LIPAM by providing them with curriculum material from UN HABITAT on specific subjects. This material has been adapted to the context of Lesotho and used for the training. This is one way of strengthening our collaboration that provided a win-win outcome. Associations of Local Government have accumulated valuable experience that they will be willing to pass on. Facilitating an exchange of experiences with various countries on generic or specific issues is a role that UNDP could play in line with our mission.

***What types of capacities will UN Country Teams (UNCTs) require to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?***

Supporting local development and decentralization will require that UNCT members be familiar with the issues of intergovernmental transfers, administrative decentralization and political decentralization. This will allow them to be much more engaged in the design and implementation of technical assistance programmes and to bring value added as opposed to simply use common sense and focus on the compliance with rules and regulations of the various agencies.

Ernest Fausther  
Deputy Resident Representative

# Oumar Sako

UNDP Central African Republic

7 October

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Dear colleagues,

Greetings to all. I just want to share some views and experiences on the issues raised for the second phase of the DGP-Net e-discussion:

*Challenges, good practices, and lessons learned on inter-agency coordination and cooperation on local governance or local development or decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?*

- a) Among the challenges related to the inter-agency coordination and cooperation on local governance initiatives, UNDP-Mali and UNCDF were confronted to a situation regarding the recording of resources mobilized directly by UNCDF like through the “Fonds Belge de Survie” (FBS). Should the resources mobilized be recorded only for UNCDF in the Balance scorecard or should be recorded for both and what should be the basis to record. Would we record fifty- fifty for each agency? The issue was discussed between the RR of UNDP-Mali and UNCDF Executive Secretary with the implication of RBA. Finally, they find a way to record the full amount for each agency. That was a big relief for both agencies. The main lesson here is the positive and continuous dialogue established between the Management of the two agencies at a high level with the implication of all the relevant offices of Headquarters.
- b) Regarding the cooperation between UNCDF and UNDP-Mali, I consider as a good practice the fact UNDP-Mali and UNCDF agreed that all the issues and programmes and projects in the area of decentralization and local governance are managed at the office level by the UNCDF Programme Officer who is the focal point for these issues for both UNCDF and UNDP.

“ It’s important that we go beyond that and get a more involvement of country offices and build strong partnership with the Millennium Project and its regional technical team in order to share experiences and best practices and create more synergy between our respective interventions ”

- c) One way to improve the design and implementation of UN Joint Programmes in these areas is to always have a constructive dialogue between the agencies involved within an atmosphere of confidence and give the lead to one of the agency.

***How can we strengthen partnerships with non UN organizations in this field, particularly with Associations of Local Government, and, regional research/resource centres or training institutions?***

This issue is so important that we are experiencing the “Millennium villages and towns” in the context of the Millennium Project with Pr Jeffrey Sachs. We know also that the Millennium Project is back research institutes as well as a regional multi-disciplinary technical team of around fifteen high specialists based in Bamako-Mali. The Millennium Project and the regional technical team started a timid partnership with SNV on how to integrate MDGs into local development plans. It’s important that we go beyond that and get a more involvement of country offices and build strong partnership with the Millennium Project and its regional technical team in order to share experiences and best practices and create more synergy between our respective interventions. I suggest that a contact be established with Pr J. Sachs and his teams on how we can go beyond the operational support that COs give to the Millennium villages and towns and develop real partnership at programming level.

***What types of capacities will UN Country Teams (UNCTs) require to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?***

To respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization, UNCTs need:

- a) to either have local governance and local development and decentralization specialists who have full access to knowledge networks within and outside UN (like World Bank or other sources from bilateral countries like Nordic countries)
- b) include their respective interventions in joint programmes in order to harmonize interventions and build synergy.

Best regards,

Oumar Sako

# Daniel Esser and Lenni Montiel

UNDP BDP/DGG HQ

8 October

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Dear colleagues,

With specific reference to the third question in Phase II (“What types of capacities will UN Country Teams (UNCTs) require to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?”) we would like to share two reference documents with you that have been recently produced by the UNDP Democratic Governance Group. We believe they will be useful to support reflections created by this e-discussion:

1. Click [here](#) for a structured overview of selected literature in English on comparative local government, urban governance/management and decentralization. Authors include international development agencies as well as academic institutes and individual scholars. The list serves to exemplify the main threads of analysis that have been emerging.
2. Click [here](#) for an overview of, and direct web links to, selected post-graduate programmes in the areas of local governance, with a specific focus on urban governance, policy and management. Programmes with these foci are offered across the globe and in many different languages. The institutes and universities listed are also very good resource centres that are often interested in exchanging view and experiences with practitioners.

We hope that they add value to UNDP’s ongoing capacity development efforts in the area of local governance and development.

We would also like to encourage you to share these files with interested colleagues and development partners who are not yet members of DGP-Net. In advance, many thanks for your interest and cooperation.

With best regards,

Daniel Esser ,Research Analyst

Lenni Montiel, Senior Policy Adviser on Local Governance and Decentralization

# Eiko Narita

UNDP Fiji

8 October

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Dear Colleagues,

I want to thank the DGP-Net for raising this interesting topic and the opportunity to share: in particular the discussion on One UN and local governance. Having worked in the area of governance prior to working in the RC Unit, I am very interested to hear and learn what other countries are experiencing on the related matter (especially any Caribbean experience). I also cross reference this submission to out [CPN] colleagues as I feel this topic can be appreciated by this group as well.

## **PHASE II — (18 SEPTEMBER-08 OCTOBER): “ONE UN” ON LOCAL GOVERNANCE AT COUNTRY LEVEL**

*What are the challenges, good practices, and lessons learned on inter-agency coordination and cooperation on local governance or local development or decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?*

I think there are many challenges to inter-agency coordination and cooperation on local governance. For one, I believe there has not been enough exploration on this combination, at least from the context I am working in here in the Pacific. This does not mean, however, that we have not already experienced cases where the importance of these combined issues has not been felt or apparent. It is more about not having had the opportunity to formally juxtapose the two items of “local governance” and “inter-agency coordination” for further exploration.

In the Pacific inter-agency coordination is very important particularly because all UN agencies work in a multi-country context. Each UN agency in Fiji manage development programmes in 10+ countries around the Pacific (UNDP in particular oversees development of 10 Pacific countries). In this context, it is paramount that effective coordination takes place when deploying programmes, including governance.

For example when we were programming for our joint UNDAF 2008-2012, we deployed in-country consultations in 5 LDCs. During these consultations, I felt the difficulty as well as the importance of coordination when exploring local governance issues. One of the difficulties we faced was in consulting with local governments or holding deeper discussions on local governance matters as Pacific islands are scattered across the ocean. As you are aware Pacific island countries are all comprised of numerous smaller islands. For example, in the case of Vanuatu, Santo is a separate island from Efato (where the capital city lies). In the case of Northern Pacific Island, Federated States of Micronesia, there are major clusters of island such as Chuuk, Kosrae, Pohnpei (where the capital city lies). Each of these islands contains their local government. Consequently, it is difficult to hold in-depth consultations with representatives from local governments or grasp a good sense of local governance issues in each of these islands. In reality, the Pacific situation is such that trying to pursue such level of consultation with the local governments would have been nearly impossible within the confines of time and funds granted to these UN agencies (consulting with national governments as one UN took 13 solid weeks).

In this context, it takes not only coordination at a practical level but also substantial finance and good planning, and strong institutional commitment if comprehensive local governance efforts are to be considered at depth by UN agencies. Of course, this is all the more reason why good UN coordination becomes important. Unfortunately, there is no silver bullet in the coordination mechanism that would solve the issues of coordinating for local governance and decentralization, including Joint Programmes. While it is true that Joint Programme is a great opportunity for UN agencies to work together, it is not a panacea. And if not pursued strategically, Joint Programmes may result in more frustration, and at best a mediocre platform for information exchange for agencies (and no attainable results).

Without commitment, it would be extremely difficult to attain the intended outcomes. Financial commitment allows agencies to plan together and perform together. Official time commitment is required on the part of the UN staff such that the Joint Programme would 'not' become an additional work but inherent part of their portfolio. Common outlook facilitates participating agencies to speak the same language to our external partners - preventing confusion and contradictions. Focus is needed to make sure that the Joint Programme does not include A to W, in terms of the issues undertaken and agencies involved.

***What types of capacities will UN Country Teams (UNCTs) require to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?***

I believe that the types of UNCT capacities required to respond to the above issue would apply to almost any capacity building measures. In this sense, I view the areas of financial capacity, HQ support, and institutional commitment to be some of the more important areas of capacity building measures for UNCT in coordination work.

As for financial capacity, it is difficult to operationalize an effective coordinating mechanism with consistency and sustainability without funding capacity. I feel that coordination needs to be supported in action, including a solid funding mechanism. Working in the Resident Coordinator's office, I see that our budget mechanism is still limited, unstable and at times haphazard. This makes it difficult for us to plan and budget for anticipated activities.

Having said this, I would like to note that 'coordination work' is still a relatively new genre of work (comparatively speaking). For this reason, in many ways, we are still experimenting various ways of institutionalizing coordination work towards One UN, including financial mechanism. To this extent, I am confident that we can expect for a stronger financial mechanism to be established in a few years.

Nonetheless, for a stronger financial mechanism to be developed, HQ support and institutional commitment become critical, both of which are inter-related. Coordination work requires synchronized working relationship between the HQ and COs, which lead to institutional commitment by the UNCT. From my observation, this reality seems to be more heavily felt in coordination work than in other types of work, given its impact on each agency's programming norm and operation. For example, if an UNCT collectively decides to implement a coordinated activity on local governance (say, consultation with local governments), it requires 1) funding for consultation and 2) logistical arrangement. In most cases, especially small and specialized agencies, would not be able to fund for such an activity, especially if the decision has not been accounted for in their biennium work plan. Also, it is often difficult to arrange for a time and place where all UNCT members can coordinate to commit towards 1 event, especially if the UNCT is comprised

of more than 10 UN agencies. In other words, as long as ‘coordination’ work is considered an ‘add on’ to their mainline operation and treated as such at the HQ level, it is difficult for UNCT to work in coordination at the country level. Especially in a climate where each agency mandates, not conducive to inter-agency coordination, is grandfathered as the operational norm by their HQ, there is no reason or incentive to abide by ‘inter-agency coordination’ activities. Consequently, it is important that we consider not only the capacities of UNCT at the country level but also a more fundamental change in the overall inter-agency system at the HQ level.

**Though the first phase of the discussion has passed, I would still like to share some thoughts on the below issue:**

### **PHASE I — (AUGUST 27-17 SEPTEMBER): LOCAL GOVERNANCE AND DEVELOPMENT - LESSONS AND CHALLENGES**

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

#### **Local Governance and Challenges: Administrative Decentralization**

Through my experience I believe that one of the challenges of enhancing local governance is achieving successful administrative decentralization that is effective and participatory. The country context I was particularly working in was Central Asia (Tajikistan), a country where central planning during the Soviet period was the norm for nearly a century until its independence followed by a decade long civil war. In a country context like Tajikistan, decentralization process is a long and difficult process. It can also be a sensitive issue, because it deals with the issue of community participation, which often crosses with issues on human rights/ freedom of speech.

For one, the real challenge of successful Administrative Decentralization in these countries (that have experienced heavy central planning) is not so much about drawing up a new governance model –creating Executive, Legislative and Judicial governing bodies or creating additional offices at the local level (though these are important aspects). It seems more to do with the process of managing the decentralized government form.

For example, in countries where central planning had been strongly rooted, there are cases where local authorities such as town managers, mayors or governors continue to be appointed by the central government (or the highest government) even after “administrative decentralization” is said to have taken place. In addition, in some cases, the chair of the local Legislative body (Representative) is the head of the Executive body (mayor, town manager, etc) who may be appointed by the higher government. In this case, no matter how “administratively decentralized” the governance model may appear (on paper), the practice of governance still remains centrally organized and operated.

Another example is a decentralization process that does not enhance and institutionalized participatory decision-making mechanism. In other words, local governments are established but this effort is not linked to enhancing community participation. This in turn weakens local governance, especially in the sense that local matters are decided without inputs from the community and/or heavily influenced by central decision-making power. Either way, administrative decentralization becomes more or less an intellectual exercise.

### **UNDP's role in decentralization management**

In such a context, I believe UNDP has much to offer in terms of capacity development in decentralization. In terms of addressing the managerial issues in decentralization, UNDP can support through policy development on local government system.

Especially in a country that is relatively new to decentralization, solid policies may be established (as a general by-law) that would become an operations mechanism for a locale. Policies should address issues of how transparent public process is managed on the various issues undertaken by the local government. It is important that these policies contain details indicating 'when' things should be done by 'whom' and 'what' triggers this process (sometimes called the 'political clock').

Also, UNDP can reinforce the policy development by offering trainings on transparency and accountability system to the local government officials. In the final analysis, it is people who make the difference. Local government officers require constant and long-term training opportunity so that they will be able to reinforce the decentralized government mechanism in a sustainable way.

### **UNDP's role and opportunity in Community Participation**

I also believe it is important for UNDP to support decentralization that would encourage community participation. And in doing so, I believe it is important to consider an intervention without reinventing the wheel.

In a country like Tajikistan, some have the tendency to think that central planning did away with any form of local government system. However, central planning did not necessary eradicate all forms of local governing system all together, specially, informal governing system. This remained in the country even during the Soviet period. This traditional governing body, or the "mahalla" ran parallel to the central planning system and remained part of the Tajik society; and this continues to this day.

It is interesting to see that this kind of traditional governing body of elders still holds significant influence on the way things run at the local level, from education to value system. The thinking here is appreciation of what has been already embedded in a certain country's society for a long time. But this thinking comes with a major caveat, given that tradition can be counterintuitive to the global norm and values that the UN upholds, such as human rights and protection of the vulnerable population. I believe it is important to capitalize elements of 'what has already been established' with attentiveness and through the promotion of the global mandate entrusted by the UN to deploy at all levels.

I want to thank you for your time and consideration, and I hope that the above submission has been though-provoking at one level or another. I look forward to further discussion on these and related issues!

Best,

Eiko Narita  
Resident Coordinator Analyst

# Christophe Nuttall

UNDP Switzerland

8 October

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Dear colleagues,

I would like to thank you for this lively and useful debate which has not stopped bringing rich contributions, and is unfortunately ending. I take the opportunity of this last moment to share with you one aspect which has somehow not been addressed : the core importance of linking the local, national and international levels to achieve the implementation of the « One UN », to strengthen more broadly speaking partnerships between ODA actors and to develop a territorial approach of development. This linkage turns out to be necessary as much from an institutional point of view, as an operational one. I will shortly highlight both the reasons and the means to reach this ambition.

As it has been well-underlined throughout this discussion, the active role of local communities in the design of development processes has to be at the core of our strategy. Indeed, local communities, their government institutions and systems, constitute a key element due to with their natural, historical, cultural resources and know-how. But we do have to take into account the importance of the active role of national authorities, as well as the international community one. The latter can leverage the effectiveness of local communities activities. Indeed, thinking of local governance without searching for the integration of the national authorities could be counter-productive. The national level has to support actively the local entities and the territorial planning designed by them, first by recognizing it from an institutional point of view, secondly by endorsing the activities planned from an operational point of view. The plans established in different areas gains on coherence from a national coordination. The UN system has to integrate the national authorities through the whole process of regional planning by local communities.

Regarding the international community, the establishment of partnerships which could last throughout this process appears also as an essential component to foster the local communities in their activities. Indeed, while we face an expansion of decentralized cooperation, we have to encourage and support the development of such mutually beneficial relationships among sub-national territories. They create sustainable long-term cultural, technical and economic partnerships based on knowledge sharing, and capacity building. Through technical assistance, best practices exchanges and financial support to priority projects, decentralized cooperation partnerships widen the development opportunities for public and private sectors in the country. It is time to consider donors, not only as financial resources provider but integrate them and give them the opportunity to participate in a active way to the programmes.

A territorial approach of development meets the needs and interests of the international, national and local partners, and gives us the opportunity to integrate, in a same area, the activities of all these stakeholders. Too often we do not pay enough attention to the sub-national level which is though an essential component of the development process. Between a macro-level represented by the intergovernmental approach and a micro-level associated to the local governance, the regional level constitutes a point of convergence which articulates all the efforts towards a balanced regional development. This component has to be fully integrated in our strategies, in a current context characterized by different factors which follow this direction. Indeed, in addition to considering the growth of decentralized cooperation, one may also acknowledge the success

of the European policies of territorial cohesion, to which such process in developing countries can be foreseen with the growing role of regions in emerging and developing countries. These phenomena lead us towards a better recognition of the regional entity as a complementary and useful level of intervention to integrate our action.

To achieve this ambitious objective, we need to provide a common platform to gather all these stakeholders, local, national and international, and to give them the opportunity to take part actively to the local strategic planning and implementation. In that sense, UNDP provide an operational framework, named ART Gold Programme, which promote the participation of the widest range of stakeholders. It promotes a new type of partnerships in which the United Nations system works together with governments to promote the active participation of regional and local authorities, local communities and social stakeholders in the South and the North. ART Gold framework supports the creation of an organised institutional context that allows the various local, national and international actors to contribute to a country's human development in a co-ordinated and complementary way. Each of the stakeholders can use the framework programmes as an instrument to increase sustainability and to leverage the impact of its own initiatives, without sacrificing identity or visibility.

At a central level, the framework programme is managed by a National Coordinating Committee (NCC), formed by the government with the participation of the UNDP, other United Nations agencies and the donors involved. The NCC orients the projects and contributions towards a planning logic.

The regional working groups are responsible for drawing up action plans according to a territorial strategic approach. These action plans are gathered in the periodic national operating plan of the framework programme.

The NCC and the local working groups plan the use of resources made available through international cooperation, working to make them complement resources included in the public budget. In this way, the projects acquire greater sustainability, while the methodologies adopted for bringing actors together progressively influence current modes of programming public expenditure, and also help to orient private investment.

“ Too often we do not pay enough attention to the sub-national level which is though an essential component of the development process ”

Furthermore the NCC ensures that local initiatives are in line with national development policies, in order to enhance the coherence between national and regional development strategies.

The ART Gold framework is currently implemented in 12 countries : Lebanon, Morocco, Colombia, Equator, Dominican Republic, Cuba, Uruguay, Kosovo, Serbia, Macedonia, Kosovo, Sri Lanka

The countries of interest for a future implementation are the following: Mali, Senegal, Niger, Rwanda, Haiti. Mozambique.

Your experiences and thoughts are much welcome.

Christophe Nuttall  
Director

# Amitava Mukherjee

**UNESCAP Thailand**

*8 October*

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The DGP-Net discussion on the subject has been very interesting. On decentralisation, it is important to note, that it will succeed only when (i) proper institutions (as defined by Joseph Stiglitz) are in place and (ii) when the central government or authority is stable and empowered. You can decentralise (that is, give away functions, finances, functionaries and powers to lower tiers of government) only what you have. Attempts at decentralisation must meet these two initial conditions, to succeed, otherwise there will be chaos.

The need for the central government and authority also stems from the fact that though functions, finances, functionaries and powers are devolved to lower tiers of government, the central government still has the vital role of regulating and co-coordinating the lower tiers of governance.

Many thanks.

Amitava Mukherjee

Regional Advisor on Poverty Reduction

# Jörg Faust

German Development Institute, Germany

8 October

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I would like to comment on a broader discussion on the challenges of the Paris Agenda with regards to decentralization efforts. Details can also be found in my forthcoming discussion paper: Faust, Jörg/Messner, Dirk (2007): Organizational Challenges for an Effective Aid Architecture: Traditional Deficits, the Paris Agenda and Beyond. German Development Institute, Discussion Paper, Bonn. You may find additional analysis here.

## *How the conceptual weakness of the Paris Agenda impact on the support of Decentralization:*

### **The Ownership Illusion of the Paris Agenda**

On the one hand, the Paris Agenda has defined several recommendations in order to increase aid effectiveness. These recommendations focus on the importance of ownership and the resulting positive consequences for alignment and donor coordination, which in turn will positively effect aid effectiveness.

Unfortunately, on the other hand, these recommendations are not necessarily helpful for most of the developing countries, because the recommendations are based on the assumptions, that recipient governments do have a considerable degree of ownership. Yet, encompassing and sustainable ownership is not so much a result of individual political willingness but rather of political institutions, which drive politicians towards the more encompassing interests of society. Without a critical “quality” of political institutions, sustainable ownership as the starting point of the Paris Agenda’s argumentation will not be ensured.

As most developing countries (not only, but most evidently failing states) are confronted with rather problematic political institutions, the logic of the Paris Agenda is not adequate for confronting the structural and institutional challenges of these countries. Assuming a high degree of ownership for improving aid effectiveness is not very helpful, if the crucial development barrier is in fact, the building of an institutional environment that guarantees sustainable ownership of political decision-makers. Therefore, while one can deduce from the Paris Agenda the importance of ownership and, consequently, the significance of inclusive and transparent political institutions, the Paris Agenda remains relatively mute on how to improve ownership respectively the political institutional context.

### **The Paris Agenda Impact on the Promotion of Decentralisation**

The above-mentioned problems of the Paris Agenda are of special relevance for the promotion of decentralization, respectively the promotion of state structures characterized by the principle of subsidiarity. In fact, the promotion of decentralization is one area, where donors are supposed to improve the political institutions of recipient countries. The normative idea is, that countries with subsidiarity-oriented state structures profit from higher levels of political legitimacy and better public services.

- a) Why assume ownership of central governments? Unfortunately, one cannot assume a continuously high degree of ownership of partner governments with regard to decentralization. In most cases, decentralization reforms have gained momentum only in times of mounting political/economic pressure on the central government. Thus, decentralization has mostly not been the result of decentralization-loving central government. This is in accordance with a political economy perspective on decentralization, which identifies decentralization as a highly political process characterized by distributional conflicts between levels of government (central, provincial, local) and among a given level of government (among ministries, among provinces, among municipalities). Especially the central government is rather reluctant towards decentralizing political legitimacy (political decentralization) and fiscal resources (fiscal decentralization).

If one accepts the often found scepticism/reluctance of the central government with regard to decentralization, because it represents a loss of political power and fiscal resources, how then are donors to expect sustainable ownership from their main negotiation partner? In fact, donors attempting to promote decentralization often face the dilemma, that their main negotiation partner has only sporadic interest in the topic. Assuming a high level of ownership in the sense of the Paris Agenda, therefore is mostly misleading with regard to decentralization.

- b) Donor coordination and centralist planning in times of lacking ownership: The Paris Agenda suggests increasing ownership of the recipient government in order to increase alignment and to overcome the lack of donor coordination, what happens if a lack of ownership is rather the rule than the exception in the case of decentralization? Looking at recent experience, one often finds two problematic scenarios.

The first scenario is the creations of donor tables on decentralization, where donors are supposed to coordinate their activities but in reality do not overcome the level of information exchange. Given the lack of ownership, the recipient government does provide little incentives for donor to move towards common planning and implementation

The second scenario is excessive donor coordination often in combination with sector wide approaches. Give disbursement pressure and the need to show coordination results in highly “visible” countries, a take over of the policy-planning process by the donors takes place. The result is the increasingly criticized centralist planning euphoria of the “coordinated” donor community. Whether such a de facto centralist approach is compatible with the idea of decentralized and local search for innovation and legitimation gains seems to be questionable at least.

Thus, donors face a dilemma. On the one hand, there is an increasing recognition of the importance of subsidiarity-oriented state structures for sustainable socio economic development. On the other hand, central governments are only seldom the ones, who have endogenous interest in decentralization. If donors attempt to fill the resulting gap, it seems questionable whether such a take over will lead to the promotion of decentralized policy-making and implementation. Therefore, the promotion of decentralization is an area, which highlights the conceptual problems of the Paris Agenda.

Jörg Faust  
Head of Governance, Statehood & Security Department  
German Development Institute, Germany

# Emmanuel Soubiran

UNDP/UNCDF Mauritania

08 October

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Dear Colleagues,

I'm pleased to share with you our new contribution).

***What are the challenges, good practices, and lessons learned on inter-agency coordination and cooperation on local governance or local development or decentralization initiatives? How can we improve the design and implementation of UN Joint Programmes in these areas?***

We can note that almost all the agencies are trying to work on local development issues, and so with local authorities, but each one with its own approach and definition. UNDP/UNCDF is focusing on local governance and decentralization... but also on local economy. The government has to coordinate the different interventions to give them more coherence and effectiveness. Meanwhile, it is our own responsibility to want to work together and to share our different experiences. First of all, we should be agreeing on definition and diagnostic. (Cf. question 3 for complement).

***How can we strengthen partnerships with non UN organizations in this field, particularly with Associations of Local Government, and, regional research/resource centres or training institutions?***

I would like to share our experience of partnership with the University of Nouakchott. We have decided to support the (vocational) “bachelor’s degree in local authorities & territory management” which trains the future staff of the decentralized administration. We propose the following services: equipment, documentation, UNDP/UNCDF presentations (staff from HQ, Regional Bureau, CO or projects), identification of resource persons in our project area for presentations – with DSA (but no honoraries), identification of training positions in our project area – with small grants, and organization of workshops. It is important to have a convention to formalize the content of this collaboration.

***What types of capacities will UN Country Teams (UNCTs) require to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization?***

We need to better understand what the comparative advantages of each agency are and be ready to propose a global response. This should be the outcome of a results based approach: identify the main results we could obtain then see which roles each agency could play (with a view to avoiding a patchwork of independent interventions). We should have an operational group of PO representing the different agencies which could share information, tools and methods.

Emmanuel Soubiran

# E-Discussion Closing

**The Moderation Team**

*8 October*

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Dear Colleagues,

In view of the high demands expressed by the Democratic Governance community of practice to continue the second phase of the e-discussion, we are pleased to inform you that the ongoing e-discussion will be closed on ***Thursday, 11 October 2007***. So far, we have posted 127 contributions from all over the world.

It has been a truly remarkable experience for all of us, and, we thank you very much for your wonderful support, and very substantive engagement.

In appreciation,

The Moderation Team

# Zena Ali-Ahmad

**UNDP SURF Arab States**

9 October

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Dear Colleagues,

I think the wealth of information this discussion issue has brought is really impressive, and I am sorry to be coming in at this last stage of the discussion.

For the Arab region, LG is extremely important as most of the Arab countries are centralized and are moving gradually into issues of decentralization and strengthened local governance, including civil society. Issues of local governance and gender, as well as the nexus between LG, Local Development and conflict prevention and recovery.

The Arab region faces a lot of constraints in terms of participation and political and civil freedoms, respect for international HR treaties, accountability and transparency, freedom of association and expression, access to information, etc. In addition, although some of the countries are NCCs or MICs, there exists persisting inequalities between regions and social groups, which excludes many citizens from the public discourse. Civil society is weak in many countries of the region, and the formation of sub-national and community based organizations is constrained. Moreover, Arab countries have weak local governance systems, almost none have effective decentralization; local capacities are weak, and the vertical and horizontal linkages between the local-sub-national, and national levels are weak. Public service delivery witnesses a lot of weaknesses too.

We have been seeing increasing efforts for partnerships between different UN agencies for fostering inter-agency coordination on local governance and local development, specifically in Yemen and Somalia. However, I think more could be done to coordinate efforts. This entails partnerships from the onset of the project formulation at the identification/design stage, rather than trying to “re-group” initiatives. It also entails that the UN agency with the best “comparative advantage” in one field takes the lead in that field.

Zena Ali-Ahmad

Policy Advisor on Local Governance

# Claudio Acioly

The Institute for Housing and Urban Studies, The Netherlands

9 October

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Dear Colleagues,

I have followed with interest your debate and wanted to add some few words related to Urban Management (not featured prominently in your discussion), based on an specific experience we have had assisting Egyptian cities in recent years.

## Urban Management: An Introductory Note

The world population living in cities is growing steadily. This is remarkable in developing countries where urbanisation processes create a landscape configured by networks of mid-sized cities and growing number of ‘plus million cities’ that pose unprecedented challenges to local governments. Additionally global and regional economic development processes are affecting the viability and competitiveness of local economies that ultimately challenges the future of urban agglomerations as a place to live, work and leisure. For years one camp of the international debate on urbanisation has pointed at the adverse effects of urbanisation, the environmental impacts, congestion, the diseconomies and the absorption of national investments by cities as their argument in favour of policies focusing on rural development. Despite all the attention given and years of practice of this paradigm cities continued to grow. Fortunately, from the 1990’s onwards it has been acknowledged that cities are an engine of development and play a fundamental role in macro-economic development if properly governed, managed and planned. Furthermore, the United Nations conferences on Environment (Rio 1992) and Habitat (Istanbul 1996) reinforced the importance of cities in the solution of major global environmental problems underscoring the axiom “think globally and act locally”. These conferences helped to promote the principles of decentralisation, civil society participation, partnerships, tenure regularisation and the right to housing among other equally important issues.

The growing awareness about the role of cities in national development reinforces the increasing international interest for urban management that actually started from late 1980’s onwards. For a country like Egypt – where the population is concentrated in only nearly 5% of its territory resulting into very compact cities<sup>1</sup> surrounded by desert and/or essential arable land that provides food to its population – urban management becomes a function of the sustainability of the country as a whole. The management of urban growth and the actual planning of cities in such a condition require a pro-active local government, well-trained staff, policy instruments and the availability of funds among other things that in fact will determine the chances of a sound urban environment for future generations of Egyptians. The present study on Belbeis is just one of the many case study research which were carried out within the framework of the TRHUD project (Training and Research in Housing and Urban Development Project-TRHUD) during the last 5 years in support to the development of post graduation training programmes addressed to Egyptian professionals and public officials. It is intended to document and disclose local urban management practices and unveil locally coined solutions for problems that affect the majority of Egypt’s urban centres.

## What is Urban Management?

Urban management is defined as a set of instruments, activities, tasks and functions that assures that a city can function. That one gets water at home, that a road can transport goods and people, that land is provided for various activities essential for its residents, that public interest is safeguarded against individual and firms' interests and that repairs are carried out on infrastructure networks before it starts affecting people's life. Urban management assures that basic urban services are provided for the population and the various private, public and community stakeholders to perform and maximise their intrinsic roles in a harmonic manner. Urban management facilitates co-ordinated efforts although interests among these actors are not always convergent meaning that conflict resolution is an essential part of it. Efficiency, efficacy and equity in the distribution of resources and public investments generated from within the city and to be reverted into its further development is the basis of urban management.

To achieve the targets outlined above local governments must possess instruments that allows it to arbitrate these conflicts, mobilise efforts and take advantage from the capacities, potentials and creativity that exist among its constituents to forge sustainable and equitable local development processes. Only then local government will be able to assume its leading an enabling roles in the planning and management of urban growth establishing strategic public-private-community partnerships particularly for the tasks which it does not possess all the means and resources.

Davey<sup>iii</sup>, affirms that urban management refers to policies, plans, programs and practices that try to assure that population growth is matched by access to infrastructure, housing and employment. The access to these services depends very much on the initiatives of the private sector which are affected by policies of the public sector and by functions that only local governments are eligible to carry out. In some countries sole responsibilities defined by national constitutions. But experiences in various countries show that public sector alone is not capable to fulfil its constituent role. Public-private partnerships - PPP in the supply, management and maintenance of public services are becoming popular urban management instrument especially because of the problems derived from budget restrictions, decreasing revenues and cuts in public sector expenditures and the search for the efficiency that private sector seems to offer. Different forms of privatisation and concessions are on the order of the day particularly in public transport, solid waste management, electricity and water supply where measurable individual consumption can be translated into tariffs and costs.

The structure, roles, tasks and functions of local governments and the way responsibilities are assigned to different agencies and departments directly affect the quality and efficiency of urban management. Equally the capacity, quantity and quality of human, material, financial and legal resources without which it will be unable to exercise governance over the city will ultimately result into poorly or well-established urban management processes. Last but not least, the way local governments relate to central and state/provincial governments and community organisations, and the way local interests are represented in the organisation and implementation of public policies altogether affect positively or negatively urban management practice. The participation of civil society organisations in public policy formulation and implementation is becoming increasingly important in contemporary urban management in countries emerging from centralised and authoritarian regimes like Brazil, South Africa, Philippines and many countries of Eastern Europe. Actually all these factors form the basic pre-requisites of urban governance.

“ The goal is to highlight processes, institutional arrangements, approaches and lessons learned so that the curriculum and the training program are locally bound and meaningful to the Egyptian participants who come from different governorates, private, public and non-governmental organisations ”

Despite local diversities in terms of legislation and political structures there is a global trend towards the transfer of administrative, political and financial responsibilities to local governments in a number of areas of activity. This is associated with structural reforms in central governments and the gradual retreat of the State from productive sectors. An increasing number of countries are pursuing this policy. The rationale is to bring decision making and problem solving in the city as close as possible to citizens and their area of residence redirecting information, public-citizen interface and provision of certain services down to the district and neighbourhood levels.

In Egypt, there is a number of legislation enacted that provides avenues for local governments to act more 'autonomously'. Project experiences in Alexandria, Ismailia, Aswan and Giza show that problems of informal urbanisation and poor environmental conditions can be tackled in a creative and relative successful manner. On the basis of reporting of participants attending the various courses conducted by UTI within the framework of the TRHUD project. We depict a wealth of experiences in smaller cities that unfortunately remain undocumented and not shared by a wide public. One of the objectives of this publication on Belbeis is exactly to fill this gap and disseminate to wider public the challenges, the opportunities and the actual experience in managing a mid-sized city in Egypt with the characteristics of Belbeis.

This publication is the result of a comprehensive field research, data collection and institutional analysis carried out by Azza Sirry who was responsible for preparing and conducting the study and the reporting thereafter. Sirry's tireless and continuous endurance during the research project was the engine and the inspiring force that resulted into this publication now being shared by a wider public outside the TRHUD project

The primary objective of the case study researches of TRHUD is to describe, analyse and document Egyptian experiences that will ultimately produce training support materials for the training programmes developed and implemented through the TRHUD project. The goal is to highlight processes, institutional arrangements, approaches and lessons learned so that the curriculum and the training program are locally bound and meaningful to the Egyptian participants who come from different governorates, private, public and non-governmental organisations. Practical exercises as well as field visits have been organised to and with the government of Belbeis. The support and facilitation of the local government and its staff must be acknowledged and appreciated. Without their support it would be difficult to access the information and to unveil local experiences and describe how solutions were coined.

The final publication and editing must be credited to Sameh Wahba who carefully analysed the final research report as well as all available materials, documentation, photographs and maps generated by the research and other relevant references. The result is a coherent text that depicts all dimensions and findings of the case study research. Without his work this study would remain restricted to the TRHUD project and the participants who attend the courses at UTI.

Claudio Acioly  
Senior Urban Planning Specialist

Extracted from “The Meaning and Scope of Urban Management: an introductory note”, in Azza Sirry (2003), ‘Urban Management Practices in Secondary Cities in Egypt: the case of Belbeis’, Elias Modern Publishing House, Cairo, Egypt.

- i. Acioly, Claudio, ‘Guided densification’ in Brazil versus informal compactness in Egypt: can urban management provide a pathway to a sustainable city”, in R. Burgess and M. Jenks (eds) *Compact Cities: Sustainable Urban Forms in Developing Countries*, UK, Spon Press. (pp. 127-140).
- ii. This is drawn from the article by C. Acioly, ‘Note on Governance and Urban Management in Brazil’, in ‘Cities Made by People’ Volume II, A. Hartkoorn (ed), Coplan, Tirana, Albania, 2000. (pp. 59-72)
- iii. Kenneth J. Davey, “Elements of Urban Management”, Urban Management Programme Discussion Paper No.11, UNCHS/World Bank, 1993.

# Jonas Rabinovitch

UNDESA HQ

9 October

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Dear Kadmiel, Lenni, Monjurul, Rafael, Emilia and all colleagues,

On behalf of the Department of Economic and Social Affairs of the United Nations Secretariat (UNDESA) I would like to briefly address the issues raised in the e-discussion “Towards a Local Governance and Development Agenda - Issues and Challenges”.

In line with the philosophy of a community of practice, I am sending a summary of UNDESA institutional explicit knowledge about the questions asked and also expressing a few experience-based remarks which are part of my tacit knowledge.

UNDESA plays a vital interface between global policies in the economic, social and environmental spheres and national/local action by working in three main interlinked areas:

- 1) We compile, generate and analyse a wide range of economic, social and environmental data and information on which Member States of the UN draw to review common problems and take stock of policy options; one example is the World Urbanization Prospects Report and the Reports on Urban and Rural Agglomerations regularly issued by UNDESA and extensively used by UN and non-UN partners; more information on these and other areas are available at <http://www.un.org/esa/desa>.
- 2) We facilitate negotiations of Member States in many intergovernmental bodies on joint course of action to address ongoing or emerging global challenges; one example of resources available can be found at UNPAN, United Nations Public Administration Network, [www.unpan.org](http://www.unpan.org) in partnership with the International Institute of Administrative Sciences - IIAS (<http://www.iiasiisa.be/iias/aiacc.htm>); United Nations Center for Regional Development (<http://www.unrcd.or.jp>); United Nations International Research and Training Institute for the Advancement of Women (INSTRAW - <http://www.un-instraw.org>); United Nations Project Office on Governance (UNGC - <http://www.ungc.org>) and more than 30 institutions in Africa, Arab States, Asia, Eastern Europe and Latin America working on: governance systems and institutions, public service and management innovation; social and economic governance, public financial management, knowledge systems and e-government.
- 3) We advise interested Governments on the ways and means of translating policy frameworks developed in United Nations conferences and summits into programmes at the country level and, through technical assistance, help build national and local capacities. One example is the series of publications on issues such as “Citizen Participation and Pro-Poor Budgeting”, “Participatory Planning and Budgeting at the Sub-National Level” and “Auditing for Social Change: A Strategy for Citizen Engagement in Public Sector Accountability”. These are available through <http://www.unpan.org>. The UN Committee of Experts on Public Administration (CEPA) holds regular sessions providing key inputs. Processes such as the Global Forum on Reinventing Government, approved by a resolution of the General Assembly, reviews challenges and opportunities at all levels. Another recent unfolding example: as part of the “ONE UN” pilot initiative we are supporting the Government of Ecuador in their National Development Plan 2007-2010 and in local initiatives for strengthening the institutional capacity of alternative municipalities in partnership with UNFPA and UN-HABITAT.

“ To coordinate everything is not possible. Everybody likes to coordinate, nobody likes to be coordinated ”

UNDESA understands that cooperation activities at both national and local levels have to complement each other. Similarly, cooperation activities in urban and rural areas should be complementary to the extent possible. We support the ONE UN initiative and we are keen to contribute as a non-resident agency.

Concerning lessons learned, improvement of design and implementation in joint programming, partnerships with non-UN actors and types of capacities needed at UN Country Teams, I would share the following comments which do not necessarily express the views of the Secretariat of the United Nations.

- 1) Local reality is holistic. Segmenting it due to institutional agendas, budgets, mandates, and jurisdictional aspects may cause distortions in our actions.
- 2) It would be pretentious on our part to assume that the best available actions, knowledge and experience on local governance are those undertaken by the United Nations. As a matter of fact, the vast majority of current practices in local governance are NOT those being undertaken by the United Nations.
- 3) Apparently there are close to 1 million local authorities worldwide. This represents a wealth of good and bad experiences which go well beyond current inter-governmental non-binding agreements and frameworks.
- 4) In this context, the UN can at best be a trusted impartial convener of practices and ideas.
- 5) Good ideas are usually formed by three components: the proposal, the feasibility and the operationalization.
- 6) At the moment there is an interesting internal debate going on at the UN on whether we should focus on results or on process. As if we could separate one from the other. Process and results are part of the same continuum. This debate indicates that there is dissatisfaction on what we deliver and how we deliver.
- 7) We can perhaps produce the most comprehensive databases and manuals, but they will not necessarily improve housing conditions, roads, waste collection, sanitation, public transport, job generation, unless we are in a position to support ongoing processes which already count on considerable ongoing local support.

- 8) Knowledge management is important but we should not deceive ourselves. “Development by websites” does not work. Sending dozens of websites to those who lack resources and capacity is not going to solve their challenges.
- 9) The era of patronizing grants seems to be coming to an end. Local beneficiaries should be able to put their currencies on the table, including ongoing political will, in-kind support, participatory engagement and good local governance.
- 10) We live in an age of poor development budgets and rich partnership intentions. Everybody likes to bring their ideas and information to a partnership while expecting the other side to bring the money. Of course it is important to have joint programming and partnerships between UN and non UN organizations, but it should be very clear from the outset what currencies each partner will bring to the table.
- 11) Concerning the financial side, the current Bretton Woods framework has been increasingly questioned by a series of UN Member States who defend alternative mechanisms. For instance, many middle-income countries have settled their debts with the IMF and prefer not to deal with it anymore. It is our impartial role to support any debate between Member States, including those related to international funding mechanisms. A new framework would have to take into consideration the potential role of local authorities.
- 12) I am not sure we should support competitive processes for distributing the meager resources we have through a few of our global initiatives. Competition may tend to favor those who already have the capacity to write proposals more than anything else.
- 13) Certain UN Members States strongly insist on focused demand-driven action, as if we could control the interdependent reality of local development. Other Member States insist on flexibility, as if our budgets went beyond the average 0.3% of countries’ GDPs.
- 14) We also seem to lack modesty in some of our outreach activities. It is not uncommon to see inexperienced UN officials trying to “improve the capacity” of seasoned Mayors who learned to utilize UN jargon just to try and have access to some international grant funding. We may pretend we are improving their capacity and they may pretend they are complying with UN frameworks.
- 15) To coordinate everything is not possible. Everybody likes to coordinate, nobody likes to be coordinated. Some local actors are incredibly dynamic by knocking on various international doors at the same time, both multilateral and bilateral. In doing so, they expand their budgets and quite often achieve good results. At the same time, other local authorities with fewer connections are left without any support.
- 16) What works and what does not work is not going to be decided and defined by us at the UN. Reality is already out there. Quite often, people know their problems and their solutions better than we do. A key capacity requirement for UN Country Teams is the ability to expose local actors to concrete existing solutions for their specific problems -- not books, not websites, not databases, not manuals -- and guide them in the adaptation process.

- 17) Each specific challenge requires a specific set of actions and solutions. At the same time, everything is connected. Poor drainage causes waste management problems. Waste Management problems cause health problems. Health problems are also caused by poor housing conditions. Poor housing conditions are caused by land use challenges. Land use challenges are also caused by poor planning. Poor planning results in lack of proper waste management. I certainly do not wish to oversimplify the chain reaction of urban-related problems, but it would be a much bigger mistake to nurture their overcomplication or to plan for the maximum tragedy. The best solution is usually the simplest one and the one that can begin now.
- 18) There are at least three diseases affecting many local authorities worldwide:
- a) Consultivitis - When leaders and institutions believe that importing consultants will solve their problems for them.
  - b) Participatititis – When leaders and institutions believe that solutions will magically result from participation.
  - c) Diagnausea – When leaders and institutions realize they do not know exactly what to do and believe that the solution will result from a series of diagnostics.

In summary, I think it is important to have the issues above in mind so that we can begin any joint initiatives on a realistic basis. I would hope this is useful. I look forward to keeping in touch.

Best regards,

Jonas Rabinovitch  
Inter-Regional Adviser on Socio-Economic Governance

# Jorge Martinez-Vazquez and Juan Luis Gomez

Georgia State University

9 October

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Dear Colleagues

It is a pleasure for us at the Andrew Young School of Policy Studies (AYSPS) to participate of this timely and rich discussion on Local Governance. At the outset, we would like to congratulate the organizers on a well structured discussion, the interactive format and the insightful comments shared by all participants.

The AYSPPS has partnered with the UNDP in multiple initiatives on fiscal decentralization and local governance across the world and we wanted to contribute to this discussion some of the lessons learnt during this joint work. With the UNDP Regional Center in Bratislava, we recently examined decentralization reforms in Armenia, Croatia, Georgia, Macedonia, and Serbia. Despite obvious differences in the particular approaches each of these countries applied to the reform of inter-governmental fiscal relations, the shortcomings of the decentralization processes revealed a number of cross-cutting patterns that also served to structure avenues for future action.

First, the lack of a comprehensive strategy hampered efforts on decentralization, particularly when the assignment of revenue sources to sub-national levels of government was addressed prior to the clear definition and assignment of expenditure responsibilities. To be sure, countries should follow a plan that looks at decentralization as a comprehensive system, as piecemeal approaches have proven sub-optimal repeatedly.

Secondly, the study found that the absence of an adequate policy coordination mechanism in the countries examined posed a threat to the success of the process. Even when a specific organization had the institutional lead on decentralization matters, this institution tended to be politically or administratively weak. For instance, although Armenia's lead agency on decentralization is the Ministry of Territorial Administration, the ministry appeared to lack any technical staff. Third, we observed excessive fragmentation of the local government structure, with local jurisdictions that are close to the people but that are economically too small to serve as a sustainable service delivery mechanism.

The last cross-cutting issue the report underlines is an observed failure to recognize the primordial role of politics in the formulation of intergovernmental fiscal relations by the reform designers. Clarifying and securing political support and a champion at high level of government for decentralization reform is essential. The lack of direction and progress in decentralization reform in many of the countries reviewed in this study can be traced back to lukewarm support by the key political players in those countries. More effort surely needs to be devoted by the donor community to this issue. A complete version of the report can be found at [http://europeandcis.undp.org/?menu=p\\_cms/show&content\\_id=62EEE23F-F203-1EE9-B2B5B6DF9D18A346](http://europeandcis.undp.org/?menu=p_cms/show&content_id=62EEE23F-F203-1EE9-B2B5B6DF9D18A346)

“ The lack of direction and progress in decentralization reform in many of the countries reviewed in this study can be traced back to lukewarm support by the key political players in those countries ”

Most recently, we have partnered and continue to partner with UNDP Macedonia in their efforts to assist the country's reform of the inter-governmental fiscal framework. We also look forward to attending in early November the conference of Deputy Resident Representatives in Sarajevo where UNDP's critical role on assisting decentralization process in the RBEC region will be debated.

Decentralization as a policy reform may importantly contribute to the expansion of people's opportunities and choices, the very essence of the human development concept the UNDP advocates. From the Andrew Young School, we look forward to a continued partnership with UNDP HQ and its regional and national offices and stand ready to assist their efforts in support of better local governance in countries around the world. Many thanks again for the opportunity to contribute to this important discussion and best regards to all.

Jorge Martinez-Vazquez  
Director, International Studies Program

Juan Luis Gomez  
Research Associate, International Studies Program

# Richard Batley

University of Birmingham, UK

9 October

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Dear Colleagues,

I would like to contribute to this discussion with some notes about local service delivery, from work recently conducted by me - Reforming the delivery of public services: who decides? and Addressing mistrust between governments and non-state service providers. The arguments I raise are important for addressing strategies to create capacities in local government and to promote positive interactions between local government, communities and private sector. This shall be relevant for the debate you are having about challenges for local governance.

ID21 recently published the attached note which can be freely reproduced. These were based on an article I published in Public Administration and Development (full version attached) where my main policy conclusions were as follows (these refer to both central and local government, but I am writing about local service delivery):

Non-state provision of basic services is a large and often predominant fact of life for poor as well as non-poor people. In some respects, donors' widespread concern with 'scaling-up' seems a little off-track:

NSP already fills much of the gap in the quantity if not quality of state provision. At least until government can provide more comprehensive and better services, what needs greatly to be improved is the level of collaboration between government and NSP.

It is not enough for donors to seek policy statements of governments' readiness to collaborate with the non-state sector; such statements are readily forthcoming. Formal policy dialogue typically engages at the level of policy design in set-piece events with large NGOs and advocacy organisations. The direct providers of services to the poor: community organisations, small NGOs and entrepreneurs are largely excluded from such events. What is missing is engagement between government and the non-state sector at the operational level; this is where the history of distrust and rivalry frustrates policy intent.

There are cases of effective (pro-service) regulation by government but the general lessons are that it can only work where the regulator has information, is capable of enforcing standards and has no incentive to repress non-state providers, and where providers have incentives to comply. Government regulation is only desirable when it is slimmed down and re-directed from the control of service inputs to monitoring and supporting the quality of outputs. Awareness and capacity to regulate in this positive sense need to be developed. More likely alternatives to government regulation, particularly where capacity and understanding are limited, are external accreditation, contracted out regulation, franchise of local providers by NGOs and private firms with a reputation to defend, and community monitoring.

Governments may be able to create a facilitating environment for non-state provision at a very broad level - with stable legal frameworks and access to generic subsidies for salaries and other core costs. But where it comes to working empathetically with communities and reacting sensitively to local realities, the more likely model is of large NGOs mediating between government/donors and local NGOs/CBOs, and offering technical support to the latter.

Tight contractual arrangements between government and non-state providers present challenges to government's capacity for contract design and implementation, and tend to rule out the local and informal providers that are often most important to poorer people. On the other hand over-loose partnerships create confusion and conflict about roles and responsibilities. Joint ventures of government with non-state providers and co-production with service recipients present the possibility of clearly stating the roles of the partners without subordinating one to the other. They allow the scaling-up organized service provision, not by creating massive organisations but by disseminating replicable models of collaboration.

Reports from research projects on Non-State Provision of Basic Services can be found at [www.idd.bham.ac.uk/service-providers/index.htm](http://www.idd.bham.ac.uk/service-providers/index.htm). Research has been conducted by IDD University of Birmingham with the London School of Hygiene and Tropical Medicine, the Centre for International Education at the University of Sussex, and the Water, Engineering and Development Centre at the University of Loughborough. With country partners, the first wave of research(2004-5), funded by DFID, surveyed national experience and identified cases of successful or failed collaboration in Nigeria, Malawi, South Africa, India, Pakistan and Bangladesh. The second wave, funded by the UK's Economic and Social Research Council, began in 2006 and examines in more detail why relationships succeed or fail - focusing on the South Asian countries. A third wave of research, funded again by DFID as part of the Religions and Development research programme, is now looking at the specific case of faith-based organizations such as madrasa schools and religion-based political parties. Can they be drawn into collaboration with government services, or are they bound to be in confrontation? All the issues raised above are crucial for the development of local governance.

Professor Richard Batley  
International Development Department – IDD

# Carlos Santiso

African Development Bank HQ

10 October

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Dear Colleagues,

Let me briefly share relevant AfDB perspective with your e-discussion. Tackling poverty and strengthening governance in Africa are confronted to a multitude of challenges. Three defining challenges are to enhance visionary leadership, build inclusive institutions, and strengthen human capacities. In particular, achieving good financial governance is a central challenge for Africa's development, a challenge that the African Development Bank, as an African development finance institution, is uniquely positioned to address. The commodity boom represents the greatest opportunity Africa has had for a long time to lift itself out of poverty. Sound management of public resources is critical for reducing poverty and improving aid effectiveness, in the context of rising aid flows and increasing revenues from natural resources, especially oil, gas and mineral resources.

It is in that context that the Bank is re-focusing its activities in the area on governance on encouraging greater transparency and accountability in the management of public resources, including at the local level. Improving transparency and accountability in the budget process is a key lever of change for empowering the poor. Despite decades of decentralization efforts in many countries, African countries remain highly centralized in terms of public financial management and local governance structures and processes are weak. This generates a catch-22 situation in which decentralization is hampered by the lack of local capacities, which cannot be strengthened without the transfer of resources and responsibilities.

Sound local financial governance is critical for ensuring that public resources, including the natural resources windfalls, are effectively managed for the benefit of the poor and that the poor can demand greater transparency and accountability. Economic development and poverty reduction are also based on budgets that adequately reflect local policy priorities and citizen demands. For example, the relevance and efficiency of local investment projects in health or education depend on the participation of and oversight by local communities to ensure corrupt-free public procurement processes. Similarly, the sound management of local natural resources, such as water, requires transparent processes that can guarantee adherence to environmental and social standards. Good local governance is also important to provide the enabling environment for the development of a thriving private sector, including small and medium enterprises.

As part of its new governance strategy, the Bank will strengthen good local financial governance. Its contribution in this area will focus on promoting capacity, accountability and transparency in the management of public resources at the local level, through support to fiscal decentralization, municipal financial management, and civil society budget oversight. Special attention will be paid to the social and gender impact of budgetary policies, including through community empowerment and gender sensitive budgeting. Support to initiatives to improve financial transparency and accountability at the local level will be increased (e.g. access to information, participatory budgeting, and report cards). In particular, greater freedom of information at the local level is a potent driver of change and source of demand for better governance, better services and stronger voice.

“ Special attention will be paid to the social and gender impact of budgetary policies, including through community empowerment and gender sensitive budgeting ”

The African Development Bank is currently refocusing its governance strategy, in the context of a complex aid architecture and a multiplicity of actors active in the field of governance. In order to make a distinctive contribution to governance in Africa, the Bank is adopting greater strategic selectivity, seeking to focus on a limited number of governance priorities in which it has the most potential to deliver results, add value and build excellence. In 2000, the Bank adopted the *Good Governance Policy* to support governance reform in regional member countries. In 2006, it established a dedicated operational department, as the anchor and catalyst for the Bank's work on governance. The Bank is currently in the process of adopting new *Governance Strategic Directions* for 2008-2010, in consultation with member countries and development partners.

Dr. Carlos Santiso  
Manager, Governance Division (OSGE 1)

# Nicolas Kazadi

UNDP Guinea

10 October

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## English Translation

Dear Colleagues,

Allow me, in spite of my late response, to share with you the case of Guinea, especially the challenges of its decentralization process (1) and the experience of the joint United Nations program on decentralization.

In the late 1980s, Guinea embarked on a process of decentralization/devolution aimed at developing natural solidarities and enabling the grassroots communities to be empowered and better take up their development process .

These gradual reforms culminated in the creation of 303 rural and urban councils. These councils are the only level of decentralization, with splintered entities of less than 10,000 inhabitants on average, supervised upstream and downstream by de-concentrated representations of the State. Upstream is the regional (8 administrative regions) and prefectural (prefectures and sub-prefectures) level. Downstream is the level of the districts and neighborhoods.

## I. Decentralization Process and Challenges in Guinea

Donor organizations operating in Guinea have heavily invested in several projects supporting decentralization. The World Bank and UNDP/FENU have financed the two largest projects aimed at giving direct support to local or rural communities. These programs, especially the UNDP/FENU's PDLG, yielded very positive results in terms of goods and services creation and community participation in micro-projects.

However, the sustainability of results obtained remains uncertain for at least two reasons:

1. the paucity of resources compared to needs and the fact that donor support goes more towards supporting the territorial collectivities, at the expense of the central and de-concentrated entities of the State. In its first phase, the PDLG of UNDP/FENU absorbed USD 5 million and PACV close to 30 million.
2. the lack of support to decentralization efforts by programs aimed at providing sustained and constant support to devolution. PDERSOC, implemented by UNDP, ran into dire financial straits while the World Bank's Institutional Capacity-Building Programme (PRCI), quite similar in design to UNDP's PDERSOC, was suspended because of serious financial misappropriations during its implementation. Yet, all stakeholders agree that the success of the decentralization support program is inseparable from that of devolution support programs.

3. the economic frailty of the decentralized entities themselves constitutes another factor that limits the sustainability of successes obtained at the grassroots level. 80% of councils (CRD) are not economically viable and/or lack capable and well-prepared human resources. UNDP/FENU was relatively successful in developing the experience of development hubs by encouraging the formation of community clusters based on shared interests, thus multiplying the capacity for resource mobilization for development purposes. This experience could prompt the authorities to undertake a more in-depth reflection on the administrative and institutional division of the country.

In the case of Guinea, grassroots programs have certainly contributed, down the years, to raising the people's awareness on their development and access to fundamental economic and social rights. However, the donors' relentless pursuit of the same policy despite the evidence and their preference for decentralized collectivities at the expense of de-concentrated entities, has ultimately proven to be unproductive because decentralization is first and foremost a process of transfer of State competence and resources to collectivities. Such transfer cannot be envisaged if the capacities to be transferred did not first exist.

Ultimately, the double challenge of decentralization in Guinea is to:

1. have a clear vision and a suitable model of decentralization, based on an actual devolution of central government power and fostering the emergence of economically viable decentralized entities. To succeed, such a process must be steered by a voluntary, capable and efficient central administration which has de-concentrated some of its powers;
2. concurrently, support community efforts to take charge of their own development through increased resources channeled to the financing of micro-projects. Mainstream such support within the context of effective donor coordination.

UNDP-Guinea fits its strategy for the 2007-2011 period at two levels: upstream, support to the definition of a new vision of decentralization and consideration of the issue of the capacity of the de-concentrated central government to actually play its role and; downstream, greater resource mobilization to extend support to participatory community micro-projects (PDLG2)

## **II. Regionalization of MDGS and Decentralization in Guinea (Joint Program in Guinea Forest)**

As part of its second generation UNDAF, the UN country team in Guinea designed an ambitious joint region-wide program for the forest region. The objective was two-fold:

- revitalize the social and economic dynamics of the region after more than a decade of instability and deepening of poverty linked to conflicts in neighboring countries and an influx of refugees;
- enhance at sub-national level, the capacities of agencies in formulating and implementing a joint program in line with the UN reform.

The first task of the country team was to base its program at regional level. In fact, most of the agencies' decentralized programs and projects are located at rural or urban councils level (CRD), which are the sole level of decentralization in Guinea. With a population of less than 10,000 inhabitants on average, CRDs generally have a very limited economic and social potential at national level. Given the nature of socio-political problems encountered, the region was therefore

chosen as the best level for an appropriate response. Thus, the country team based itself on the devolved level of the region and hoped to place State authorities before their managerial responsibilities, especially in terms of coordination planning in order to achieve economies of scale and the actual transfer of competences and resources for the design of a policy fostering the grassroots communities ownership of the development process.

However, the decentralization process in Guinea has still not taken off:

- the relevant instruments are vague or incomplete in terms of implementation modalities, as concerns distribution of competences. This leads to misinterpretations or conflicts of function.
- the transfer of State resources to the collectivities is virtually non-existent.
- sector ministries shy away from or lack the capacity to get involved in the decentralization/devolution process, leaving only the Ministry of the Interior to manage this process which is inter-ministerial by nature.
- There is poor leadership, human and technical capacities within collectivities.

The regional approach adopted by the United Nations country team should help in better identifying the loopholes of the Guinean decentralization model and to envisage a more suitable capacity-building approach from the region down to the collectivity. The extreme closeness of the protagonists is an added advantage and will enable a full and comprehensive development of decentralized and devolved governance capacities, which are necessary for achieving the Millennium Development Goals (MDGs).

## Original French Version

Chers collègues,

Permettez-moi, malgré de retard de partager avec vous le cas de la Guinée en ce qui concerne les défis du processus de décentralisation (1) et l'expérience d'un programme conjoint des nations unies par rapport à la décentralisation.

La Guinée s'est lancée depuis la fin des années 80 dans un processus de décentralisation/déconcentration visant à mettre en valeur les solidarités naturelles et permettre les populations à la base de mieux assumer le processus de leur développement.

Ces réformes progressives ont abouti à la création de 303 Communes rurales et urbaines. Celles-ci constituent le niveau unique de décentralisation avec des entités émiettées de moins de 10000 habitants en moyenne, encadrées en amont et en aval par des représentations déconcentrées de l'Etat. En amont, il y a le niveau régional (8 régions administratives) et préfectoral (préfectures et x sous-préfectures). En aval, il y a le niveau des districts et des quartiers.

### I. Processus et défis de la décentralisation en Guinée

Les bailleurs de fonds intervenant en guinée ont massivement investi dans l'appui à la décentralisation à travers plusieurs projets. La banque mondiale et le PNUD/FENU ont financé les 2 projets les plus importants visant l'appui direct aux communautés locales ou villageoises. Ces programmes, et spécialement le PDLG du PNUD/FENU ont permis l'obtention de résultats très positifs en termes de création de biens et services et de participation communautaire, dans le cadre de micro projets.

Toutefois, la durabilité des résultats obtenus reste incertaine pour au moins 2 raisons:

1. La relative modicité des ressources au regard des besoins et l'extrême concentration des bailleurs dans l'appui aux collectivités territoriales, au détriment des entités et centrales et déconcentrées de l'Etat. Dans sa première phase, le PDLG du PNUD/FENU portait sur 5 millions USD et le PACV sur près de 30 millions.
2. Le non accompagnement des efforts de décentralisation par des programmes soutenus et constants d'appui à la déconcentration. Le PDERSOC mis en œuvre par le PNUD a souffert d'un manque criant de financement, tandis que le Programme de Renforcement des Capacités Institutionnelles (PRCI) de la Banque Mondiale, fort similaire dans sa conception au PDERSOC du PNUD, a été suspendu pour cause de graves malversations financières dans sa mise en œuvre. Tous les acteurs s'accordent pourtant à dire que le succès des programmes d'appui à la décentralisation est indissociable de celui des programmes d'appui à la déconcentration.
3. L'autre élément qui limite la durabilité des succès enregistrés au niveau local touche à la fragilité économique des entités décentralisées elles-mêmes. 80 % des CRD ne sont pas viables économiquement et/ou sont dépourvues de ressources humaines capables et préparées. Le PNUD/FENU a développé avec un certain succès l'expérience des pôles de développement en encourageant le regroupement des communautés sur la base d'intérêts partagés, démultipliant ainsi la capacité de mobilisation des ressources aux fins du développement. Cette expérience pourrait susciter une réflexion plus approfondie des autorités sur le découpage institutionnel et administratif du pays.

Dans le cas de la Guinée, les programmes à la base auront certainement contribué au cours des ans à accroître l'éveil des populations par rapport à leur développement et à leur accès à des droits économiques et sociaux fondamentaux. Toutefois, la fuite en avant des bailleurs, qui préfèrent s'adresser aux collectivités décentralisées au détriment des entités déconcentrées, s'avère en définitive contreproductive car la décentralisation, c'est avant tout un processus de transfert des compétences et moyens de l'Etat vers les collectivités. Ce transfert ne peut être envisagé s'il n'existe pas, au préalable, des capacités à transférer.

En définitive, le double défi actuel de la décentralisation en Guinée est de;

1. Se doter d'une vision claire et d'un modèle approprié de décentralisation, s'appuyant sur un pouvoir d'Etat central et déconcentré effectif et favorisant l'émergence d'entités décentralisées économiquement viables. Pour aboutir, un tel processus doit être piloté par une administration centrale et déconcentrée volontaire, capable et efficace.
2. Concomitamment, appuyer les efforts des communautés à prendre en charge leur développement grâce à des ressources accrues consacrées au financement de microprojets. Envisager ces appuis d'une manière plus systématique dans le cadre d'une coordination réelle des bailleurs.

Le PNUD Guinée inscrit sa stratégie pour la période 2007-2011 à ces deux niveaux. En amont, un appui visant à favoriser la définition d'une nouvelle vision de la décentralisation et la prise en compte de la problématique des capacités de l'Etat central et déconcentré à jouer sa partition. En aval, la mobilisation de ressources accrues pour l'extension des appuis à la base dans le cadre de microprojets participatifs. (PDLG2)

## **II. Régionalisation des OMD et décentralisation en Guinée (programme conjoint en Guinée forestière)**

Dans le cadre de sa deuxième génération de UNDAF, l'équipe pays des NU en Guinée a conçu un ambitieux programme conjoint à l'échelle de la région forestière avec un double objectif ;

- relancer les dynamiques sociales et économiques de la régionales après plus d'une décennie marquée par une instabilité et une nette aggravation de la pauvreté liées aux conflits dans les pays voisins et a l'afflux des réfugiés
- approfondir, à l'échelle sub-nationale, la capacité des agences à formuler et à mettre en œuvre un programme conjoint dans l'esprit de la réforme de l'ONU.

Le premier défi de l'équipe pays a été de situer son programme au niveau de la région, En effet, la majorité des programmes et projets décentralisés des agences se situent au niveau des Communes rurales (CRD) ou urbaines, qui constituent le seul niveau de décentralisation en Guinée. Avec une population de moins de 10.000 habitants en moyenne, les CRD sont généralement d'un potentiel économique et social fort limité à l'échelle nationale. Cependant, la nature des problèmes sociopolitiques rencontrés justifie le choix de la région comme niveau le mieux indiqué pour une réponse appropriée. Ainsi, en s'appuyant sur le niveau déconcentré de la région, l'équipe de pays mise sur le pari de remettre les autorités de l'Etat devant leurs responsabilités managériales, notamment en ce qui concerne la coordination de la planification en vue de réaliser des gains d'échelle, et la mise en œuvre effective du transfert des compétences et des moyens, en vue d'une politique favorisant l'appropriation des processus de développement par les populations à la base.

Cependant, le processus de décentralisation en Guinée a toujours du plomb dans l'aile:

- les textes demeurent flous ou incomplets du point de vue des modalités de mise en œuvre, en ce qui concerne la répartition des compétences. Cela suscite des interprétations abusives ou des conflits d'attribution.
- la quasi inexistence du transfert des ressources de l'Etat vers les collectivités
- la démission ou l'incapacité criante des ministères sectoriels à s'impliquer dans les processus de décentralisation/déconcentration, laissant au seul Ministère de l'Intérieur, la gestion d'un processus interministériel par nature.
- Le caractère dérisoire du leadership et des capacités humaines et techniques au sein des collectivités.

L'approche régionale de l'équipe pays du SNU devrait permettre de mieux cerner les failles du modèle guinéen de décentralisation et d'envisager une approche pertinente de renforcement des capacités de la région à la collectivité. La forte proximité des acteurs constitue en outre un atout essentiel pour permettre un renforcement global et complet des capacités de gouvernance déconcentrée et décentralisée indispensables pour l'atteinte des OMD.

Nicolas Kazadi

Senior Economic Advisor

# Rafael Tuts and Lenni Montiel

**Rafael Tuts - UN-HABITAT HQ**

**Lenni Montiel - UNDP BDP/DGG HQ**

10 October

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Dear Colleagues

At the end of this e-discussion, we want to address in a joint effort the question related to capacities required by UN Country Teams (UNCTs) to respond to the emerging challenges and meet the increasing demands on local governance, local development and decentralization. For that we have chosen to review some trends and processes that have taken place during the last decade. They are important as a reference for the work ahead.

For several years now the notion of capacity development is emerging as an important concept, especially within the UN system. Today capacity development is particularly relevant within the strategic plan of UNDP 2008-2011 and is a key component of all its programming initiatives. This is an essential component of UNDP work on local governance and decentralization. The Medium Term Strategic and Institutional Plan 2008-2013 of UN-HABITAT gives a key role to capacity development to ensure linkages between advocacy, policy dialogue, tool development, institutional strengthening and country-wide application of sustainable urban development practices. Developing further the capacities of local authorities, local communities, civil society and local private sector to promote urban governance, and local economic development implies the review of several years of experience and accumulated knowledge.

Within this concept it is relevant to acknowledge that different concepts – capacity development, capacity building, institutional development, institution-building, technical assistance, etc- have been frequently used as synonymous and interchangeably over several years. However, from experience we know that in operational terms they have not implied significant difference in terms of approaches and techniques. A review of key processes that have influenced the creation and development of capacities at local levels from the perspective of urban and local governance can be useful to provide additional guidelines about how to improve UN coherence and effectiveness at country level in the years to come.

- In that sense, “capacity building for better cities” has been a driving theme for most people and agencies working on the implementation of the HABITAT II Agenda since 1996. The Habitat Agenda: Chapter IV: D. Capacity-building and institutional development created the framework for all the work that was conducted in years to come by bilateral and multilateral agencies supporting efforts of national and local governments all around the world, to ensure appropriate capacities where in place to tackle urban development challenges.
- A strong push on this direction, internationally, was made by the establishment of a group composed of the Institute for Housing and Urban Development Studies –IHS Netherlands; the Development Planning Unit – University of Central London UK; the Lund Centre for Habitat Studies- Sweden and the Asian Institute for Technology- Thailand, that worked in close collaboration with the Training and Capacity Building Section of the then United Nations Centre for Human Settlements (Habitat), the global focal point for capacity building in settlements management and local leadership. This was accompanied

by significant efforts by the Urban Management Programme UN-HABITAT, UNDP and World Bank that focused in capacity building in different areas associated to urban management that later on evolved into the notion and approaches of urban governance.

- Some years earlier, “The Earth Summit recognized capacity-building as one of the means of implementation for Agenda 21. In that sense, it is relevant to all chapters of Agenda 21. However, Chapter 37 of Agenda 21 gives particular focus to national mechanisms and international cooperation for capacity-building in developing countries. Chapter 28 of Agenda 21, is entirely focused on local agenda 21, i.e. the role of local authorities. Importance is given to defining country needs and priorities in sustainable development through an ongoing participatory process and, in so doing, to strengthening human resource and institutional capabilities” See UN CSD web page on the subject [http://www.un.org/esa/sustdev/sdissues/capacity\\_building/capacity.htm](http://www.un.org/esa/sustdev/sdissues/capacity_building/capacity.htm) Therefore a significant contribution to the capacity development for cities and municipalities efforts, internationally, was made through different initiatives aimed at promoting the implementation of the Rio Declaration on Environment and Development, and the Local Agenda 21. Experience in this area is particularly important to link local government capacities also with challenges brought ahead by the process of climate change.
- The end of the 1990s were prolific in terms of the development of agendas and strategies for capacity building or institutional development for urban management or local government. Similar initiatives were developed under the generic term of “municipal strengthening”. Training Centres for local authorities in many countries and regions were also created and developed. Networks of training and capacity building institutions were established – see “Anchor Institutions - UMP Partnership in the Regions”. In all these years the UN-HABITAT Training and Capacity Building Branch played a key role in leading this international trend. It created a significant amount of very successful manuals, handbooks and reference materials that have been systematically used in many countries and translated to several languages. Today the UN-HABITAT Programme has evolved into the concept of Strengthening Training Institutions. The International Union of Local Authorities (IULA) predecessor of the UCLG created with support of the Dutch Association of Local Government (VNG) the Association Capacity Building Programme (ACB) after the HABITAT II and it has been continued now by UCLG as the Programme “Association Capacity Building for Good Local Governance”.
- In the same line of work other UN agencies, such as UNITAR and ILO created also important initiatives to support the training and capacity development of local officials in developing and transitional countries. UNITAR has created the CIPFAL “International Training Centre for Local Authorities/Actors” Network and ILO created in its Training Centre in Turin the very popular online course on Strategies for Local Economic Development (with versions in the Spanish and English languages). Since 2005 and the Latin American Institute for Economic and Social Planning (ILPES) at UN ECLAC the has initiated a programme on distance education on strategic management for regional and local development that emerged as a natural consequence of the long history of training courses and consultancy services on local development, investment, management of public finances and territorial competitiveness that ILPES/ECLAC has provided to Latin American and Caribbean countries for more than 2 decades now. The World Bank Institute has also developed an important portfolio of initiatives to support capacity development efforts for urban and local government. For reasons of space we have decided not to include references to many existing similar initiatives supported by bilateral donors and international NGOs or national local government associations.

- During the end of the 1990s several institutions were involved in this process. Among many other efforts some few references are relevant to mention here. At the World Bank specialists like Tim Campbell and Harald Fuhr explored issues associated to municipal innovation, municipal leadership and capacity building based on Bank's experience in Latin America. At the same time Enrique Cabrero in CIDE Mexico was also exploring innovation and good practices in Mexican municipalities. At the IHS in Rotterdam- The Netherlands, in a joint work Monique Peltenburg, Forbes Davidson, Patrick Wakely and Hans Teerlink produced a review of concepts, strategies and cases under the title "Building capacities for better cities". In UN-HABITAT Rafael Tuts, among other products, worked on Localizing Agenda 21 in small cities in Kenya, Morocco and Vietnam with the purpose to enhance the local capacity for urban planning and management. From the University of Birmingham in the UK Lenni Montiel worked on the institutional development of local government in less developed countries and a team lead by Ken Davey conducted a multiyear research programme on urban management and capacity building that ended up with the publication "Urban Management: The Challenge of Growth" (1996) that followed the Urban Management Programme publication in 1993 "The Elements of Urban Management". Yap Kioe Sheng and Radhika Savant Mohit at the Asian Institute of Technology Bangkok, Thailand worked on Implementing the Habitat II Agenda in Education and Training.
- The end of the 1990s were also very rich because of the proliferation of award programmes to reward municipal innovation, leadership and best practices in different regions of the world. A flagship programme at UN-HABITAT is The Best Practices and Local Leadership Programme (BLP). It "was established in 1997 in response to the call of the Habitat Agenda to make use of information and networking in support of its implementation. It is a global network of government agencies, local authorities and their associations, professional and academic institutions and grassroots organisations dedicated to the identification and exchange of successful solutions for sustainable development". Every two years, up to 10 outstanding initiatives receive the Dubai International Award for Best Practices to Improve the Living Environment, a biennial environmental award established in 1995 by the Municipality of Dubai, United Arab Emirate in cooperation with UN-HABITAT. See the database. The Escuela Técnica Superior de Arquitectura de Madrid and the Ministry of Housing in Spain created a similar database on Best Practices in Latin America and the Caribbean There is also the Forum on Good Practices for Iberoamerica and the Caribbean also promoted by UN-HABITAT and the Spanish Cooperation. Among several other initiatives ICLEI also contributed with the creation of internationally databases systematizing municipal best practices in the implementation of local agenda 21. The World Exposition Shanghai China 2010 (the EXPO) will be held in Shanghai from May 1st to October 31st, 2010, with the theme of "Better City, Better Life" and the Committee of the EXPO has decided to set up an Urban Best Practices Area (UBPA)

The challenges identified by IHS, DPU/UCL, Lund University, AIT and UN-HABITAT in the mid-1990s were recently reviewed at the 3rd World Urban Forum in Vancouver in 2006, where the same institutions reflected, 10 years down the line, on what works and does not work in urban sector capacity building. Many of these challenges are still real and the recommendation are as relevant today but have developed further. Three main areas of action were identified:

- The development of capacity building strategies (linkages of capacity building with policy shifts; the continuous triangle between capacity building, institutional and organizational development; the importance of political commitment; ensuring local relevance of capacity

“ Developing further the capacities of local authorities, local communities, civil society and local private sector to promote urban governance, and local economic development implies the review of several years of experience and accumulated knowledge ”

building needs and delivery; building on city networks in capacity-building efforts; continuous assessment and development of curricula; recognising changes in stakeholders and the importance of delivering training to stakeholders together.

- Challenges for the supply-side of capacity building (the necessity to go to scale; the importance of long term support for training; attention to staff within institutions, including payment structures; and pleas for creating learning institutions).
- Evaluation and impact assessment (the need to give more priority, and identify suitable tools, to monitor and evaluate capacity building efforts to assess impact).

We hope that this general framework will contribute to take further the agendas on capacity building and capacity development for better cities, for local governance, local development, or decentralization; for the improvement of the delivery of local services, poverty reduction, the achievement of MDGs; as well as the improvement of local democratic practices and the improvement of urban governance.

Rafael Tuts - Chief, Training and Capacity Building Section. UN-HABITAT

Lenni Montiel - Senior Policy Adviser on Local Governance and Decentralization. UNDP

# Terry Kiragu and Ernest Rwamucyo

UNDP BDP/PG HQ

10 October

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Dear Colleagues,

We appreciate this space to discuss this interesting topic, we were also encouraged to contribute when we saw further input to this discussion at this last minute. We especially want to bring a stronger perspective on MDGs at the local level. The question that lingers in our minds is how decentralization is paving way or providing the right frameworks for MDGs to be achieved by the year 2015. We however start with the following:

## **Insights on Decentralization for the E-discussion:**

Decentralization in general has opened up greater focus on local level development, and provides the framework within which services can be delivered and accessed at community/household level. Looking at the example of a number of countries however, the linkage between decentralization and the poverty reduction agenda has not been at the forefront of most decentralization reform programmes. Quite often, the focus for decentralization has been the delicate balance of power relations between the centre and local level entities. Increasingly, the role that decentralization plays in ensuring responsive and efficient states has become recognized. Decentralization could lead to establishment of local institutions required for services to be delivered in a more transparent and accountable framework. This growing endorsement that decentralization reforms can impact positively on service delivery should lead to a keen interest among policy makers in exploring how to strengthen the linkage between decentralization and the achievement of the MDGs.

Decentralization processes can be important for the creation of an institutional framework for MDG localization. At the core of MDG localization is the delivery of basic services to communities like increased access to water and sanitation, reduced infant and child mortality, access to basic education, agriculture extension, etc. Experience has shown that the delivery of these services can be accelerated by channelling resources and empowering local government to deliver the services.

## **On the UN Joint Programmes:**

UN Joint programmes should enhance the potential for the country level coordination required to make decentralization work for the delivery of services. UNDP and other UN Agencies are providing substantial amount of support to decentralization in different countries. However, most of this support is not well coordinated and aligned to country priorities. Countries that have carried out successful decentralization reforms and built a viable institutional framework at local government level have also developed coherent local level development strategies in some cases linked to national PRSPs. Alignment and harmonization of support around these strategies is very important. UN Joint Programming is very important in ensuring coherence and stronger coordination of in country programmes while reducing the transaction costs to government.

Joint Programming embraces approaches that ensure that greater focus is put in transformation required at local level to foster accelerated reforms that enable decentralization to take its full effect and hence accelerate the speed towards achieving MDGs at local level. This is important for sustainable local development. The One UN (Delivering as one initiative, if it eventually works would provide a firm framework that is a requirement for harmonization of initiatives and alignment to country priorities as this is currently a challenge for the UN System and other donors).

### **Challenges and Experience from Other Countries**

Decentralization as a pivotal framework for local governance has also in many ways failed to catalyze the emergence of an enabling environment for bottom up approach where higher community involvement for prioritizing local needs is enhanced including civil society engagement and local community ownership e.t.c. For example in Uganda although decentralization is meant to provide the framework for communities to participate and have a decision-making role in what district priorities will be, communities are often unaware of what the local authorities responsibilities are, including what they should demand and hold local government accountable for. As a result engagement of communities to define their needs is often a formality even in districts where communities are highly aware of what local priorities need to be addressed.

The local government act of Uganda mandates local governments to transparently engage with civil society, in the same act civil society role is seen as that of organizing development players in districts to be able to have harmonized approaches for approaching local level development and ensure the effective and efficient use of district level resources. However the platform within which this engagement is meant to occur is still very much at infancy stages in most districts of Uganda, due to capacity issues. The institutional framework for aligning civil society engagement from central to local level is highly disconnected and has high level central dominance. Hence as a way of strengthening decentralization frameworks UN concerted programmes should invest in civil society capacity to understand and influence the development agenda of the countries.

### **Some Good Examples**

Kenya Local constituency fund and Local Authority Transfer funds, both are government initiatives for ensuring that domestically generated resources are transferred to districts and are directed to specific service delivery outcomes and development initiatives. Unfortunately since this was a highly government and not donor driven initiative, we don't hear it cited as a good practice. The UN system can play a big role in advocating for replication of effective government led initiatives that are demonstrating impact on poverty as well as economic growth. Indeed this initiative demonstrates that what is most important is top leadership commitment and vision for many of the countries we are dealing with.

Under the UNDP/SNV cooperation through Activity Agreement one (AA1), certain outcomes have been achieved that are now starting to open space for greater local level engagement between local governments and CSOs and wider development players like the EU. For example in:

- Albania capacity of CSOs to engage in participatory budgeting and implementation monitoring at local level has led to the emergence of civil society networks; these are enhancing the civil/county engagement arena. The work in Albania has also attracted additional funding from EU for scale up to additional counties to enlarge local governance engagement arena for monitoring service delivery.
- Tanzania: civil society assessments of local government service delivery has taken place and results will be presented at national level as way of advocating new space for MDG localization by central government. Indeed a second level initiative in Tanzania under agreement four (AA4) ties into this initiative by helping four districts streamline their data collection points to ensure that there is effective monitoring and implementation of MUKUTA (MDG driven national plan) at local level and access of information to citizens. The idea here is to strengthen decentralization framework by empowering citizens and local communities to be aware of what government delivery rate is and hence hold them to account .
- Uganda district level plans of Soroti and Kasese were assessed for MDG compliance and reports are now available. The assessment results of the two districts plans through a consultative process demonstrate the need to have central government better support in realising priorities of the districts. The two districts have also costed their plans and would like to advocate for higher levels of resources mobilization including innovative approaches for raising economic status for the district as well as household income.

Thanks

Terry Kiragu  
Policy Adviser, MDG Localization and  
UNDP/SNV AA 4 Focal Point

and

Ernest Rwamucyo  
Policy Advisor Governance

# Robert Daughters

Inter-American Development Bank HQ

11 October

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Dear Colleagues and e-discussion participants,

I want to share with you an Inter-American Development Bank's recent initiative on local competitiveness, led by the Bank's Multilateral Investment Fund (MIF). I'm sending you two attachments. They will be very useful and relevant for the discussions you are having right now in UNDP and in UNCDF about promoting local economic development, and creating better conditions for collaborative interaction between local governments, private sector and local communities. The documentation refers to: (a) a recent proposal that Claudio Cortellese (from the MIF) and I put together for the creation of a new family of projects in the IADB - MIF in the area of local competitiveness; and (b) the draft agenda for a workshop that we're holding in the end of October to introduce this initiative to the regional knowledge network created by the Bank for industrial clusters and territorial competitiveness.

This initiative grows out of two strong trends in the Bank: (i) an increasing demand in the region for operations in local economic development – both by city and state governments – itself an outgrowth of the Bank's expanding pipeline with subnational clients; and (ii) the Bank's extensive – and, I might add, successful --experience with industrial cluster and value chain projects that have, increasingly, taken on a territorial development focus.

Obviously, all of this is also benefiting for the several decades of Bank's involvement in urban development, urban governance and decentralization in Latin America and the Caribbean. This has also included, among other types of interventions, very interesting experiences in the development of regional development funds, the financing and implementation of large local infrastructure programs combining strong components on municipal strengthening and community participation in almost all countries in the region, with special attention to Chile, Venezuela, Brazil, Peru, Bolivia, and several other cases in Central America.

With best wishes

Robert Daughters

Senior Specialist on Urban and Regional Development

# Nargis Nurullokhoja

UNDP Tajikistan

11 October

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Dear Colleagues,

Thank you for the opportunity to discuss and share some ideas/concerns/questions on the topic. I guess it is becoming very important for all of us.

We do work on the issue of local governance. In order to shape up right and logical approach to local governance I guess one of the options is to develop working relations between local government and communities make them more observable and discernible. In that case one of the important task could be set up rational Complaint mechanism in places. It is not easy to support accountability when administrative mechanism and authorities are not classified and the communities are not informed. By and large, people are puzzled about how and where to file complaints and seek backing. Accordingly of the *Code Administrative procedures (Tajikistan, 2007)* a complaint is an appeal for re-establishment of citizen's rights and their legal interests, which have been violated by inactions or decisions of state institutions, state structures, agencies, organizations, and state officers.

Tajikistan is a rural country and most people (up to 70 %) live in villages. For them the most important authority, who could point toward to the right solution could be local administration.

The team of the project is working on the following project aim at the present:

By attentively looking at the incompetence/inefficiency of the existing mechanism for handling communities' members' requests for services and information existing, and for processing complaints, the performance of local government structures can be improved through systems, procedures, and mechanisms to create a framework for accountable behaviors and actions on the part of local public servants (fragment from the current project on Complaint Mechanism).

Our proposal is intended to provide appropriate trainings amongst the local actors (communities and local government officials) to bring to the local level the knowledge and the best practices on how communities efficiently evaluate the services provided and train people how to express their views using existing legal framework. The proposed activities will strengthen interactions and integration amongst local communities and local authorities, thus improving the social climate. This will facilitate closer links for inter-cooperation and reduce opportunities for corruption and harassment of communities and local authorities.

The e-discussion will certainly benefit our programming as it generated a lot of ideas and knowledge.

Best regards,

Nargis Nurullokhoja

Chief Technical Adviser

Project on Promoting Transparency and Accountability

# Rania Hedeya

**UNDP Egypt**

11 October

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Dear Colleagues,

I am happy that the deadline on the above E-discussion has been extended to 11 October and would like to share with you the experience of UNDP Egypt in cooperating with UNCDF to support the government of Egypt to formulate a comprehensive programme on Decentralization and local governance, which I believe may contribute to the discussions on the challenges, good practices, and lessons learned on inter-agency coordination and cooperation on local governance or local development or decentralization initiatives.

In November 2006, UNDP received a high level mission from UNCDF to assist in developing options for repositioning the UNDP on-going decentralization programme, building upon its success to date through formulating a more strategic and integrated approach to strengthen Egypt's system of local governance; and to bring to the forefront the concept of efficient and effective local authorities as the most logical and effective institutional framework for channelling and coordinating local development initiatives.

The mission worked intensely with the Egypt Country office, Government officials (and in particular the Minister of Local Development), donors and academics. It also spent a considerable time with the Governors of 12 of Egypt's 26 Governorates, absorbing their feedback on the state of their local authorities, details on their operations, and recommendations for improving the policy environment, institutional structures and the capacity of the system.

The mission members and UNDP staff also connected with distinguished academics directly involved in the policy dialogue on decentralization (including the team that prepared the 2004 Egypt Human Development Report on Decentralization), attracting their interest in the framework for tackling this complex system. Furthermore, the mission established contact with a pivotal member of the National Democratic Party (NDP), the ruling party in Egypt, to initiate policy dialogue and gradually ensure the engagement of the country's most senior political figures in a decentralization reform process.

Also, and with effective support from the country office, the mission initiated substantive discussions with potential donor partners to ensure their support for a future Integrated Program for Decentralization Support (IPDC) and ensure aligning their support to the Programme at an early stage.

It is noteworthy that, with the goal of bringing the various stakeholders together, the Office organized an important seminar under the auspices of the Minister of Local Development. In addition to the Minister himself, the seminar was attended by high ranking representatives of the primary central ministries, 8 Governors, most of the donors active in this and related fields as well as academics. During this event, UNCDF gave presentations that provided a comprehensive overview of the concept of decentralization, its various models, global variations and international and regional experiences. These much appreciated presentations also provided an overview of effective approaches to supporting local government systems, methodologies for formulating national decentralization reform strategies, as well as describing the multi-dimensional nature

of the programmes that must be initiated for their implementation. The seminar was very effective at consolidating interest in the proposed integrated approach for aligning support to local governments and the formulation of a National Decentralization Strategy.

In conclusion, this collaborative effort between UNDP and UNCDF succeeded in triggering a constructive and focused discussion on the state of decentralization and methodologies for moving forward with a coherent reform process. It also initiated a structured policy dialogue among central level government officials, local authorities (especially Governors at this stage), academia and the donor community, generating an initial vision for an integrated programme to assist local governments to potentially function as the unifying framework for support to Egypt's local authority system...

This effort was followed-up by a number of other visits/missions, as well as a dialogue that was concluded finally with the signature of a very substantive programme on Decentralization and local development, that aims to provide the Ministry with the necessary technical support that will enable it to lead the reform process of local authorities. The project document was signed by H.E. Minister of Local Development and UNDP. It is worth mentioning that, the project signing comes at a time when the Egyptian government's commitment to decentralization is being reconfirmed as demonstrated in a number of the President's recent statements and speeches and was reconfirmed in the constitutional changes which included a paragraph pro-decentralization.

The 4-year project contributing to the reinforcement of the Ministry's capacities will focus on three areas of technical specialization, which represent the typical functions that reflect the mandate of a ministry dedicated to supporting and supervising local authorities.

These three areas are:

- Coordinating and guiding the development, modification and enhancement of the policy and legal environment for the local authorities system. This entails the amendment of the local administration law, the alignment of sector laws, and the reform of fiscal decentralization and civil service policies.
- Addressing the institutional structure of the Ministry of Local Development, restructuring the institutions of the local authorities at its various tiers, and guiding the system of development of statutory procedures.
- Assignment, development and management of human resources at all levels of the system and supporting the ministry in guiding the capacity development of local authorities on issues related to administrative and public expenditure and asset management skills.

The aforementioned areas will systematically restructure MOLD and activate its core departments to immediately and effectively guide the process of developing local authority procedures and operating systems. Simultaneously, it will enable the Ministry to immediately function as a competent counterpart and technical secretariat to the process of formulation of a Local Development and National Decentralization Strategy.

“ UNCDF gave presentations that provided a comprehensive overview of the concept of decentralization, its various models, global variations and international and regional experiences ”

The project is anticipated to implement its activities over 2 phases. *Phase one*, launched with the signature of the project document, will last for 2 years and is budgeted at an estimated US \$3.4 million funded by UNDP and the Canadian and Dutch governments. This will be followed by a *second phase* in which a similar process of institutional restructuring and activation will be implemented at the governorate and then the Markaz levels. The budget of this second phase is estimated at approximately US \$8.36 million. Funding will be based on a resource mobilization strategy developed and supported by UNDP. The 2 phases collectively bring the project budget to an estimated total of US \$11,775,000.

Many thanks

Rania Hedeya

# Eric Opoku

UNDP Ghana

11 October

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Dear Colleagues,

The discussions on this very important subject have been very interesting and I cannot let it end without sharing some experiences from Ghana.

Under the governance programme, UNDP Ghana has been supporting the Ministry of Local Government Rural Development and Environment (MLGRDE). UNDP provides financial and technical support to the Decentralization Secretariat (DS) of the Ministry to facilitate the implementation of the National Decentralization Action Plan (NDAP). While the MLGRDE aims to promote the establishment and development of a vibrant and well-resourced decentralized system of local government to ensure good governance and balanced development as provided in the Local Government Act 1993 (Act 462). A recent assessment report on decentralization highlights the issues below and throws light on the status of decentralization and local governance in Ghana. They include the following:

## Legal Issues

- There is no single coherent policy document that defines the policy intentions of decentralization in Ghana.
- The Ministry of Local Government Rural Development and Environment Coordinated the National Decentralization Action Plan (NDAP) in 2003 to focus on the harmonization of development funding and capacity as well as supporting a more coherent policy and implementation framework.
- There has been considerable progress in institutional development of Districts and sub-districts structures but at the same time, a growing concentration of power and resources in key sector Ministries, Departments and Agencies (MDA's) that plan implement, monitor and evaluate essential services to communities.
- Sector Policies have given rise to some sort of centralisation within the decentralization process. Mention can be made of the Health and Education sector which continues to implant policies seems to deepen their own sectoral decentralization or centralisation.
- There is no consistent policy on representation of chiefs in local government units.
- The lines of accountability are confused at the MMDA level. The Presiding Member, the DCE and Members of Parliament are all political representatives and seem to draw authority, legitimacy and their constituency from different sources.

## Finance

- There is a lack of overall coherent fiscal decentralization policy and strategic framework in Ghana.
- The sector reforms, with restructuring of the MMDA organization and new functional assignment will influence the future MMDA funding arrangement but preparation for this has been ad hoc.
- As the Internally Generated Fund is poorly developed and grants allow for only minor development investment, the funding available sets a limit on the extent to which MMDA's are involved in the service provision.
- Article 11 of the Local Government Act of 1993, Act 462 makes the District Assembly the authority for the preparation and approval of its annual budgets. There are however major problems in the budgeting process. This is because the guidelines on planning and budgeting such as the District Assembly Common Fund (DACF) guidelines and the NDPC's guidelines on the Medium Term Development Plan are not fully linked and synchronized.
- There are delays in information from central government to the MMDA's concerning the actual amount of funds available for planning and budgeting purposes. This problem is compounded by discretionary interventions from central government in the DACF allocation ceilings.
- There is a great non-utilized potential for increased Internally Generated Fund (IGF). This is because;
  - The legal framework is generally outdated, particularly regarding the size of the basic rates, guidelines on property rates etc.
  - Lack of capacity to utilize the taxes due to lack of valuation data bases, tax collectors skills and knowledge and lack of organizational strength.
  - Lack of capacity building support from the central government to improve revenue collection systems and practices.
  - Lack of control and supervision systems and procedures to avoid leakages and fraud.
- The possibility for MMDA's to adjust the IGF against local needs and priorities are a fundamental principle behind decentralization. There is however the need to update the 1991 guidelines and introduce some flexibility.

## Local Government Human Resources

- The legal framework for decentralization issues of Human Resource Management (HRM) in Local Government (LG) is still under transformation awaiting full operationalisation of the Local Government Service Act.
- LG have at present very limited autonomy in managing their human resources. Furthermore, data on local staff management, staff deployment and qualifications are rarely available in aggregated formats at the central level and it is also kept in fragmented form at local levels. This limits the possibilities for analysis of HRM issues in depth.
- This limited autonomy affects the power of DAs to hire and fire, discipline, transfer and hold staff accountable.
- Capacity Building in LG is provided in a fragmented, duplicative and uncoordinated manner.

## Reform Coordination

- To ensure effective coordination of the decentralization process, various institutions have been put in place under the NDAP, such as the Decentralization Secretariat (DS), The Presidential Advisory Committee on Decentralization (PAC) and the Inter-Sectoral Working Group on Decentralization (ISWG).

On the positive side, the DS has initiated a range of technical exercises to harmonize donor interventions in support of decentralization in Ghana.

On the negative side, it is clear that the institutional arrangement for reform coordination that was proposed under the NDAP in particular the PAC and ISWG have been largely dysfunctional, not meeting and not meeting and being recognized within the overall government as useful.

- Though the Ministry of Public Sector Reform holds the potential to complement the work of the MLGRDE, the Working Group for decentralization appear not fully operational.
- The MLGRDE outlines the formulation of policies on decentralization and the design and delivery of systems for monitoring performances of Assemblies as its mission statement.
- It is however difficult to measure the effectiveness of the ministry in supporting decentralization reforms because its objectives, plans and outputs are defined rather vaguely.
- Some of the core ministries in particular the ministries responsible for local government, finance and public sector reform are in need of having their capacities enhanced in order to effectively be able to facilitate decentralization reforms.

## Weaknesses

- Political decentralization has been difficult because of the 30% appointed executives who are not directly accountable to the people.
- District Assembly elections is becoming more partisan because of the partisan superstructure constructed at the national level, though it is supposed to be non-partisan.

- Most agencies continue to retain their “hierarchy” from national to region to district offices while institutions generally considered to be decentralized are those in the “District Assembly Secretariat”.
- The sub-committees of most DA’s lack the requisite skills in their areas and thus have to rely heavily on departments with far less oversight than was originally anticipated.
- Citizens and businesses alike lack awareness and understanding about the importance of tax payment. This is due to lack of sufficient interactions between the MMDA’s and the citizens.
- There is a weak institutional coordination of fiscal decentralization initiatives and absence of a framework (body for coordination) and regularly contacts between the main stakeholders and reform components.
- At the national level there are no proper data on personnel management and this transcends to the local levels.
- The Local Government Service lacks a detailed guideline for recruitment, training, promotion, remuneration and disciplinary procedures within the service.
- DA’s considered as “remote” finds it difficult to attract and retain staff.

### **Improving Decentralization and Local Governance/UNDP Ghana Support**

Despite the above challenges, the benefits of decentralization and local governance especially in ensuring the spread of development across the different parts of the country overshadows the challenges and justifies efforts aimed at strengthening decentralization and local governance.

The focus should continue to be on capacity building and on popular participation through sustained public education and engagement on local governance and people’s rights and responsibilities. The latter in particular, over time, will demystify governance as a reserve for the elite, increase people’s interest and commitment and eventually strengthen participation in decision-making processes at all levels by relevant stakeholders, and thereby ensure effective utilization of and accountability on local and national resources.

The capacity building intervention should include:

- Building the capacity of the National Association of Local Association of Local Government Authorities (NALAG) in Ghana to equip them to effectively handle critical issues of decentralization.
- Building the capacity of MMDA’s to improve on revenue collection systems and practices.
- Conducting extensive training of all relevant staff in financial management procedures and fiscal decentralization in a coherent and coordinated manner based on a strategy and implementation plan.
- Develop an accounting manual for MMDA’s.
- Embark on a project to increase the awareness of citizens and businesses alike on the need to pay their taxes.

- Computerize the systems and procedures for budgeting and accounting at the MMDA level.
- Put in place an incentive system to attract staff to “remote” districts.

In the light of the above, the Country Office’s collaboration with the MLGRDE(DS) and the Local Government Service Council (LGSC) aims to collaborate and promote the establishment and development of a vibrant and well-resourced decentralized system of governance and balanced development in the country, as provided in the Local Government Act 1993 (Act 462). As part of efforts to accelerate the process of decentralization, a number of policy reviews and consideration are being undertaken, including the Proposed Local Government Finance Bill.

Last year’s collaboration with UNDP contributed towards the development of frameworks and guidelines to facilitate the decentralization process. The focus of this year’s support is thus to facilitate popular participation, especially of women and disadvantaged groups in local governance and decision-making process as a way of ensure efficient allocation and utilization of resources for accelerated sustainable development. This will be pursued in collaboration with the Ministry of Women and Children’s Affairs, Metropolitan, Municipal and District Assemblies (MMDAs) and CSOs working in the area of gender and governance. The involvement of local CSOs and MMDAs is intended to culminate in the dual purpose of enhancing synergies for the sharing of local knowledge and improved technical know-how, and at the same time building the foundation for the institutionalization and sustainability of the fora for public education and engagement. It also seeks to enhance the capacity of DA’s in facilitating interactions with civic actors to ensure civil society participation in the preparation of district development plans, social accountability and improved access to information.

Many thanks for the ideas share. At the end of the year when we review our programme and support, we certainly will draw on the lessons and ideas gathered to improve it and deepen participation on local governance processes.

Warm regards,

Eric Opoku  
Governance Program Officer

# Emelyne Bahanda

UNDP Congo-Brazzaville

11 October

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Dear Colleagues,

I would like to share with you our experience in assisting decentralization in the Republic of Congo.

*What are the types of technical assistance/support programmes required to strengthen local governance and, where appropriate, the deepening of decentralization? Please refer to your country or duty station specific experience.*

The Government of Congo/UNDP Governance Programme (2004-2008) includes a component of local governance; including decentralisation and local development.

Due to limited resources, our focus is so far on decentralization. We offer institutional assistance to the national committee on monitoring decentralization. This committee was put in place in 2004 by the government in order to insure that proper laws and decrees are drafted in areas where the central government has transferred competencies to local governments. We have provided the committee with technical and material assistance to work and organise meetings to review and adopt draft laws.

The main focus of our decentralization programme is capacity building for local councils. The Republic of Congo is a young democracy and decentralization has not yet been consolidated. Therefore, local councils do not have capacities to fulfil their missions and tasks. We began with an assessment of needs for all staff and stakeholders involved in local government. The needs assessment allowed us to determine the real problems faced on the ground and draft a training programme. This work was conducted by national consultants with the support of SURF-WACS and an international consultant from Mali. The training program contains 5 modules:

- Decentralization and local governance;
- Local councils and territorial administration;
- Financial resources of local councils;
- Local councils and project management;
- Introduction to ICT.

The training program is designed for the next local representatives since the local elections will take place in January 2008. UNDP plans to mobilize additional resources in order to assist all the new local councils to fulfil their missions by organizing training sessions in all departments of the Congo.

“ We began with an assessment of needs for all staff and stakeholders involved in local government. The needs assessment allowed us to determine the real problems faced on the ground and draft a training programme ”

*What are the main challenges you have faced in the design and implementation of assistance programmes in the areas of local governance and decentralization? What are the key lessons learned and good practices emerged? We are particularly interested to hear experiences from countries and contexts where decentralization and local self-government are deemed sensitive.*

The main challenge we face is limited resources. Even though the Republic of Congo has embarked on the decentralization process since 1973, it's not yet really taken effect. The national decentralization programme has not yet been effectively implemented. Indeed, where a transfer of authority has been done, the transfer of resources still lack. Development partners including the World Bank and UNDP have been working to complement Government efforts in this area. As far as UNDP is concerned, the focus is on capacity development and the constraint, as mentioned above, is lack of adequate funds.

With regard to good practices, I would like to say that it's important to consult all the stakeholders involved in the decentralization process. We thought that organizing an assessment workshop and invite all the stakeholders was better than travelling department from department and conduct separate needs assessment missions. The fact that we gather everybody at the same time and in one place, gave us a broader perspective of their needs. Based on that, they designed the programme themselves. As UNDP, we assisted financially and technically through a roster of international consultants and the SURF/WACS.

*What are your experiences in programming local governance initiatives with the integration of cross-cutting areas or key issues such as – gender equality and women's representation, HIV/AIDS, climate change and environmental protection, MDGs, conflict prevention, human rights and access to justice, anti-corruption etc.? What can we do to improve our work in these areas from the perspective of local governance and decentralization?*

Our country office has been particularly successful on this aspect by making remarkable efforts towards integration of climate change and environment protection, MDGs, human rights and access to justice in the local development.

As part of our assistance to local councils, we organized MDG campaigns for local councils in order to have them involved at the local level in the country's efforts towards the achievement of the MDGs. 3 campaigns were organized and gave local councils a clear vision of their role in achieving the MDG. In the HIV/AIDS and Energy and Environment programmes, we also organized information sessions for local councils in order to help them tackle those issues and the local level. These activities were greatly appreciated by the beneficiaries.

Another element of support from UNDP was for local consultations on the elaboration of the national poverty reduction strategy. UNDP provided technical and material assistance for Government to ensure that consultations took place effectively at the local level to ensure that the national poverty reduction strategy is elaborated in a truly participative manner. Local leaders as well as communities, including civil society were involved. It was the first time that such wide ranging consultations were carried out in Congo at the very local level.

On human rights and access to justice, we are supporting local NGOs in the capital as well as three other districts to run local judicial clinics locally known as 'cliniques juridiques'. These are local centres created to assist the local populations which otherwise cannot afford and do not have access to legal redress. This includes mainly women and victims of violence, including sexual violence. In this context, UNDP has signed an MOU with the association of Mayors of Congo for the implication of local municipalities in this initiative.

As for integration of gender aspects, the country office is currently supporting the Ministry of Women in Development and the NGO 'women in politics' to develop a manual for women candidates to be used for the upcoming local elections. Training sessions will also be organised for local candidates to guide them in their understanding and articulation of local development issues and the importance of mainstreaming gender aspects in the local development agenda.

Best regards,

Emelyne Bahanda  
Programme Advisor, Governance and Peace Consolidation

# Kadmiel Wekwete and Lenni Montiel

**Kadmiel Wekwete, UNCDF HQ**

**Lenni Montiel, UNDP BDP/DGG**

11 October

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Dear Colleagues,

Development based on strategies to activate and boost local economic activities have become a widely practised approach in most developed countries. Local economic development (LED) has become a key policy strategy in several OECD countries. Many of these experiences, approaches and techniques have their origins in Europe as back as the post World War II period (particularly in Italy, France, Germany). Not surprisingly German, French and Italian international aid in the area of local development is so active even today. The European Union Regional Funds undoubtedly have been instrumental in promoting regional and local economic development in so many different countries of the Union. A new wave of work in this area is currently taking place in the new EU country members. In the United States, Canada, Australia and New Zealand similar processes have taken place during the last 40 – 50 years. In all these countries, part of regular local government functions is related to the promotion of local economic development. Most of them have developed comprehensive LED programmes. They have established LED units, and have articulated together with regional and national governments consistent and systematic financial and institutional arrangements that have allowed very effective and successful practices. This is done in very close partnership with local communities and private sector, within the framework of well-grounded and participatory local development plans.

Success in local economic development cannot be only related to local government action. Central governments also have an important role catalysing growth at the local level and promoting/supporting various community development organizations striving to improve economic and social conditions within specific neighbourhoods, municipalities and regions.

In the South, in developing and in transitional countries LED strategies are not widely used as in OECD countries. In many places LED strategies in fact are inexistent or in their incipient phase. Financial and institutional arrangements are weak. Incentives have not been put in place. However, after several years of efforts LED is gradually emerging as a result of reasons not very different from those that motivated LED in Europe or North America. The reality is that today in many developing countries local government or other types of agencies (regional or national) are not actively engaged in LED in a systematic way. This without any doubts is a great challenge for the many of us involved in fight against poverty and the creation of liveable and sustainable communities and cities around the world.

There have been several decades of efforts and accumulated experience that should not be undermined. A list of relevant references and sources highlighting several of these experiences in developed and in developing countries are listed below at the end of the message. All these references are useful and relevant to help us developing new approaches and implementation strategies, without 'reinventing the wheel'. But they are also useful to encourage ourselves to seek for knowledge and good practices wherever they are, outside our own specific units and agencies.

Having a wider perspective on what is going on today will help improve our efforts to improve coordination and harmonization among UN agencies or in general among development partners in the specific area of local economic development.

In that sense, we need to highlight some few considerations:

- Today the purpose cannot be simply to support effective local government, but to promote local governance in a wide sense, acknowledging the central role of local government in this complex equation.
- Development of local governance today is closely related to the notion of local development in general, but to the concept of local economic development specifically.
- Promoting local governance has to be seen as a catalyser for poverty reduction, as a facilitator of local economic development and consequently as an important element in the achievement of MDGs.
- It is difficult to imagine success in MDG achievement without different actors at local levels joining forces and acting in a collaborative and mutually supportive fashion to promote dynamic local sustainable development processes.
- Either at community level or at wider metropolitan or regional levels, local development or local economic development requires the strengthening of territorial perspectives and approaches. This will help spatial localization and focus of efforts, the possibility to create synergies and promote collaborative arrangements at local levels.

UNDP and UNCDF as part of the ExCom Agencies are currently committed to the search of strategies that will improve synergies of our common work promoting local governance, local development in general and local economic development more specifically. Our current common strategic plan 2008–2011 recently approved by our Executive Board is requiring from us more concerted efforts. Complementarities need to be maximized, specialization needs to be utilized and collaborative work has to be promoted at maximum at country level. We are currently working together to improve our common set of services available to programme countries in the areas of local development, local governance and decentralization. We will be promoting in the future more integrated local development programmes with strong territorial approaches. The way this will be done will depend of the specific local contexts and realities. We will need to do this supporting initiatives promoted by the UNCTs and undoubtedly in partnership with efforts and initiatives of great relevance promoted in the same direction by agencies such as UN-HABITAT (Cities Alliance - City Development Strategies), ILO (local economic development) and UN Regional Economic Commissions (local and regional development strategies). This has also to take into consideration European Union efforts on local development; local development programmes and municipal infrastructure programmes promoted by the World Bank and Regional Development Banks, as well as several bilateral efforts – among others GTZ, CIDA, Dutch, French, Italian cooperation. All of this has to be done having as a very important and crucial background existing experiences on the creation of public-private partnerships.

Promoting local development and local economic development has been done through several successful strategies in different places. There is no “one size fits all” approach to this issue. Innovation and risk are a must. Long term engagement is very much needed from our side.

UNCDF is working with an approach that promotes local development through local governments. Local development includes reform of the broader policy and institutional environment to facilitate local investments in infrastructure and service delivery, promoting local economic development and natural resource management. UNCDF mandate is to provide capital assistance to the Least Developed Countries, and support to local economic development is critical in terms of improving the welfare and opportunities of the poor, and in particular generating new employment opportunities. UNCDF has generically promoted Local Development Programmes (LDPs) that have formed the basis for support to decentralization programmes, and has included a variety of local economic development initiatives. More recently (since 2004) there has been a more vigorous pursuit of LED specific programmes (Tanzania, Nicaragua, Senegal) packaging it to address national poverty reduction strategies and the achievement of MDG targets.

UNCDF sponsored in 2004 an in-house workshop facilitated by the Institute of Social Studies in The Hague, and a series of reflection studies and case studies to help position the ongoing Local Development programmes towards an LED focus (see papers - LED Synthesis report and LED Review Bibliography, under UNCDF below). One key challenge, which emerges, is that whereas traditionally LED has been based on reviving and supporting urban economies, there is a real challenge in the LDCs because of the significance of the rural economies, which operate on a different logic from existing metropolitan areas. We therefore have to think seriously of the role of agriculture and of the emergence of non-farm activities as key to promoting LED, and we have to position local authorities in terms of their comparative advantages. The demand for programming in LED is growing in most of the LDCs which have adopted decentralization policies, and the challenge we face is to “tailor make” packages for different countries which help address the demand for employment, improved incomes and better services.

Partnerships between UNDP and UNCDF, UN-HABITAT and other UN agencies is critical and essential to ensure integration with the broader country strategies. The joint programming modality allows for strong partnerships, drawing on the comparative advantages and expertise of each agency. Indeed on LED there is a need for developing stronger partnerships between ILO, UNCDF, UNDP, UN-HABITAT and UNIDO in order to improve impact and facilitate replication. Partnerships are going to be the shape of future programming and most governments and donors expect it as part of the harmonization drive.

Kadmiel Wekwete, Director, Local Government Unit, UNCDF  
Lenni Montiel, Senior Governance Advisor, UNDP BDP/DGG

# Olav Kjørven

UNDP BDP HQ

11 October

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Dear Colleagues,

This has been a very lively, dynamic and rich discussion – with I understand over 141 contributions! I would like to commend those who have taken their time to contribute to this fruitful exchange of perspectives on improving the way we work on local governance and decentralization. This good exchange will not end with the DGP-Net e-discussion but provide rich evidence for renewed efforts to support local governance and local development, in the context of the UNDP Strategic Plan and in the efforts to improve UNCT collaboration also for these purposes.

Your contributions have reflected a strong commitment to increase intra and inter institutional synergies and collaboration. More than ever, strong partnerships are critical for ensuring coordinated, useful, relevant and high-impact assistance to support national and local governments, civil society and the private sector. Improving local governance is a fundamental component in reaching the MDGs, through stronger efforts at the local level, and as emphasised in the 2005 Millennium Summit review Outcome Document.

In this context, and at the request of the Operations Group, BDP is leading an effort to enhance synergy and cohesiveness within UNDP on this agenda, as well as expanding and reinforcing the long and fruitful collaboration in LDCs with UNCDF. At the same time similar efforts are underway in UNDG with leadership from UNHABITAT to strengthen UN Country Team collaboration in support of local governance and local development. Similar efforts are required to link UNDP work with other partners and discussions are underway to strengthen collaboration with the United Cities and Local Governments (UCLG).

I commit to ensuring that your efforts will receive more effective institutional support, and I look forward to communicating progress to you in the coming months of this year.

I wish you all Eid Mubarak and a wonderful holiday weekend!

Best regards,

Olav Kjørven

Assistant Administrator and Director

# Dominique Steverlynck

European Commission HQ

15 October

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Dear Colleagues,

Thank you for inviting EuropeAid unit on Governance, Security, Human Rights and Gender to participate in the DGP-Net E-discussion “Towards a Local Governance and Development Agenda”. We take the opportunity to share with UNDP and UNCDF colleagues, the European Commission’s approach and actions undertaken in support of Decentralisation and local governance, a topic which has been growing in recognition in the past decade.

The EC approaches Decentralisation and local governance as a State reform process aiming at more efficient service delivery to local population and at promoting democratic governance at local level. This process is seen as being constituted by three complementary and interdependent components : the transfer of political power and authority (political decentralisation), the transfer of decision-making authority, resources and responsibilities for the delivery of a select number of public services (administrative decentralisation) and resource reallocation to sub-national levels of government, including the delegation of funds within sector ministries to the de-concentrated levels (fiscal decentralisation).

Within this approach and seeking the objectives of enhancing the State’s capacity to accelerate local development and at strengthening the voice and power of local agents in the fight against poverty, EC’s support is directed towards:

- Enhancing human, administrative and financial capacities of actors involved in the decentralisation process;
- Promoting local democratic governance, based on the principles of participation, transparency and accountability;
- Promoting sustainable local development processes, including (re)activating the local economy;
- Promoting the adoption of adequate legal and regulatory frameworks enabling decentralisation;
- Increasing the quality and supply of basic local services.

In the past five years (2002-2006), the EC has financed actions across all regions accounting for over one thousand million euros via its geographical programmes. Its actions focus mainly on institutional capacity building at national, regional and local level, support to social services delivery, assistance for the preparation and implementation of local development plans, support to enhance a legal and regulatory framework for decentralisation, support to transparent and efficient municipal management and foster local economic development.

In addition to the geographical programmes, as from 2007, the thematic programme “Non-state actors and local authorities” will fund decentralised co-operation initiatives and support innovative approaches to local democracy and sustainable local development measures and schemes. Next to this thematic programme, the European Instrument for Democracy and Human Rights (EIDHR) also provides funding for decentralisation activities in line with the EIDHR objectives.

Other initiatives have been launched to complement the programmes and projects undertaken in partner countries:

- the publication of the Reference document on Decentralisation and Local Governance providing strategic and operational guidance on how best to support processes of decentralization and local governance and how to ensure that sector support strategies reinforce ongoing decentralization processes (<http://www.ec.europa.eu>)
- Regional workshops held in Nicaragua, Managua from 2-4 October and the next workshop will take place in Bamako, Mali from 13-15 November 2007. Both workshops will have counted with contributions and participation of UN agencies (UNDP, UNCDF)

Finally, the EC is committed to the Paris Agenda on Aid Effectiveness objectives seeking greater coordination and harmonisation with other development partners. In this context it has jointly launched with KfW the Informal Working Group on Decentralisation and Local Governance which has as overall objective to improve the effectiveness of local governance and decentralisation operations by developing holistic, aligned and harmonised approaches.

The EC will continue its efforts of coordination and alignment with development partners, including UNDP, UNCDF and UN-Habitat, who are active participants in the informal working group.

Best regards,

Dominique Steverlynck

# Nestor Vega Jimenez

FLACMA Ecuador

15 October

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Dear colleagues,

I would like to add to some of the ideas to the DGP-Net e-discussion presented by Sonia Duran Smela and Juan Manuel Salazar about the Latin American Region, most of which I share.

Decentralization, as seen in Latin America, is a concept that has many forms. The way it manifests itself, even as an objective, within a country is as different as it is between countries. Therefore, one must start with a very simple definition such as that it is a state redesign process, by which central government competences and resources are transferred towards sub national levels of government and others. This gives a wide margin in which all of the cases can fall into.

Another point that must be addressed is that if one considers some sort of continuum between centralized and decentralized forms of government, the 'starting point' for a decentralization process varies significantly in each country in the region. Consequently, one must not look only on the last 20 years but rather have a longer perspective on each country and the region as a whole.

This is to say that the Latin American region has some very significant advances in decentralization which are a product of many things, including how each country was formed. The general process of centralization -and this is I know a generalization- came about from a process of building a nation. Once built then a decentralization process can take place. However, being that it has taken many years into building nations -and in some cases this construction is not finished- there is a strong cultural thinking towards centralization rather than away from it.

The new way of thinking, which is decentralization, is really only recently being formed (although the institution of the 'cabildo' is part of the Spanish America period and then of the newly formed republics). To build it takes institutions, rather than projects. It is a time consuming empowering exercise. It has to be built in the mind set of the population. The idea in FLACMA is a construction using city networks, associations and partnership between cities and, above all, the notion that local self-government is based on local democracy.

Therefore, one of the main challenges in the region is to take decentralization from the academic, administrative and technical world, taking advantage of the municipal association movement that is being strengthened towards a political discussion.

Best regards,

Nestor Vega Jimenez

# Momoudou Touray

UNDP BCPR HQ

16 October

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Dear colleagues,

Let me quickly respond to the DGP-Net e-discussion. Lennie and Kadmiel's contribution to the debate highlights three important issues:

- That part of regular local government functions is related to the promotion of local economic development.
- That success in LED cannot be related to only Local Government action - Central Governments have an important role to play.
- That today, local government or other types of agencies (regional or national) are not actively engaged in LED in a systematic way - which constitutes a challenge for local level development.

By way of a rejoinder to Lennie and Kadmiel's contribution, it would be helpful to elaborate on some of those key challenges, of which I will cite two examples:

1. Incomplete Decentralisation processes: the relative weakness of Local Government structures in most developing countries is due to an incomplete decentralisation process", consisting mainly in insufficient legislation, weak delocalisation of political authority and inadequate allocation of fiscal resources to Local Level programs. Most local government authorities in the developing world (in Sub-Saharan Africa in particular, but also in Eastern Europe), complain of not being sufficiently politically empowered to undertake significant economic reforms to spur local economic development. The question is one of limited mandates in questions considered to be the preserve of Central Authorities - on questions relating to land policies, security, size and composition of local government institutions to name a few. With limited legal empowerment to make decisions on critical capital commitments for LED, these decentralised structures are not well poised to implement local level reforms that would have a lasting impact on economic growth.
2. Incomplete budgetary reform programs: fiscal decentralisation is the biggest challenge to Governments in developing countries; due to the tough fiduciary requirements on the central budgetary systems (by IFIs and bi-laterals), governments have little incentives to pursue fiscal decentralisation. Because the central budget system is considered inadequately accountable, further expansion to local level decentralised budgets is not considered a viable strategy for improved taxing and spending measures. The result is a loss of accountability at local levels, and a loss of opportunities for investment programs in basic social services and infrastructure.

“ Most local government authorities in the developing world (in Sub-Saharan Africa in particular, but also in Eastern Europe), complain of not being sufficiently politically empowered to undertake significant economic reforms to spur local economic development ”

It is important to highlight these challenges because they infringe on the impact of external assistance to local communities; and are important impediments to linking National reform efforts to Local economic development. These challenges are particularly acute in the post-conflict context, where basic public administration has to be rebuilt often after years of civil strife. UNDP, through its capacity building support to Public Administration, is well poised in strengthening planning and budgeting institutions achieve political and fiscal decentralisation of authority and resources to local communities, in order to complement external support to LED.

Thank you.

Momoudou Touray  
Economic Recovery Advisor

## 6. CLOSING OF THE E-DISCUSSION

## 6. Closing of the E-Discussion

**The Moderation Team**

16 October

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Dear colleagues and DGP-Net Members,

To put it simply, we are really struck by the overwhelming responses and the richness of the contributions. Within UNDP networks this e-discussion has had no precedent in terms of number of participation – more than 145 contributions. It has broken all previous records, and serves as a powerful reminder that this is an area where UN has very considerable expertise on policy and programme support. It is, indeed, hard to summarize, and the challenge we face now is to keep the fire burning, and put in place institutional arrangements to transform this into an ongoing policy dialogue.

Following the identification of the Democratic Governance Practice Network (DGP-Net) thematic priority by the members of the community of practice through the DGP-Net E-discussion Priority Poll, the Local Governance and Decentralisation e-discussion has become a part of a wider initiatives and processes within Bureau for Development Policy/UNDP. However, these efforts will need to be adapted and realigned to a new framework that has emerged in the last 3-4 months within the preparation and debate of the new UNDP Strategic Plan (2008-11). It will be important together with UNCDF to develop new mechanisms and strategies to have a more effective and coherent offer of services to countries and UNCTs where UNDP operates. All of that will also have to move forward within the efforts that UN-HABITAT is making to position the localization of MDGs and the promotion of the urban challenges within the UNGD's work, and certainly will need to consider new ways of operating together for UNCDF, UNDP and UN-HABITAT in a new aid environment. This challenge will certainly also have to involve colleagues from ILO, UNICEF, UNFPA, UNIFEM, UNITAR, etc. Following these trends, the Democratic Governance Group, and the DGP-Net decided to expand the scope, nature and ownership of the e-discussion. It proved to be a right thing to do.

This e-discussion has been also very rich because we managed to get contributions from several colleagues outside UNDP networks, and many in key agencies working on the subject matter of the ediscussion, such as the Cities Alliance/World Bank, Inter-American Development Bank, African Development Bank, Asian Development Bank, EU – EuropeAid, UNITAR, UNRISD, French Institute of Gouvernance – linked to the French Ministry of Foreign Affairs, Casals & Associates/USAID, UCLG-Asia Pacific, Africa. But also several NGOs/think-tanks from the South and research centres/universities from the North and South. It was not easy at all, but efforts provided a wonderful return. It will also strengthen UNDP's initiative on meta-networking, and, further broadening scope for innovative community of practice initiative(s).

This e-discussion was also good because such a wide discussion has taken place with a vibrant Inter-agency perspective and at the same time promoting a partnership also with the associations of local authorities – UCLG HQs and FLACMA participation were crucial in this sense. As a consequence, UN wide collaboration has significantly been promoted. The experience has undoubtedly provided important lessons even for other already experienced UNDP networks.

“ This e-discussion has been also very rich because we managed to get contributions from several colleagues outside UNDP networks ”

Each of the questions of both the phases framed was really comprehensively addressed, and, we need to distill the lessons further. We will not attempt to summarise the entire discussion here, however we would like to make following observations:

- With a renewed impetus and focus, we need to continue our search for approaches, methodologies and effective partnerships to ensure capacities at local levels are promoted in a sustainable manner. For that undoubtedly we need to search opportunities for synergies and collaborative work among the many agencies and initiatives that exist, allowing room for diversity and specialization but also ensuring coordination for aid effectiveness from the supply side. This is a big challenge undoubtedly, but certainly having a big picture of who does what and how approaches and practices have evolved might help significantly. Important at the end of the day shall be that UNCTs and partners in national and local governments, the demand side, will be well aware of the offer of services that the UN system and the international community at large do provide to improve capacities for local governance, local development, urban governance or decentralization. Improving interaction between demand and supply side of capacity building and capacity development efforts for urban governance and local development is crucial to improve overall effectiveness of work
- This discussion has again highlighted the political nature of work on local and urban governance, local development and decentralization. We shall make efforts not to underestimate this fact. Trying to approach these processes from a strictly technical point of view might not be as successful as we would like.
- We need to strengthen partnerships between development partners and local, city and regional government associations. This is central to ensure further promotion of principles of subsidiarity and the promotion of the Guidelines on decentralization and the Strengthening of Local Authorities.
- The discussion has shown the variety of contexts and conditions in which we work. Efforts are required to ensure that our staff on the ground have the appropriate knowledge and tools to be able to respond to all possible situations. Capacity development issues need to be addressed in a more systematic and sustainable manner. Corporate knowledge management strategies and response are crucial in this regard.
- The discussion has also reiterated the value of inter-agency networking and knowledge sharing.

So for us all that are left at the moment is to thank all the colleagues for the time they took to respond and the richness they brought to the discussion. We will not post any more individual message(s), but please feel free to share your further thoughts, if any, directly to DGP-Net or its Facilitator. Additional messages will certainly be included in the Consolidate Reply. Right now we are processing 145 plus messages to prepare and transmit a “Consolidated Reply” (CR –summary of the e-discussion) of the entire discussion hopefully at the beginning of November. This will allow everybody to proceed with direct data mining and processing as needed. We are also exploring different options of utilizing your knowledge, experiences, resources, and, relevant information gathered through the e-discussion. Any demand driven knowledge product that might be developed will highlight appropriate recognition to all the efforts made by all the participating institutions. This will also provide an opportunity for advancing corporate knowledge management agenda in UN-wide (and beyond!) environment. We need to continue and strengthen this in the spirit of strong partnership and aid effectiveness!

With best wishes.

Sincerely,

The Moderation Team



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