Governance and Local Democracy Project

Background

The Local Government Code of 1991 actualized the Filipino people's commitment to decentralized, democratic governance and sustainable development. As an enabling instrument, that landmark legislation opened immense opportunities for local development initiatives and for greater community participation in governance. Since the Code's implementation in 1992, communities and their local governments have responded with unsurpassed enthusiasm and creativeness, resulting in remarkable gains.

The *Governance and Local Democracy (GOLD) Project* is designed to demonstrate that, through a decentralized system of governance, local communities can accelerate the development process through autonomous planning, local revenue generation, and improved service delivery. Consistent with the tenets of local autonomy, the GOLD project hopes to achieve this through a strategy of *assisted self reliance* and provision of technical support on a demand driven basis. Under this strategy, a major consideration is a local government's interest to develop on its own, but recognizing its limitations, seeks support in areas of concern that the community itself defines. In that support, emphasis is placed on enhancing the ability to access and use resources more effectively.

GOLD Project Sites

Bohol Province
Bulacan Province
Capiz Province
Cotabato Province
General Santos City
Lanao del Norte Province
Naga City
Negros Oriental
Nueva Vizcaya Province
Palawan Province
Sarangeni Province

Started in 1995, GOLD works with nine (9) Provinces and two (2) highly urbanized cities selected through a participatory process. The Project Steering Committee consists of project partners and is chaired by a Local Chief Executive.

Purpose and Strategy

The GOLD Project seeks to bring about more responsive democratic institutions with greater citizen participation for local governance and development. The purpose is to achieve effective local governance with maximized popular participation in selected local government units and establish a functioning system of communication support replication.

The GOLD Project strategy supports selected local communities in their efforts to;

   • Enhance participatory decision-making processes;

- Identify and achieve improved performance in governmental operation;
- Strengthen supportive organizational linkages at the local and national levels; and
- Address policy roadblocks that constrain local governance and development.

The strategy is premised on *assisted self-reliance*. This involves using external resources to strengthen local capacities to initiate and manage activities that benefit the community. It means working with the public and private sectors on activities that bring about development. It also means supporting local communities-their local governments and NGOs-on a *demand-driven basis; i. e.,* giving support in those areas where such is most needed as defined by the local communities themselves.

Activities

GOLD Project activities fall under five categories:

- Strengthening of Participatory Mechanisms
- Local Government Action Areas
- Support for the Local Government Leagues and NGO Networks
- Policy Support
- Institutionalizing Communication Systems

Breakthroughs

Strengthening Participatory Mechanisms; GOLD Institutionalizes participatory modes of delivering technical assistance through (a) mobilization of Code-mandated local special and multi-sectoral bodies, and customized application of group process facilitation methods in the delivery of technical assistance.

- GOLD has trained 920 participants in basic group facilitaion (Technology of Participation) methods drawn from local government partners, GOLD technical protocol teams, and other USAID-supported projects.

- GOLD piloted additional facilitation and special-purpose training courses for Barangay officials and advanced-level facilitators.

Resource Mobilization and Management. GOLD's provides; 1) the Real Property Tax System (RPTS) assistance, 2) Fund Management Information System (FMIS) assistance, and 3) general revenue generation-related technical assistance, and 4) *Human Resource Mobilization and Management* assistance in support of service delivery Improve initiatives identified by local governments.

• Provincial Technical Assistance Teams in all four RPTS protocol sites are redesigning property tax assessment and collection processes.

• Negros Oriental's five-year Financial Management Information System (FMIS) Plan was approved by the Provincial Government and a rapid assessment of Nueva Vizcaya's FMIS needs is underway.

• Bohol, Nueva Vizcaya, Lanao del Norte, Negros Oriental, Naga City and Capiz are implementing systematic interventions to build capacity for implementing and managing organizational change for improved service delivery. A key focus is to provide local government officials with appropriate tools, technology to understand, lead, and manage change through participatory mechanisms.

• Cotabato was awarded by the Department of Health at the Third National Health Assembly for the GOLD-supported Municipal Health Planning and Budgeting Workshops and Hospital Boards were created in all public hospitals to improve management oversight of service delivery.

• Naga City formulated a 3-year Health Services Delivery Plan in response to priorities set in the previous GOLD-supported multi-sectoral conference for improved health services.

• GOLD developed a participatory local planning-budgeting process in five GOLD sites for 204 local governments to help; 1) make local planning and budgeting processes more participatory, 2) link plans with budgets, and 3) make plans and budgets more responsive to development needs and priorities.

Development investment Prioritization and Promotion; GOLD assistance includes two types; (1) Investment Promotion and (2) Project Development for Resource Mobilization

• Investment Promotion Offices or Resource Management Centers have been created to assist established businesses and attract new investment in potential projects and Cotabato held its first Trade and Investment Exposition with the assistance of the Department of Trade and industry and GOLD.

• Local Governments in Palawan, Capiz and Bohol have undertaken feasibility studies of infrastructure, irrigation, and agro-industrial projects using their own resources and expertise in collaboration with the private sector.

• Municipalities in Capiz developed project specific master plans, operationalized a joint venture

enterprise in partnership with the private sector, and explored innovative financing modes for funding the expansion of a public market.

• Eight municipalities in Capiz initiated the Inter-municipal Water Supply System Project to improve services while capitalizing on economies of scale to reduce costs to citizens.

• A Rural Waterworks Association in Palawan is receiving assistance to rehabilitate the water supply system and the watershed from which the town's water supply is sourced. GOLD provides guidance in developing the association's collection and financial management systems, and to strengthen the relationship between the association and municipal government.

Environmental Planning and Management; GOLD assists local governments to work more closely with their citizens to define priority problems, initiate achievable actions, and fund these initiatives using local resources. Sixty-two locally initiated projects are currently underway.

• Solid waste management programs have been launched by participating local governments that include a waste recovery center in Bulacan, collection and dumpsite improvements, segregation schemes, and integrated SWM approaches in General Santos and Metro Dumaguete.

• Local governments in Capiz have decentralized coastal resource management responsibilities and four municipalities have joined to jointly manage Pilar Bay, a shared resource.

• Local governments in Sarangani, Bohol, and Nueva Vizcaya have initiated free farming programs with private sector support, assumed the management of watershed and reforestation projects from the national government, and implemented the first local government-initiated Community Based Forest Management Program in the country.

• Local governments in Palawan, Bulacan, Bohol, Capiz, Naga City, General Santos City and Cotabato have incorporated participatory modes into their development and environmental planning process.

Policy and Communication; GOLD's Policy and Communication assistance helps local governments and the Leagues of Local Government to develop their own capabilities, and monitors GOLD site protocol activities to formulate emerging policy issues.

• GOLD presented the results of the *7th Rapid Field Appraisal of Decentralization* to national government agencies, the leagues of local government and the media.

• Thirteen Occasional Papers were published on local finance, police supervision, personnel management, health services, opportunities for improving local government-NGO relations, reforming the municipal development fund, inter-local cooperation, and resource allocation disparities.

• A key focus is assistance to the Leagues of Local Government and DILG's Oversight Committee in their review of the 1991 Local Government Code and support in creating the new League of Leagues of Local Government.
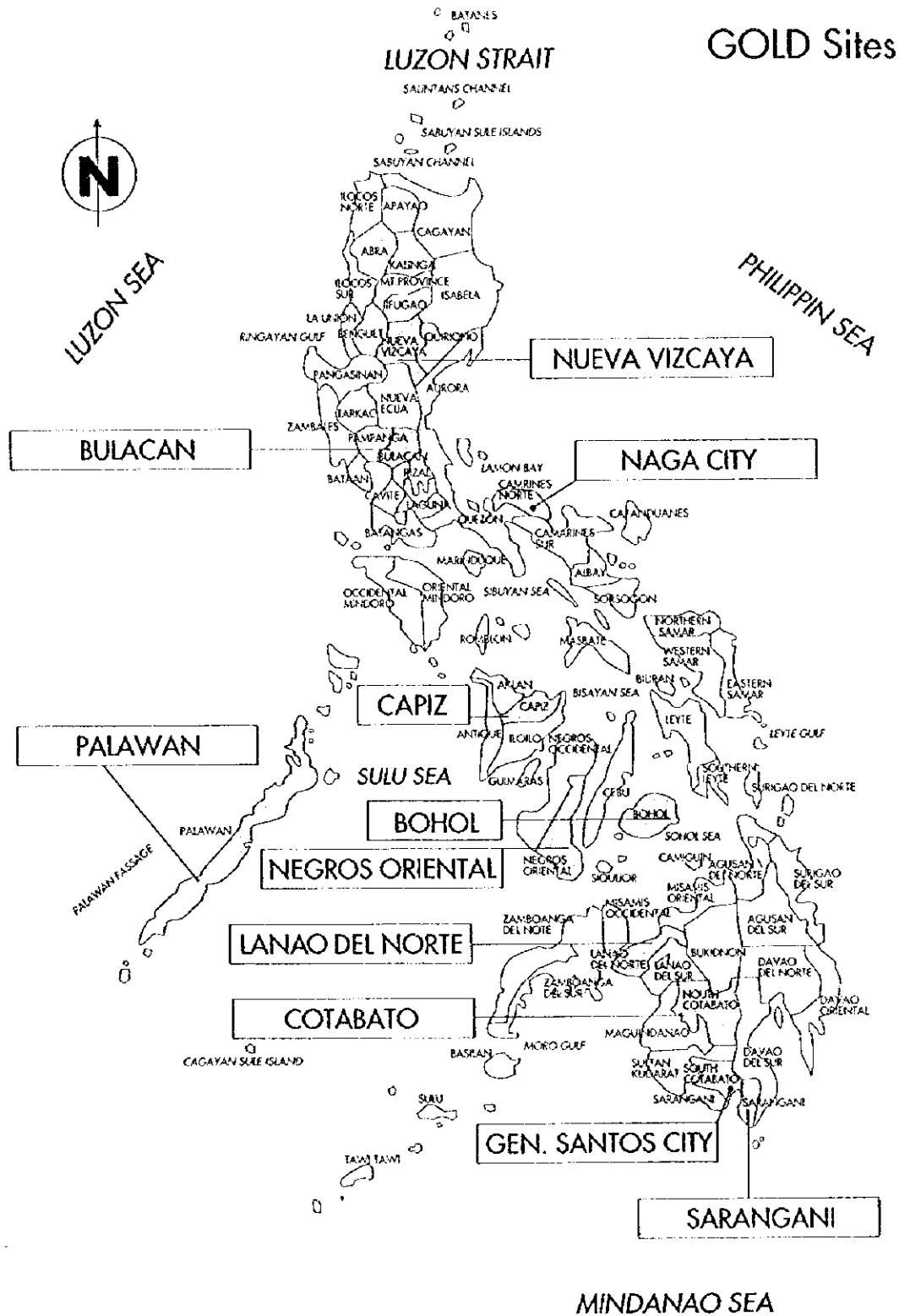
Implementing Agency

The Governance and Local Democracy (GOLD) Project is a United States Agency for international Development (USAID)-sponsored technical assistance program to the Government of the Republic of the Philippines. Technical support is provided to participating local governments by ARD, inc., a consulting firm with a strong international track record in decentralization and local governance concerns. ARD previously implemented the successful Local Development Assistance Program (LDAP) which provided valuable support to the Philippine Government's decentralization effort from 1991 to 1994. ARD is assisted by OIDCI, GFG, HERS, and PADCO through subcontract managements.

For institutional development assistance to NGOs and the Leagues of Local Government, USAID provides separate grants to the Philippine Business for Social Progress (PBSP) and the Evelio B. Javier Foundation (EBJF).

For additional information on the GOLD Project, please contact.

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GOLD Sites

LUZON STRAIT

LUZON SEA

PHILIPPIN SEA

NUEVA VIZCAYA

BULACAN

NAGA CITY

CAPIZ

PALAWAN

SULU SEA

BOHOL

NEGROS ORIENTAL

LANAO DEL NORTE

COTABATO

GEN. SANTOS CITY

SARANGANI

MINDANAO SEA

Michael M. Calavan

SYNOPSIS OF FINDINGS

SEVENTH

RAPID FIELD APPRAISAL OF DECENTRALIZATION

Summarizing Past RFAs

July 1992 saw newly elected local government officials adopting a "wait and see" attitude.

January 1993 found local government officials beginning to move forward on Code implementation, with national government agencies responding.

September 1993 had problems in the devolution of personnel beng solved, and the Internal Revenue Allotment system beginning to function.

June 1994 demonstrated increased momentum on the part of LGUs as they reaped fruits of experimentation.

June 1995 found increased local resource mobilization, and improved service delivery. However, National Government agencies had not pro-actively filled new roles after devolution was accomplished.

May 1996 demonstrated incredible diversity of experimentation as the decentralization process diffused across all classes/types of LGUs and deepened into more mature management of service delivery.

EXECUTIVE SUMMARY

This *Rapid Field Appraisal of Decentralization* is the seventh in a series undertaken since the implementation of the Local Government Code in 1992. These appraisals provide the local perspective on trends in the decentralization process, and constraints to those trends. Consultants familiar with a region undertook a rapid, qualitative investigation based on interviews. In the *7th RFA* all regions except the National Capital Region were covered, along with National Government Agencies.

The 7th *Rapid Field Appraisal* revealed innovation, quality, and relevance at the local level. Innovation because local officials sought new ways to accomplish matters that the Code allows local governments to achieve. **Quality** service is more often the goal, as local communities focus on how well service is being provided. **Relevance** as officials and communities work together to address locally defined issues.

The 7th *Rapid Field Appraisal* puts forth four conclusions:
1. Governance in the Philippines is being redefined at the local level.
2. Decentralization under the 1991 Local Government Code has been a success.
3. A new, participatory style of local leadership is emerging.
4. National government agencies have not pro-actively addressed the challenge of providing technical backup to local governments pursuing locally defined priorities.

These themes are supplemented with a wealth of local detail, discussed in terms of **Trends** discovered, **Constraints** to these trends, and possible **Recommendations**. Trends describe what is happening in the dynamic process of decentralization. Constraints are then linked to these trends, and recommendations are aimed at those actions that will hasten the forward movement of the process.

There are several sections:
- **Local Revenue and Resource Mobilization**, which discusses the upsurge in attention being given to increased efforts at revenue generation and alternative financing modes;
- **Delivery of Basic Services** (Health, Agriculture, Social Services, Environment), where the problem of localizing delivery in the face of continuing initiatives on the part of national government agencies;
- **Participation**, which juxtaposes substantial compliance with the letter of the Local Government Code and some continuing constraints on deepening citizen participation;
- **The National Government Agencies**, with special focus on NEDA, DILG, and COA; and
- **Special Focus: Autonomous Region in Muslim Mindanao**, which delineates the special situation faced by local governments under the ARMM's own Local Government Code (passed in 1994).

Rapid Field Appraisals are designed to provide timely feedback on the policy and administrative adjustments needed to fulfill the goals for greater local autonomy set forth in the 1987 Constitution. It is in this spirit that recommendations are put forward.

SYNOPSIS OF FINDINGS
SEVENTH
RAPID FIELD APPRAISAL OF DECENTRALIZATION

BACKGROUND

In August 1997 the Governance and Local Democracy Project (GOLD)* undertook this seventh in a series of *Rapid Field Appraisals (RFAs)*. The rapid appraisal approach to monitoring decentralization reforms was pioneered in 1992, during the USAID-assisted Local Development Assistance Program (LDAP). *RFAs* have tracked the implementation of the 1991 Local Government Code since that time, and it is anticipated that *RFAs* will continue to be undertaken at approximately yearly intervals.

Rapid Field Appraisals have played a unique role in monitoring decentralization reforms in the Philippines. The Implementation Teams for both LDAP and GOLD have been specifically tasked with tracking the pace and direction of the government's decentralization agenda. This effort provides timely feedback on the policy, administrative, and political adjustments needed to respond to the vision and goals for greater local autonomy set forth in the new Constitution of 1987 and its subsequent enabling legislation, especially the Local Government Code which was implemented in January 1992.

Among all *Rapid Field Appraisals*, the *Seventh RFA* is the most extensive. All regions except the National Capital Region were covered. National Government Agencies were also contacted in order to assess their perspectives as they participate in the decentralization process.

Rapid Field Appraisals have always been chiefly concerned with describing the actual experience of decentralized governance at the local level, rather than with reporting anecdotal viewpoints derived from secondhand information. Consultants familiar with a region undertake a rapid, qualitative investigation based on interviews with local government officials, national government agency personnel, and respondents from the private sector and non-government organizations. Interviews are guided by an informal questionnaire designed to assay key elements of the decentralization process, namely:

- Local Revenue and Resource Mobilization
- Delivery of Basic Services (specifically Health, Agriculture, Social Welfare and Development,and Environment)
- Participation, and

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*The Governance and Local Democracy Project (GOLD), assisted by the United States Agency for International Development, is currently providing support to the Government of the Philippines for its decentralization reforms. This represents a continuing partnership between the two governments to institutionalize the democratic reforms under the 1987 Constitution and dramatically restructure the character of governance in the Philippines from a centralized to a decentralized system.

* Government Operations, including Personnel Matters and Intergovernmental Relations

The results of regional appraisals are then brought together in a "Synthesis Seminar" in which a team consensus is sought as to prevailing trends and major constraints. The views of national agencies are reviewed and fed into the distillation of trends/constraints, and are used to Rapid Field Appraisals have always been chiefly concerned with describing the actual experience of decentralized governance at the local level, rather than with reporting anecdotal viewpoints derived from secondhand information. Consultants familiar with a region undertake a rapid, qualitative investigation based on interviews with local government officials, national government agency personnel, and respondents from the private sector and non-government organizations. Interviews are guided by an informal questionnaire designed to assay key elements of the decentralization process, namely:

* Local Revenue and Resource Mobilization
* Delivery of Basic Services (specifically Health, Agriculture, Social Welfare and Development, and Environment)
* Participation
* Government Operations, including Personnel Matters and Intergovernmental Relations

The results of regional appraisals are then brought together in a "Synthesis Seminar" in which a team consensus is sought as to prevailing trends and major constraints. The views of national agencies are reviewed and fed into the distillation of trends/constraints, and are used to compare local experience with national perceptions. Where appropriate, recommendations that suggest themselves from the trends/constraints consensus are also formulated by the consultant team. A Synopsis is then prepared on the basis of the consensus reached at the synthesis seminar. (More details on Rapid Field Appraisal methodology can be found in the Annex on Method.)

THEMES OF THE SEVENTH RAPID FIELD APPRAISAL

The 7th Rapid Field Appraisal revealed innovation, quality, and relevance at the local level. Innovation because local officials sought new ways to accomplish matters that the Code allows local governments to achieve. New resources are being sought and new enabling environments are being established at the local level. Quality service is more often the goal as local communities change from a focus on whether or not a service is provided to a concern with how well the service is provided. Relevance is the touchstone of local governance now, as officials and communities work together to address locally defined issues with locally available resources.

The empirical findings from the field led the team to put forward four general conclusions:

1. Governance in the Philippines is being redefined at the local level. The 1991 Local Government Code provides an enabling environment that allows experimentation, participation, and differentiated service delivery throughout the Philippines. For instance, governments are no longer seen as the sole deliverer of social services. Partnerships with the private sector and non-government organizations have been crafted for more responsive local governance.

2. Overall, decentralization under the 1991 Local Government Code has been a success. Despite transition difficulties encountered at the beginning of implementation in 1992, and administrative systems that are often holdovers from pre-Code centralized procedures, redefinition of governance has allowed local governments to better serve their communities.

3. A new, participatory style of local leadership is emerging. Many local leaders are more attuned to development activities, and are willing to engage in partnership with the private sector and non-government organizations. In this manner, scarce resources are maximized.

4. A major constraint to further decentralized democratic development is reluctance at the center to change. After initial administrative moves to devolve personnel to local governments, national government agencies have not pro-actively addressed the challenge of providing technical backup to local governments pursuing locally defined priorities. Too often governance takes place in the context of inherited centralized modes of thinking and planning, and administrative systems have not been changed to reflect new realities.

While these are general themes that emerge from this Seventh *Rapid Field Appraisal*, there is a wealth of local detail, which enriches our understanding of democratic decentralized governance. This "Synopsis" discusses these details in terms of **Trends** discovered, **Constraints** to these Trends, and possible **Recommendations**. There are several sections:

- Local Revenue and Resource Mobilization
- Delivery of Basic Services (Health, Agriculture, Social Services, Environment)
- Participation
- National Government Agencies
- Special Focus on the Autonomous Region in Muslim Mindanao

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LOCAL REVENUE and RESOURCE MOBILIZATION

There is an upsurge in attention being given to, and concern for, local revenue mobilization and management. Local officials are engaged in increased efforts to generate local revenues and to avail of alternative revenue sources and creative financing modes. Key aspects of this trend include a growth in joint ventures and creative forms of public-private partnerships aimed at bringing the issue of generating local revenues to a broader audience: There are even stirrings of greater participation in the decision-making process surrounding new revenue ventures. This is the outcome of local government's growing realization that elements of civil society need to be brought into the process of sustaining government revenue ventures.

On the down side, there is continuing frustration among local governments with respect to policy and administrative constraints, many of which have been noted in previous RFAs.

Trends

Four basic trends were identified. The first three reflect continuation of strong trends indicative of creative resource generation first identified during the 5th and 6th RFAs. First, there appears to be increased participation of the private sector (both business and NGO/PO groups) in generating resources—financial and human—for local initiatives. There are reports of renewed efforts to develop small-scale BOT schemes, to form joint ventures in building or managing markets, and to construct small-to medium-scale infrastructure such as fish ports, market buildings, etc.

Second, an increasing number of local governments are actively pursuing pre-implementation of alternative ventures to generate revenues. These include user fees, fee for service, credit finance (loans and bonds), etc. But there remains a large knowledge gap affecting both the pace and scale of such activities. This gap should not detract from the basic trend that continues from previous RFAs; that local officials are intensely interested in and pressing forward with alternative forms of finance.

A third trend is that local governments are more activist in exercising their corporate powers for purposes of creating investment and economic development incentives. There are examples of local governments developing quasi-public corporations in order to attract, coordinate, and participate in development enterprises managed via private sector means.

The last trend in this category is not entirely new, but is gaining strength. There is a significant rise in the assertiveness of local governments in exercising their dominion in matters affecting their locality, but implemented by national agencies. Local officials are more adamant that project objectives be in line with local priorities and that resource allocations be under their management, or at least be subject to local

discipline. Instances were even cited where localities were willing to lose projects, both large and small, as a result of insisting that local priorities/perspectives prevail. While the team does not venture to judge whether this trend is advantageous, it nonetheless represents a genuine effort to assert the preeminence of local autonomy.

Constraints

In terms of inter-governmental relations, there remains frustration at the local level with counter-productive policies and administrative procedures constraining local development. Concern is expressed over a wide variety of areas, but most frequently with respect to policies affecting financial autonomy, audit, planning and approval processes.

While there are certainly a multitude of specific problems affecting better revenue mobilization and management, the consultants focused on three areas. First, it continues to be evident that various administrative practices and systems held over from the pre-Code era are unresponsive and severely constrain momentum toward revenue self-sufficiency. This is especially evident with respect to audit procedures and real property tax administration. Audit regulations remain so tied to antiquated methods and procedures that local governments experience not only constraints on their most innovative efforts, but also face constraints to such basic improvements as computerization of fund management and tax systems. Local officials report that the very objectives of computerization—efficiency, streamlined processing, multiple entry and forms reduction—are undercut by the interpretation of auditors insisting on the use of certain forms, steps, etc.

In the case of real property tax administration, local governments find that the rule-bound systems inherited from the pre-Code era have contributed to endemic minimized tax collections. This situation is further exacerbated by the many years before 1991 when valuations were not market adjusted, leaving local governments to face the daunting task of adjusting rates to market values in a short period, which is politically unacceptable.

A second constraint is that there remains a significant deficiency of timely, practical information, relevant skills, and local experience available to enable alternative financing modes. It must be recalled that prior to the Code, local staff and officials were rarely called upon to act outside of strictly proscribed boundaries of financial management. Debt financing was not encouraged and the sophisticated funds management required to deliver devolved services was rarely practiced. Most local governments operated in a "projectized" mode, that is, funds were received and applied for specific projects, and little discretion or management flexibility were required. Thus, outside of cities and adjacent municipalities, there is little sophistication regarding innovative public finance management. Information that does exist, such as supplied for BOT, is generic and only of use in early stages.

A third constraint is the problem of rationalization of public financial resources. There is strong objection to unfunded mandates, the steep rise in national agency budgets, and the lack of focus arising from funds allocated via congressional insertions and countryside development funds. Local governments regularly and aggressively pursue the latter as a means of funding projects. However, many point out that an extremely large amount of national resources—far more than local governments receive as their Internal Revenue Allotment is being allocated to local activities without benefit of either local input or rationale. While short-term development needs might be met via such centralized funding mechanisms, longer-term development plans of local communities are continually disrupted by congressional funding of "pet" projects, typically with a bias for visible infrastructure, much of which is nonessential to long-term investment priorities. This is on top of exhortations to pursue unfunded mandates or accept new nationally-defined programs.

Finally, local government officials continue to protest, as they have since 1992, that local shares of national wealth are neither transparently identified nor rationally allocated. Although the Department of Budget and Management last year issued DBM Circular 8-96 on the processing of claims to local government shares in national wealth, there is consensus that more needs to be done on this subject.

DELIVERY OF BASIC SERVICES

In a general trend first noted in the Sixth *Rapid Field Appraisal*, local officials, staff and even NGO representatives are increasingly questioning the unchecked rise in the budgets of national agencies that have devolved significant functions and personnel to local government. Respondents noted that some agencies have been devolving functions and major personnel costs while continuing to receive budgetary allocations from Congress as if they were still in charge of delivering the very services that were devolved. This issue goes beyond the problem of the cost of devolved functions to renew critical questions about "imperial Manila's" apparent reluctance to accept the profound implications of a decentralized approach to development and governance.

It is in this context that the 7th RFA examined trends and constraints in four devolved service delivery areas: health, agriculture, social welfare, and environment.

ON HEALTH

Overall it is observed that while delivery of health services is most often the most difficult technical challenge for local governments, the Department of Health has been supportive and creative as a devolved agency. For instance, it set up an office—Local Government Assistance and Monitoring Service— precisely to respond to issues and concerns that arose out of the devolution process. This is all the more

admirable in that Department of Health is constantly faced with balancing the rights and needs of health workers and local community needs.

Trends

Since devolution, local governments have continued to allocate revenues from both traditional and non-traditional sources to address health needs and provide benefits to personnel.

Consultants found that participatory decision-making with respect to health care is on the rise. There is increasing participation of communities, NGO/POs in the planning, implementation, monitoring and evaluation of health programs, especially at the municipal and barangay levels, in response to the demand for quality health services and DOH promotion and support for participation at the local level outside of mandated venues. However, the trend is toward more participation in program implementation, rather than in organized health boards. At the barangay level, NGOs are more able to influence the degree of participation and the quality of service delivery.

On the financial front (a key issue, given the expense of health care), local governments are increasingly generating income from fees for services, charges for materials and similar methods. However, the Commission on Audit continues to insist that fees and the like be returned to the local governments' general fund. Thus, those localities that have passed legislation requiring that such income be used only for health services must accomplish this indirectly via the budget. That is, after the funds are returned to the general fund and accounted for, they are then budgeted for health—rather than the more direct method of health centers utilizing retained earnings.

Aside from fee for service schemes, there are other indications that local financing for health is on the rise. There is an increase in local governments devising community-based health finance schemes outside of the new Philippine Health Insurance Corporation. Realignments of maintenance and other operating expenses for health personnel and capital outlays are on the rise.

Constraints

The first constraint is that Local Health Boards are not fully functional in many locales. Consultants suggest this is a result of a lack of clarity regarding Local Health Board functions and mandates. This is compounded at the municipal level by limited flexibility in planning and budgeting accorded Local Health Boards, since most funds are pre-programmed by the Province or the Department of Heath.

Department of Health Field Offices and the Population Commission's Provincial Offices are still not yet fully attuned to provide technical assistance. They still act as primary implementers of nationally

conceived or nationally desirable programs.

Recommendations

The mandate and functions of Local Health Boards should be reviewed and communicated to localities through more creative information, education, and communication. The goal would be to have Local Health Boards become more involved in local health care management. Also, the Department of Health, the League of Provinces, and the League of Cities, should conduct a study on modes of hospital management to include non-traditional approaches such as cooperative management, partial or full privatization, or establishment of independent management committees. It is recommended that both national and local legislation be considered to earmark revenues generated from health facilities and services for health programs.

Finally, it is worth noting that a number of consultants reported that the Department of Health has managed to involve local governments in the conceptualization and negotiation of Official Development Assistance. The Integrated Community Health Services Project, a $50.8 mission loan and technical assistance grant co-financed by the Asian Development Bank and the Australian Agency for International Development, was developed in partnership between the DOH and local governments. It is recommended as a model for how National Government Agencies could involve localities in the accessing of development aid.

ON AGRICULTURE

Past *Rapid Field Appraisals* have reported mixed trends in the agricultural sector. Prior to passage of the Code, local officials often viewed delivery of agricultural extension services as too generic, poorly managed, and not adapted to local realities. It became evident in early *RFAs* that devolved agricultural personnel were having great difficulty figuring out what to do when challenged to plan priority programs for their localities. It appears that this service, perhaps more than any other, has been so highly centralized over the years that its staff are unaccustomed to independent operations of the type required by decentralization. As a consequence, the performance of devolved extension personnel has not generally met the expectations of local executives.

The main venues for participation in agricultural planning are provincial and municipal development councils, fisheries resource management councils, and agricultural resource management councils. In these venues the citizenry attempt to influence agricultural and fisheries programs that are vital to their livelihood.

The Department of Agriculture's strategic response to the call to provide technical assistance to

decentralized services is still basically organized around, and limited by, opportunities set by national programs. This approach may be useful in some respects. In others it serves to diminish local priorities and divert attention from the more fundamental need for devolved personnel to design and manage locally determined programs. For instance, *Gintong Ani* is in part premised on augmenting the salaries of devolved agriculture extension workers in order that they implement *Gintong Ani* programs. Local officials aver that they welcome any support available and are reluctant to refuse offers of assistance—and since the 6th *RFA* they seem to have grown more comfortable with *Gintong Ani*. Still, it remains the case that the assistance is seldom closely related to local priorities. At the national level, Department of Agriculture officials claim that local officials are "not prioritizing" agriculture, when in fact local officials are acutely interested in agricultural development. However, they may be giving priority to aspects of the problem not favored or supported by DA.

Trends

Two major trends appear in this area. First, in many localities there is a growing trend for innovating in agricultural programs, both national and locally generated, with NGO participation. Both regular and special programs of the Department of Agriculture infuse additional resources into local government units and contribute to agricultural development. There is a slight difference in emphasis between the governmental and non-governmental sectors in localities. The tendency is for NGOs to be more involved in alternative, more innovative programs, while the local government turns to the Department of Agriculture for more conventional assistance.

Second, since devolution, local governments have consistently demonstrated support for agriculture as shown by their funding of agricultural infrastructure, mobilization and support of PO/NGO and cooperative movements, of nurseries, training programs and the like.

Constraints

Most local governments implement Department of Agriculture programs and, in varying degrees, consider them helpful. However, given the program's structure there is little leeway for substantive variation. In spite of "full devolution" local governments continue to have limited control over planning, implementation, monitoring, and evaluation of projects funded from the national budget and overseas assistance. To address local priorities, local governments typically source their own funds and find technical assistance outside the Department of Agriculture structure. Likewise, localities continue to be constrained from developing and implementing their own programs, in part because the Department of Agriculture continues to dominate the field with "large and in charge" programs such as *Gintong Ani*. This constraint is exacerbated by the fact that local governments lack access to technical assistance for planning, since devolved extension workers had not been required previously to have these skills.

Recommendations

The Department of Agriculture should launch an on-site training program for devolved personnel in agriculture development planning, especially at the municipal level. In conjunction with this, the Department of Agriculture must develop systematic pro-active means to solicit and respond to local technical assistance needs. This will counter-balance the current tendency to focus efforts on enlisting devolved personnel and local offilcials to support centrally designed and managed programs. Fifth and sixth class municipalities should be given priority in this effort. Consultants felt that the since there were Provincial Agriculturists even before the 1991 Local Government Code, training at the provincial level is not as urgent.

Department of Agriculture funds earmarked for what are essentially extension activities should be re-directed into block grants to local governments for agricultural development. Operational priorities should be shifted from national programs "topping up" devolved personnel benefits to support of actual extension activities that respond to local priorities. The practice of topping up perpetuates inequities between local and formerly national personnel, and exacerbates problems of integrating devolved personnel into local structures.

A last recommendation is for the Department of Agriculture to adopt a more demand-driven approach to use of both general appropriations and overseas development assistance (ODA). As noted, above, the Department of Health has demonstrated with the Integrated Community Health Support Program that this is possible. Funds should not be pre-programmed for specific, relatively inflexible purposes, but should be allocated via block grants or similar mechanisms to support a wide variety of local agricultural development priorities.

ON SOCIAL WELFARE

Devolution of social welfare services has been in most respects a "success story" of decentralization. The Department of Social Welfare and Development willingly and aggressively managed the devolution of its personnel, who were typically well respected by local executives and readily absorbed into local organizational structures. Overall, the changeover process has gone well. Services continue to be delivered without too many difficulties.

Trends

There is, by all accounts, a productive continuing partnership between the Department of Social Welfare and Development and local governments in delivering social services. Even before devolution, local governments had a role in selecting social service beneficiaries. Devolved personnel do not feel cut off

from the "mother agency," as there is continued coordination in programming and prioritizing. Former national personnel have accepted devolution to local governments, in part because these governments do indeed prioritize funding of social services. And the role of non-government organizations in service delivery and coordination is less contentious in the area of social services. In short, there tends to be a strong effective linkage among local governments, non-government agencies, and the Department of Social Welfare and Development.

An interesting development in the area of social services is linked to the Minimum Basic Needs (MBN) approach. Implementation of the MBN data system is far from universal, and it is occasionally viewed as an "unfunded mandate". However, in some areas it is being seriously utilized to direct social services; and this tends to broaden service delivery from short-term crisis response to more wide-ranging help for clients. Nonetheless, it cannot be said that the MBN approach has had an abiding impact on how planning is done.

Finally, efforts towards the Social Reform Agenda have had an impact at the local level. While there were problems with funding releases for the first year of the Poverty Alleviation Fund (when guidelines were released late in the year), for the second year local respondents cited considerable impact.

Constraints

There are three constraints to the optimum delivery of social services cited by consultants. The first is the preference some local governments have for concrete, visible infrastructure, as these are perceived to be better means of getting votes. Thus, while social services are supported in the budget, there remains a gap relative to actual needs—particularly in lower class municipalities.

The other constraints have to do with the structure of projects under the Social Reform Agenda. A listing of programs and projects—what amounts to a menu—is available to localities. The input of local governments is restricted to selecting from this pre-identified list, rather than being able to design their own projects to meet the goals of alleviating poverty and meeting minimum basic needs. For instance, officials in Lanao del Norte felt that what was needed were Level III waterworks, but guidelines for Poverty Alleviation Funds specified only Level I or Level II.

Finally, since national government agencies serve as conduits for the Poverty Alleviation Fund, their internal procedures can delay the release of moneys.

Recommendations

We do not presume to offer recommendations regarding the first constraint, since it is the responsibility of

voters to encourage their governments to set priorities wisely within existing budgets. However, with regard to projects under the Poverty Alleviation Fund (II), there are two recommendations to the Social Reform Council:

1 . The programming mechanism should be reviewed to include greater local control over fund allocation and utilization—with barangays and various sectors of civil society included in consultations. For instance, rather than choose from a set menu prepared by the national government, local governments could be encouraged to specify exactly what they need.

2. Since Poverty Alleviation Funds are for municipal projects, funds should be released directly to municipalities

ON ENVIRONMENT

Environmental management is in an ambiguous position, since it is not a completely devolved function. Section 17 of the Local Government Code specifies that environmental functions devolved to local government are still under the "supervision, control and review" of the Department of Environment and Natural Resources.

Trends

There is a very high level of concern about the environment throughout the Philippines. Mindful of their obligation to promote the general welfare of their inhabitants, local governments everywhere are getting involved in environmental management. Local governments are increasingly developing programs and budgeting revenues for the environment. Urban areas often focus on the solid waste management, while rural areas focus on watersheds or other water supply issues. Groups of municipalities have banded together to protect coastal resources. Awards and recognition programs, the best known being the annual "Clean and Green" contest, are utilized to increase awareness and participation in environmental management. The attitude of locally assigned officials of the Department of Environment and Natural Resources varies—from encouragement, to indifference, to attempts to preserve the administrative prerogatives of the Department and its employees.

Particularly impressive is the high level of citizen involvement observed throughout the Philippines. Local governments have formed many specialized organizations to deal with the environment, generally multi-sectoral. The fact that there is greater cooperation among local governments, the non-government sector, international groups, and national government agencies augues well for environmental management at the local level.

This environmental activism is not confined to the executive branch, but also includes activist

Sanggunians and individual Kagawads. Many new environmental codes have been prepared or are being drafted.

Constraints

Current policy implementation limits and discourages local government involvement in forest management. The Department of Environment and Natural Resources still largely implements Integrated Social Forestry. Because their actions are still under the "supervision, control, and review" of DENR, local governments have yet to demand control over communal forests.

Since environmental management is a new area of local government action, there is a lack of technical expertise. Communities recognize this, and thus there is a strong demand for training, cross visits to other localities, and similar forms of technology transfer.

National policies often have ambiguous goals and objectives, and conflicting regulations, which hinder private sector investment and local government initiatives. For instance, national government pronouncements encourage private sector tree farming, while at the same time regulations attempt to insure that cut trees do not come from natural forests. These two laudable goals come into conflict when cumbersome verification processes for cultivated logs makes private sector production very difficult.

As is so often the case with national government programs, local governments are unable to effectively address environmental concerns because they are not involved in planning and managing national programs in their areas. Too often the national government makes policy commitments that affect local governments, but those governments are excluded from the decision-making process.

Recommendations

It is most important to clarify the environmental policy framework for the Philippines as a whole, and the corresponding roles and relationships among the Department of Environment and Natural Resources, its local offices, and local governments. Local governments are anxious to protect the environment and realize that the Department of Environment and Natural Resources, is overstretched in its nation-wide responsibilities. Much greater clarity is needed on what the Department is going to do, and what local governments will do.

Once this is accomplished, local governments can begin to institutionalize local units responsible for addressing local environmental concerns. These could be separate environmental offices, or units within, say, the agricultural office. In any case, technical support from the Department of Environment and Natural Resources for these units must occur.

PARTICIPATION

Concern for participation permeates all subject areas examined in *Rapid Field Appraisals*. Effective citizen participation can take place in any policy arena, at any point of the policy cycle. In this section we take a brief look at the overall picture of participation.

Trends

Earlier *RFAs* identified a positive trend toward greater participation in local governance. These assessments identified a broad trend toward more NGOs being accredited and subsequently incorporated into special bodies. In short, there has been substantial compliance with the letter of the Local Government Code.

Likewise, *RFAs* reported the gradual easing of interference by local chief executives in the choice of NGO representatives and in NGO participation in general. While there are some localities where local executives and NGOs have difficulties working together,this occurs less frequently than conventional wisdom would have it—there has been much less "trad-pol" behavior among local chief executives than many expected or assumed.

Reinforcing these positive trends is the widespread use of multiple venues for popular participation. Venues not mandated by the Code, but utilized for specific purposes can effectively funnel citizen inputs to governance. Fisheries and Aquatic Resources Management Councils allow direct input into policies and actions vitally important to coastal dwellers. Community organizing which typically accompanies many social services increases citizen impact on the government. *Bantay Dagat* and *Bantay Gubat* bodies translate citizen concern about the environment into participation in governance.

Local offilcials have realized that the "resources" available to local governance are greater when activities incorporate NGOs, private firms, and ordinary citizens. Joint ventures, BOTs, and other public-private partnerships multiply resources brought to bear on specific issues. The volunteerism that is encouraged by, for instance, Local Health Boards proves to citizens that their activities can make a difference.

Constraints

One of the major constraints to fulfilling the spirit of the Local Government Code as well as the letter is the diffuse mandate of Local Development Councils. The non-government community has spent considerable effort to obtain seats on the Council, often to learn that nobody knows what exactly is supposed to occur, or how to manage it. Thus, as time has passed more energy has been devoted to the specialized, non-mandated bodies discussed above.

A second constraint flows from the discussion of agricultural and environmental service delivery. There is a lack of community involvement in planning and managing national programs in their locality. National government agencies in Manila continue to plan programs and projects that affect localities. The mandate of the Local Government Code (Sections 2(c), 26, and 27), on prior consultations before any program or project is implemented in local jurisdictions, has rarely been followed.

A final constraint is remaining clashes of perspectives between local governments and non-government organizations. The wild suspicions of the early 1990s (NGOs perceived as communist, local governments perceived as oppressive) have faded, but difficulties remain that must be worked out. Elected local officials are accustomed to meeting deadlines of the governing cycle and deriving their legitimacy from elections. NGOs are accustomed to maximizing discussion, no matter how long the process takes, and derive their legitimacy from service delivery or more professional criteria (such as particular expertise). To cite this constraint is not to imagine that it will disappear—it must be recognized by observers as ineradicable.

Recommendations

Technical assistance should be made available for designing processes which maximize the utility of Local Development Councils, and other participatory venues, for both government and non-government representatives.This would include technologies for participatory planning, facilitation of meetings, linking budgets to plans, and participatory monitoring. Already certain provinces like Nueva Vizcaya are demonstrating that this can be accomplished.

A second recommendation is that both national government agencies and foreign donors should make the effort to embrace a demand-driven project style. The Department of Health, through its Integrated Community Health Care Support Program, has shown how this can be done even for large, foreign-funded programs.

THE NATIONAL GOVERNMENT AGENCIES

As has been the case since the *5th RFA* (June 1995), *Rapid Field Appraisals* now include an examination of the plans and initiatives of National Government Agencies with respect to decentralization under the 1991 Local Government Code.

Many issues originating from National Government Agencies have been canvassed in the separate discussions of resource mobilization, and of the devolved services in agriculture, health, social services, and the environment. This section briefly notes findings from the National Economic and Development

Authority (NEDA), the Department of Interior and Local Government (DILG), and the Commission on Audit (COA).

NEDA has identified as one of its priorities the "building of LGU capacities in planning and project development and the rationalization of national government support to LGUs according to the LGUs' financial strength and economic potentials." Toward this end, NEDA initiated the formation of Project Development Assistance Centers in each region to assist local governments in the project cycle. In addition, NEDA Board Resolution No.1(1997) allows local governments to construct national roads and bridges within their jurisdiction as long as at least 50% of the funds come from local budgets. The aim of this policy is to promote local "ownership" of such projects.

The DILG performs a somewhat contradictory role with respect to decentralization. The Bureau of Local Government Development is the secretariat for the Oversight Committee, and as such is in extensive contact with local governments as amendments to the Code (during the 5-Year Review of the Code) are discussed. The Local Government Academy is attempting to build local capacity in a number of areas. Yet, the DILG's several memoranda on the use of the 20% Development Fund are widely seen by local officials as prejudicing local autonomy.

Finally, the Commission on Audit also figured in recent moves with respect to autonomy. In response to a widespread clamor about the operations of provincial hospitals, a joint circular by DBM, DILG, and COA was drafted to allow the Provincial Hospital Administrator to approve vouchers. However, the Legal Department of COA gave the opinion that such an action would need legislative approval rather than just action by the executive branch of government, and thus the circular was not issued.

SPECIAL FOCUS: AUTONOMOUS REGION IN MUSLIM MINDANAO

The Autonomous Region in Muslim Mindanao (ARMM) merits special focus for two reasons.
First, the region is important for peace and development in the Philippines. Many, both within the Philippines and abroad, look for progress in this region to alleviate deep-seated problems of southern Philippines. The second reason is that the context for local governance in the Autonomous Region in Muslim Mindanao is very different from the rest of the Philippines.

Context

The 1987 Constitution specifies that special autonomous regions be constituted for Muslim Mindanao and the Cordillera. The Organic Act for the Autonomous Region in Muslim Mindanao was passed in 1989, and ratified in a plebiscite in four provinces.[?] This resulted in the devolution to the regional government

of practically all domestic functions of government. When the 1991 Local Government Code was passed only health services were left to be devolved.

When the Autonomous Region passed its own Local Government Code in 1994, it insured that all powers, responsibilities, and resources were retained by the regional government rather than by provinces and municipalities[*] The regional government insured that the act not diminish the power of the regional government. For instance, Section 457 of the ARMM Local Government Code provides that the regional government appoint provincial officials: Health Officer, Social Welfare and Development Officer, Agriculturalist, Natural Resources and Environment Officer, and the Tourism Officer.

Findings

Not surprisingly, there is a desire among provincial and municipal officials in the ARMM for the same powers, responsibilities, and resources that their counterparts in the rest of the Philippines enjoy. These officials are part of the same Leagues of local government as are officials from the rest of the Philippines, and are well aware of the opportunities for decentralized governance offered under the 1991 Local Government Code.

A second finding is that, even given the regional dominance in service delivery, local government units supplement regional efforts. This is particularly the case for agricultural and fisheries programs, which are so important in these rural areas.

A third finding is the increasing intellectualization and professionalization of local elected leadership, and local government bureaucracies. More officials have college degrees, and more express technocratic or professional aspirations for decentralized development.

A fourth finding is that civil society in the Autonomous Region in Muslim Mindanao is quite strong and dynamic. This finding may strike some observers as surprising, given stereotypes of Moslem society. However, it is easy to find self-help groups at the local level to which many citizens can orient their activities. These groups, like non-government groups throughout the Philippines, occasionally source funds from abroad. However, fundamentally their roots are in the local community.

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[*] An Organic Act for the Cordillera was defeated in a plebiscite in January 1990. A second Organic Act was passed in late 1997, and will be subjected to a plebiscite on 7 March 1998.

The second Organic Act for the Cordillera, by contrast, provides that nothing in the act shall diminish the powers and responsibilities that local governments enjoy under the 1991 Local Government Code.

ANNEX: ON METHOD

Rapid Field Appraisals have always focused on the local perspective. This *RFA* is no exception. Consultants are chosen who are knowledgeable about their regions. The consultants are asked to observe, investigate, and report on local opinions and experiences of the decentralization process. Regional reports are then discussed at a two-day seminar among the consultancy team (for the *7th RFA*, 13-14 August 1997), which discussions form the basis for the overall "Synthesis".

The *RFA* approach typically yields very different information than do evaluations that rely on reports to central government from government field representatives, or studies which portray local reality by interpreting what should be happening as a result of policies and administrative promulgations emanating from the center.

Topical Areas

Past appraisals have addressed a wide variety of topics that seemed most important at a given point in the decentralization process. The choice of topics has been largely dependent on the most conspicuous and critical dynamics of the moment. Yet all *RFAs* have in various ways looked at certain consistent themes such as local finance, local service delivery and participation of the NGO sector.

For the *7th RFA* we reviewed all past *RFAs* and then derived the following five topical areas which maintain continuity as well as take cognizance of emerging themes:

1. Local Revenue and Resource Mobilization
2. Local Government Service Delivery
3. Participation
4. Inter-Governmental Relations
5. Local Government Administration.

Local service delivery as usual received focus and attention; consultants looked at agriculture, environment, health, and social welfare. Also examined was participation in relation to planning and service delivery issues.

Trends Analysis Approach

The *7th RFA* again uses the trends analysis approach. Trends analysis differs from conventional problem analysis in two ways. First, trends analysis seeks to understand and describe what is happening in the dynamic process of decentralization rather than to undertake a critique based on the premise that

decentralization should hypothetically be at a certain point.

Second, while not averse to acknowledging and recording problematic issues, trends analysis is essentially concerned with identifying positive trends as a means to describe in what manner decentralization is moving towards its objective of better governance based on local exercise of greater powers, authorities and responsibilities.

Trends analysis also identifies constraints and links these to the positive processes. In this manner, recommendations are more precisely aimed at those actions that will hasten the forward movement of the process.

List of Consultants

This *Synopsis of Findings* was prepared by Kenneth H. Ellison, Chief of Party, and Steven Rood, Policy and Indicators Measurement Specialist, on the basis of the *7th Rapid Field Appraisal* seminar and individual appraisal papers submitted by the following consultants:

Consultant	Region
Alex Bello Brillantes	Region I
Nelia Zingapan-Cauilan	Region II
Alberto C.Agra	Region III
Conchita Ragragio	Region IV
Femanda Navarro	Region V
Agnes Villaruz	Region VI
May Elizabeth Segura-Ybanez	Region VII
Oscar Francisco	Region VIII
Carmencita Cochingco	Region IX
Ernesto Villegas	Region X
Ma. Asuncion Chin	Region XI
Nelia Bonita B. Agbon	Region XII
Arellano A. Colongon, Jr.	Cordillera Administrative Region
Annabelle Cajita	Caraga
Macapado Muslim	Autonomous Region of Muslim Mindanao
Henedina Razon-Abad	National Government Agencies

GOVERNANCE AND LOCAL DEMOCRACY (GOLD)
OBSERVATIONS ON CAPABILITY BUILDING*

There is a common assumption that a core issue in decentralized governance is capability-building—that the local is still not very capable. There are several problems with this idea.

First, there is much evidence that in many instances and for certain types of services, local governments are often at least as capable as central government. What they may lack is certain very targeted, task-specific technical inputs. But they decidedly do not need to be distracted by a whole lot of general, generic, off-the-shelf capability-building programs.

Second, capability-building has in the past emphasized individual skill-building. This is based on the assumption that if individuals (typically individuals in "leadership positions") can be given more and better skills, the organization can better manage service delivery systems. Now, because of the great shifts in governance involved in decentralized service delivery, capability-building should begin to shift its focus from improving individual knowledge to improving institutional learning. Capability-building needs to build the competence of whole organizational teams to be public entrepreneurs, to be managers of change capable of orchestrating service delivery.

Outlined below are different ways of viewing aspects of capability-building from the viewpoint of the prevailing public administration approach, and from the new, emerging public management approach. First we present the "Why" of capability-building, then the "How"

	Prevailing Public Administration Approach	Emerging Public Management Approach
WHY		
PROBLEM DEFINITION	· Individuals Lack Skills	· Teams Lack Tools
HOW SOLVED	· Uniform, Centrally-Defined Training Packages	· Multi-Form, Client-Defined Training Events
GOALS	· Impart Skills · Teach Procedures	· Facilitate Action · Enable Versatility
TARGETS	· Individuals · Top Managers	· Organizations · Whole Teams
EMPHASIS	· Individual Betterment	· Organizational Effectiveness
HOW		
STYLE	· Experts Impart Knowledge	· Experts Enable Participants
METHOD	· Pre-Packaged Modules · Lectures	· Customized Content · Participatory Events
VENUE	· Off-Site	· On- Site
TIMING	· Any Time · Trainer's schedule	· Just in Time · LGU's Moment of Need
RESULTS	· Data Intensive Plans	· Task Intensive Actions

WHY ENGAGE IN CAPABILITY-BUILDING?

Our problem definition is no longer that individuals lack skills, or that leadership needs to know more theories. Rather, it is that teams lack tools to get specific things done.

The problem is solved not through uniform training packages designed by central agencies to apply to all situations. Rather, a wide variety of training events can be useful to local governments—once the clients are trusted to define their own needs.

The goal of capability-building shifts from imparting general skills and teaching procedures which are aimed at administering particular approaches to problems. Rather, the goal should be to facilitate action on particular problems, and to enable localities to take charge—to be versatile in inventing solutions.

The target shifts from particular individuals, especially top managers (Mayors and Governors, Development Coordinators, Budget Officers) so often targeted by training efforts. Instead, capability-building is aimed at organizations, viewed as composed by whole teams working on a common task (planning, budgeting, or administering local government operations).

Thus, the emphasis is no longer on better individual knowledge, but on improving organizational effectiveness, so that local governments can devise solutions themselves.

HOW SHOULD CAPABILITY-BUILDING BE UNDERTAKEN?

The style of capability-building should no longer be based on experts imparting theoretical abstract knowledge in training programs. Rather, experts should enable the participants, as adult learners, to solve problems on their own, with the expert providing very focused practical inputs.

The method changes from packaged lectures, which experience and research have shown to be weak methods of adult learning. Rather, capability-building should be increasingly customized to fit particular needs, and methods should be participatory to maximize learning effects.

The venue shifts from off-site, centralized training venues to which participants from a number of different organizations are brought for uniform training. Rather, it can be on-site, even in the office itself, as the focus is on training of organizational teams in one locality.

The timing of capability-building should not be based on the trainer's schedule. Rather, it should be based on when local government units need it for a specific task—the training activity is accomplished and the organization then proceeds to accomplish the task. In other words, the most effective training should not

be "any time;" it should be "just in time".

Finally, the results are no longer data intensive plans that are frameworks for future actions. Rather, organizations should, as a result of capability-building, focus strategically on particular task* intensive actions that must be undertaken to achieve particular goals.

International Symposium on
"Local Development and the Role of the Government"

organised by the Japan International Cooperation Agency (JICA)
March 5-6, 1998, Tokyo

The Role of Development Assistance in the Area of Decentralisation

Presented by Mr. Robertson Work, Principal Technical Adviser
Management Development and Governance Division
United Nations Development Programme

Ladies and gentlemen,

It is with great pleasure and honour that I represent the United Nations Development Programme at this important event. I would like to thank the Japan International Cooperation Agency for their invitation and this initiative.

The focus of this meeting —local development and the role of government— is indeed timely. We are living through a critical period in human history. The world today is changing at a bewildering pace, increasingly characterized by globalization and liberalization, social, economic and environmental problems that transcend national borders, and a dramatically altered global political environment, dominated by the rapid ascendancy of democracy.

Changes in the world's economic, political and social systems have indeed brought unprecedented improvements in human living conditions in both developed and developing countries. In particular, increases in global wealth and prosperity have brought with them significant successes in eradicating poverty worldwide and key indicators of human development have advanced strongly in the past few decades. Yet, just as such changes bring about general global prosperity, they have also resulted in widespread frustration, despondency and unrest. While more people are better off than ever before, and while exciting possibilities are opening up in all corners of the world, signs of breakdown are everywhere and poverty continues to leave millions mired in underdevelopment and hopelessness, with the gap between rich and poor increasing. The 1996 Human Development Report revealed some startling statistics: of the $ 23 trillion global GDP in 1993, $ 18 trillion was in the industrial countries - with only $ 5 trillion in the developing countries, even though they have nearly 80% of the world's people. In fact, the poorest 20% of the world's people saw their share of global income decline from 2.3% to 1.4% over

the past 30 years. Meanwhile the share of the richest 20% rose from 70% to 85%. And finally, the assets of the world's 358 billionaires exceeds the combined annual incomes of countries with 45% of the world's people.

The scope and impact of global changes are having multiple dimensions and implications on nation states: implications that transcend geographic and cultural boundaries. Governments face unique and unprecedented pressures and the case for capable, effective governments to address these challenges has never been stronger. And it is therefore increasingly recognised that the success of countries in sustaining democratic and equitable societies depends, more than ever, on the effectiveness of governance practices in solving development problems.

There has been a growing consensus among the international community that effective and good governance is crucial for human development. The challenge for all societies is to create a system of governance that promotes, supports and sustains human development - especially for the poorest and most marginal. For this reason at UNDP, the importance of governance has become central to our work in promoting sustainable human development, and particularly poverty alleviation: approximately one-third of UNDP's resources are now devoted to activities which support good governance. As I am sure many of you know, since the early 90s, UNDP has advocated the concept of sustainable human development: development that is, above all, people-centered. It puts people first. It meets their basic needs, including the need to attain self-reliance and enlarges their opportunities, including the opportunities to live a long and healthy life, to be educated and to have the resources needed for a decent standard of living. It advances women rather than discriminates against them.

Such development does not occur in a political vacuum. It depends on effectiveness of governance practices in solving development problems and the empowerment of individuals to participate in the decisions that affect their lives. Without good governance, good development— people-centred development —will not move from promise to reality. The fundamental principles of good governance are universal: they include respect for human rights, particularly the rights of women and children, respect for the rule of law; political openness, participation and tolerance; accountability and transparency; administrative and bureaucratic capacity and efficiency. These are mutually reinforcing and cannot stand alone.

Governance is defined by UNDP as the exercise of economic, political, and administrative authority in managing a country's affairs at all levels and the means by which states promote social cohesion, integration, and ensure the well-being of their populations. It embraces all methods used to distribute power and manage public resources and the organizations and institutions that shape the parameters of government and the execution of policies and strategies.

Governance encompasses the mechanisms, processes, and institutions through which citizens and groups

articulate their interests, exercise their legal rights, meet their obligations, and resolve their differences. Good governance depends on public participation, ensuring that political, social, and economic priorities are based on broad consensus in society and that the poorest and most vulnerable populations can directly influence and participate in policy decision-making, particularly with respect to the allocation of development resources.

And more and more, both governments and the international community are recognising that governance begins in communities, villages and towns. Local governance provides the basis for the concept and the structure of governance. Evidence is increasingly demonstrating that decentralising governance, from the centre to regions, districts, local governments/authorities and local communities, can be an effective means of achieving critical objectives of human development-improving access to services, credit, employment, health, and education; increasing people's participation in economic, social and political activities; assisting in developing people's capacities; and enhancing government responsiveness. Local governance is about enabling people to participate more directly in decision-making processes and about empowering those people previously excluded from such processes.

While decentralizing governance is not an end in itself, it is often a means for creating more open, responsive, and effective local governments and for enhancing representational systems of community-level decision-making. By allowing local communities and regional entities to manage their own affairs, and through facilitating closer contact between central and local authorities, effective systems of local governance enable responses to people's needs and priorities to be heard, thereby ensuring that government interventions meet a variety of social needs. The implementation of sustainable human development strategies is therefore increasingly seen to require decentralized, local, participatory processes to identify and address priority objectives for poverty elimination, employment creation, gender equity, and environmental regeneration.

For this reason, decentralising governance is one of the priorities identified in the UNDP Policy on Governance. We use the term "decentralising governance" as we firmly believe that decentralization, in itself, will not be effective unless support is also provided to strengthen local governance. And, in turn, the achievement of good governance at the local level is also not possible without the transfer of responsibilities and capacities through decentralization. The term "decentralized governance" defines the systemic and harmonious interrelationship resulting from the balancing of power and responsibilities between central governments and other levels of government and non-governmental actors, and the capacity of local bodies to carry out their decentralized responsibilities using participatory mechanisms. More than 60% of our country programmes now include activities to support decentralised governance activities.

Decentralized governance can lead to closer contact between government officials, local communities, and

non governmental and community-based organizations. It is increasingly recognised that improved local governance will require not only strengthened governments but also the involvement of many other actors - including civil society organisations and the private sector. This is the key message of UNDP's Policy on Governance: that building capacity in all three domains of governance - state, civil society and the private sector - is critical for sustaining human development. The role of the local government becomes that of a facilitator, a catalytic force for enabling the innovative sharing of responsibilities.

The state, including both national and local government, is generally defined as including all political and public sector institutions. In recent years, pressures for governments to reduce, reorient and reconfigure are coming from three sources: the private sector, the civil society and global pressures from supra-nationals and worldwide social and economic trends. The nature and role of today's state is becoming increasingly focused on responsibility for the delivery of public services and the establishment and management of an enabling environment for development at the international, national, and local levels.

The private sector is demanding from the state a more conducive market environment and a more effective balance between state and market. And governments throughout the world are now seeing the private sector less and less as an institution antithetical to public economies and more as their natural partner, at both the local and national levels, for seeking innovative ways and means of improving service quality and delivery. The private sector includes private enterprises active in the marketplace, such as manufacturing, trade, banking, and cooperatives and includes activities of the informal sector. It has a crucial role to play in promoting social development since it is the primary source of opportunities for productivity, employment, income-generation, public investment, enterprise development, and economic growth.

And the civil society wants increased accountability and responsiveness from government, as well as greater opportunities for participation. A vigorous local governance system is essential to the creation and maintenance of a robust and active civil society, and a strong civil society is equally important to the creation and maintenance of vibrant, democratic, and innovative local governments. Civil society organizations are also increasingly being seen by governments as effective vehicles for reaching disadvantaged groups in decentralized programming exercises. Civil society lies between the state and the individual, comprising both individuals and groups interacting socially, politically, and economically and regulated by formal and informal rules and laws.

The clear message is that governments cannot act alone. This message was recently affirmed by the conclusions of the Second UN Conference on Human Settlements (Habitat II) which took place in June 1996 in Istanbul, Turkey. The Conference concluded a series of UN Conferences that started with the Children's Summit in New York in 1990 and continued with the Earth Summit in Rio in 1992, the Population Conference in Cairo in 1994, the Social Development Conference in Copenhagen in 1995, and the Women's Conference in Beijing in 1995. The clear message emerging from these Conferences was

that the 21st century will be the century of partnerships. While acting globally, the world community acknowledged the importance of local actors and local actions and recognised the considerable work that is needed to strengthen bridges between the various social actors. In this context, the local level of government increasingly represents one of the most important linkages in the transition from centralised forms of government to more participatory governance approaches.

In recent years, UNDP has been responding to these complex challenges and opportunities through the development of a number of global, regional and country-level projects and programmes, focusing increasing attention on strengthening capacities for decentralised governance within the overall mandate for promoting SHD. UNDP assistance has been directed towards systemic institutional analyses and the preparation of decentralization programmes, support for strengthening local authorities, direct assistance to civil society organizations concerned with local governance issues, support to rural institutions, local pilot projects, and evaluating, documenting, and disseminating decentralization experiences.

For example, at the regional level, UNDP is supporting a Project to Support Democracy, Governance and Participation in Europe and the CIS. One of the aims of the regional activity is to reinforce the establishment and strengthening of institutions central to democratisation, the enhancement of governance and the promotion of public participation through the systematic collection and dissemination of information on activities in the region, providing direct assistance to governments at both the national and regional levels, and enhancing the institutional transformation process through conducting regional consultations and meetings to share country experiences.

At the country level, UNDP's activities have been wide-ranging and, in many, countries long-term. For example, in Nepal, UNDP has been supporting the decentralisation process for more than 15 years, evolving from an informal advisory stage, through standard international technical assistance projects, to programmatic support of national initiatives. A further example of activities are those implemented by the UN Capital Development Fund such as their support to the establishment of local rural development funds (LRDF) in Palestine since 1994. These are viewed as the capital component in a broad integrated rural development project intended to promote decentralization. Due in part to the lack of a central administration in Palestine at the time, the Local Rural Development Project (LRDP) was designed to work directly with local authorities and community organizations. LRDP is intended as a "policy experiment", aimed at demonstrating what could be achieved through fiscal transfers to the local level, the promotion of community participation in the decision-making process, and the strengthening of formal and informal rural institutions.

I would now like to highlight two of the global activities as a further indication of how international assistance can support the process of decentralising governance. The first is the Local Initiative Facility for Urban Environment, or the LIFE Programme. The primary objective of the LIFE Programme is to

demonstrate solutions to urban environmental solutions. At the core of the programme are small projects designed, implemented and operated by local community-based organisations (CBOs), non-governmental organisations (NGOs) and local authorities.

While the small-scale projects are an important component of the LIFE Programme, even more important is the process through which the projects are designed and implemented. The programme uses urban environmental problems, such as water and sanitation and solid waste management, as an entry point for getting local actors to work together and to arrive at a mutual understanding. The programme is initiated in each pilot country with a national consultation to determine an overall national strategy and the criteria for project selection. Integral to this process is the national coordinator who arranges and organises local-local dialogues to bring together communities, local authorities and the private sector to discuss their environmental needs and priorities and to develop and implement their own plans. Through this process, small projects are designed and implemented by the communities. The analysis and lessons learned from this process then provide feedback for policy elaboration at the national, regional and global levels.

Through promoting the concepts of participation, partnership and dialogue at the local level, the programme directly promotes the concept that the implementation of sustainable human development strategies requires a decentralised, local participatory process to identify priority objectives, i.e. a participatory local governance process. Underlying the objectives are issues that can most effectively be resolved through local co-ordination, planning and action, all supported by enabling national and international policies.

I would also like to highlight a global programme which is particularly relevant to the focus of this meeting. The Decentralised Governance Programme is a global advocacy programme which will build on the accumulated experience of UNDP and other donors in the design and implementation of decentralized governance capacity building projects over the past several years. The global Programme is being managed by the Management Development and Governance Division (MDGD) which serves as a global laboratory for UNDP for piloting and researching new approaches and methodologies, policy articulation, cross fertilisation of best practices and learning based on country experiences, and the development of partnerships with governance organisations operating at the global level.

The Programme states as its core development objective: to contribute to the knowledge and learning process of UNDP, governments and other donors on how the capacities for good governance of the various actors— public, private and civil—at the appropriate levels—national, provincial, district, municipal, or community—can be strengthened in the areas of policy formulation, resource management, and service delivery/access in order to achieve poverty eradication and other SHD goals.

The Programme has initiated a number of activities. The first aims to directly contribute to the process of

knowledge generation in this area through a comprehensive two year research programme, which is being carried out in collaboration with the Massachusetts Institute of Technology (MIT), ten national research institutions in developing countries, and a number of experts in the field of decentralization. The research programme addresses the issues that, as more and more governments in the developing world look to decentralization as a mechanism for improving their efficiency and effectiveness, it is becoming increasingly necessary to address the serious gap that exists in our understanding of the various dimensions and complexities of decentralization. The Global Research Programme on Decentralized Governance focuses particularly on the interrelations between decentralization and good governance and the consequent effects on poverty eradication as the organization's primary focus area.

A second activity currently being initiated is consists of the documentation, analysis, collation, synthesis and dissemination of the experience in decentralised governance of selected countries which have made serious efforts to implement comprehensive plans for decentralisation of key governance functions. This process will particularly look at the contributions UNDP and other donors have made and their impact on the national process. The focus will be on a few countries and will result in the documentation and analysis of significant success stories and lessons learned.

The work of the international community in supporting the strengthening of decentralised governance processes has only just begun and we have a lot to learn. Decentralisation is not a panacea for all ills: much has still to be learned with regard to the impact the different arrangements subsumed under decentralization have on the poor. But we do know that it is only through decentralisation that the opportunities will arise for people to participate more directly in, and take responsibility for, the decisions that affect their lives: and this is our present and future challenge.

Thank you.

Factors to Consider in Designing
Decentralised Governance Policies and Programmes to
Achieve Sustainable People-Centred Development

Management Development and Governance Division
United Nations Development Programme, New York

February 1998

What decentralisation is ....

• A counterpoint to globalisation

Decentralisation is a counterpoint to globalisation. Globalisation removes decisions from the local and national stage to the global sphere of multi-national or non-national interests. Decentralisation on the other hand brings decision-making back to the sub-national and local levels. In designing decentralisation strategies it is necessary to view the interrelations of these various dimensions - global, regional, national, sub-national, local. In this regard, the role of the nation-state gains increased importance as a mediating force between the forces of globalisation and localisation.

• An integral part of democratisation

Decentralisation is an integral part of the logic of democratisation - the power of a people to determine their own form of government, representation, policies and services. In designing decentralisation strategies it is important to ensure adequate processes of accountability, transparency and responsiveness by all societal actors.

• A phenomenon involving multiple areas, actors and sectors

Decentralisation is a complex phenomenon involving many geographic entities, societal actors and social sectors. The geographic entities include the international, national, sub-national, and local. The societal actors include government, the private sector and civil society. The social sectors include all development themes - political, social, cultural and environmental. In designing decentralisation policies and programmes it is essential to use a systems-approach encompassing these overlapping social sectors and the different requirements which each makes.

• A logical application of core characteristics of good governance

Decentralisation is the logical application of the core characteristics of good governance at the sub-national and local levels. These characteristics include accountability, transparency, rule of law and responsiveness. In designing decentralisation policies and programmes, the core characteristics of good governance provide a set of practical guidelines to follow in designing mechanisms which will

"operationalise" these principles.

• A mix of three types of functions and relationships

Decentralisation is a mixture of administrative, fiscal and political functions and relationships. In the design of decentralisation systems all three must be included.

• A mix of four dimensions

Decentralisation involves four dimensions - the collective/exterior, the collective/interior, the individual/exterior and the individual/interior. The collective/exterior has to do with the institutional and legal forms and procedures. The collective/interior deals with the societal culture - the set of values and assumptions which are often unspoken or unacknowledged but nevertheless play a powerful role in human relationships. The individual/exterior dimension has to do with the observable behaviour of individuals within the various societal institutions, whether government, private sector or civil society. The dimension of the individual/interior deals with the mindset, world view, mental models, emotions and intuitions of individuals within institutions. Effective decentralised governance planning must be based on an analysis of these four dimensions.

• A new form of communication

Decentralisation involves new communication and information flows between each geographical area, societal actor and social sector. The district level is often a useful platform for the coming together of national and local actors for dialogue, decision-making, budgeting and reporting.

What decentralisation is not ....

• An alternative to centralisation

Decentralisation is not an alternative to centralisation. Both are needed. The complementary roles of national and sub-national actors should be determined by analysing the most effective ways and means of achieving a desired objective. For example, a national road system should be designed with both local input and national coordination. Foreign policy should be a national function based on the views of the citizenry. Solid waste management should primarily be dealt with through local mechanisms. And so forth. In designing a decentralisation strategy it is imperative that such an analysis be done.

• Exclusively public sector reform

Decentralisation is much more than public sector, civil service or administrative reform. It involves the roles and relationships of all of the societal actors, whether governmental, private sector or civil society. The design of decentralisation programmes must take this into account. This is why UNDP prefers the use of the term "decentralised governance" rather than the term decentralisation.

Why decentralise?

• To achieve the goals of sustainable and people-centred development

Decentralisation is a form and process of governance. Just as there can be good governance at the national level there can be good decentralised governance. Good governance includes the mechanisms and processes which enable a society to achieve more sustainable and people-centred development. Good decentralised governance includes the forms and procedures that allow a society to achieve at the sub-national and local levels the goals of poverty eradication, sustainable livelihoods, environmental regeneration, and gender equality. It is therefore imperative that in the design of decentralised governance policies and programmes these long term goals be reflected in the mechanisms and institutions being proposed at the national, sub-national and local levels. It cannot be assumed that these goals will automatically be achieved through decentralisation. They must be designed into the decentralisation process itself.

How to decentralise?

• Consider the existing cultural DNA

Decentralisation is affected by the "cultural DNA" of a society - the images, assumptions and internal stories people operate out of regarding issues of authority, role of government, role of the citizen, conflict, consensus, power, role of elites, role of the poor, the role of women, the role of capital, etc. In order to design effective strategies and mechanisms of decentralisation, it is necessary to analyse the underlying cultural DNA which gives rise to the actual behaviour and relationships entailed.

• Consider changing relationships

Decentralisation always involves changes of relationships between and among different societal actors, social sectors and geographic areas. These changes can be threatening or can be seen as enabling for all parties - a win-win situation. In designing decentralisation strategies it is necessary to think through the most effective approaches to making changes in relationships of power, authority and responsibility based on the motivation and self-interest of the various parties involved and the common objectives shared by all groups and individuals. It is necessary to empower and build the capacities of the weaker actors and to provide incentives for each party to make the desired changes.

• Consider timing and sequencing

Decentralisation is a long-term effort in which timing and phasing are crucial. In designing and implementing decentralisation an evolutionary approach should be adopted rather than a "shock treatment". Even so there is no universal recipe for the sequencing of decentralisation.

• Consider enhancing mechanisms of participation and partnership

Decentralisation is increased in effectiveness through mechanisms of full participation and partnership. Participation must involve all the societal actors playing their optimal and legitimate roles in policy formulation, resource management and service provision. Popular participation is crucial in each phase of decentralisation, from situational analysis, design, implementation, monitoring, evaluation and feedback. Partnership must be based on mutual trust and understanding of the various actors, acknowledging that each has both strengths and weaknesses. Each actor must both enable the other actors in their legitimate roles and hold them accountable if they step outside their legitimate mandates. It is important to select suitable entry points for partnerships which allow for collaborative efforts among the different actors. Funding should be made available for micro-projects involving collaboration. The design of decentralisation efforts must promote both participation and partnership formation.

• Consider the mental model which is being used

Decentralisation as a term concept from a mental model containing a centre and a periphery. This is only a model just as a pyramidical social structure is only a mental model. When we view a society as a whole system we see not vertical layers (as in a pyramid) or concentric layers (as in the centric model), but rather a horizontal playing field with autonomous yet interrelated actors, sectors and geographic areas. Hobbes provides us with another mental model of a society - the human body. In designing decentralisation policies and programmes it is necessary to be self-conscious of the mental model one is using and if necessary to adapt or completely change the model to better fit reality.

What is a donors role?

Decentralisation is a sensitive national issue. Donors should not attempt to control this process but to play a facilitative role. Donors should see decentralisation as a learning process and should allow for mistakes to be made and learning to take place. Donors should use a process consultation approach in the design of programmes involving the local and national actors in each phase of the programme cycle.

Sustainable Human Development

■ is pro-people

■ is pro-jobs

■ is pro-nature

■ is pro-gender equity:

supports improvements in the status of women & opening of opportunities to women

FEATURES OF SOUND GOVERNANCE

STATE   CIVIL SOCIETY

participation
information
subsidiarity
accountability
effectiveness
fair, legal frameworks
security
consensus
equity

GLOBAL   VILLAGE

PRIVATE SECTOR
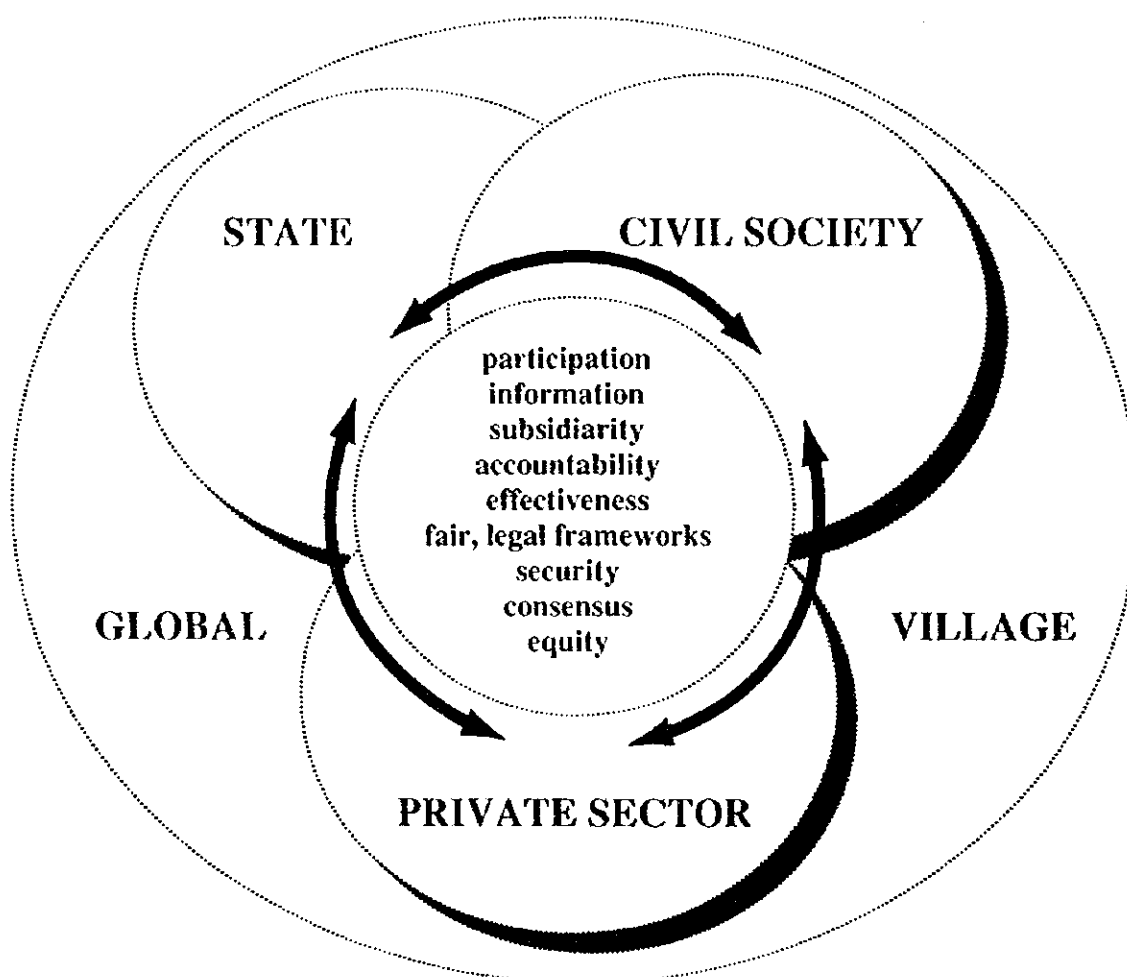
Governance
-UNDP Definition-

Governance can be seen as the exercise of
economic, political and administrative
authority to manage a country's affairs at
all levels. It comprises the mechanisms,
processes and institutions through which
citizens and groups articulate their
interests, exercise their legal rights, meet
their obligations and mediate their differences.

Governance for Sustainable Human Development: A UNDP Policy document.

THE FUNCTIONS

STATE
- Maintain law, order& security
- National identity and vision
- Public policy & programs
- Generate revenue to finance
  public services & infrastructure
- Budget and implement
- Create conditions for SHD
- Regulatory and incentive
  structures for
  investment

CIVIL SOCIETY
Mobilize groups of citizens
to participate in economic,
social and political activities

PRIVATE SECTOR
- Produce goods & deliver services
- Create means of livelihood (jobs)

THE ACTORS

STATE
- Legislature
- Judiciary (legal system, police)
- Public Service
- Military

CIVIL SOCIETY
- Non-governmental and community-based organizations
- Professional Associations
- Religious groups
- Women's groups
- All citizens (including the disenfranchised)

PRIVATE SECTOR
- Small/medium/large enterprises (including multinationals, privately owned, collective and state entreprises)
- Finance and credit institutions

Steps to a national programme:
the LIFE methodology

1.Catalyse a national dialogues,set strategies, gather support

* Identify key local actors
* Recruit a national coordinator
* Hold a national participatory workshop
* Activate a selection committee
* Mobilise local resources and support

national level

3.Initiate the dissemination and exchange of information nationally and internationally

* Help evaluate and document projects
* Assist in disseminating and exchanging information
* Start and upstream policy dialogue based on project results
* Conduct national and international workshops

2.Ensure effective, collaborative, small-scale projects

* Conduct provincial workshops to help formulate collaborative projects
* Solicit project proposals from NGOs,CBOs,local authorities
* Select and fund suitable projects
* Help implement projects,providing training,monitoring,networking

community level

BRAZIL

■ Rio-Mexilhao project (Niteroi)

Organizations involved: Jurujuba Cooperative of Shellfish Farmers, municipal government of Niteroi, Fishing Institute (Rio), Urban Studies Institute (Rio) and planning and administrative secretariat of Rio State

LIFE grant: $30,000

Objective: Prevent depletion of shellfish stocks and improve income of local shellfish collectors and fishermen.

■ Project Lupa/Zona Sul (Rio de Janeiro)

Organizations involved: The Roda Viva Association, Environment Secretariat of Rio municipal governmnent, Municipal Education Secretariat of Rio, State Education Secretariat of Rio and State University of Rio

LIFE grant: $20,000

Objective: Increase environmental awareness through an education programme for children in hillside slum schools.

■ "Adopt a tree" (Vital Brasil Hills)

Organizations involved: Advocates of the Earth, local community, municipal government of Rio, State University of Rio, Forest Engineers Association of Rio State and Vital Brasil Inshtute

LIFE grant: $15,000

Objective: Reforest area devastated by low income settlements and subject to frequent landslides in rainy periods.

EGYPT

■ Garbage removal (New Beni Suef City)

Organizations involved: Local community development association of Beni Suef, the environmental protection association of Beni Suef, and the Muslim Youth Association

LIFE grant: $48,961

Objective: Test technology for garbage collection in narrow streets; employ 16 young people.

■ Environmental development (Ein Helwan area of Cairo)

Organizations involved: The Arab Office for Youth and Environment, the Association for the Protection of the Environment, the Egyptian Red Crescent Society, the Central Association for Integrated Care and the government of Cairo

186

LIFE grant: $49,911

Objective: Clean streets, collect solid waste, plant 10,000 trees, create a park and play area and conduct seminars on environmental and hygieneissues.

■ **Latrine installation (Hekr Abu Hashim area of Cairo)**

Organizations involved: Cophc Evangelical Society for Social Services, community residents and the government of Cairo

LIFE grant: $37,092

Objective: Install latrines and connect them to the public sewerage system.

JAMAICA

■ **Paper recycling (Morant Bay)**

Organization involved: 3Ds Parent Group

LIFE grant: $11,515

Objective: Collect wastepaper and manufacture stationery and greeting cards from recycled paper.

■ **Playgrounds from waste (countrywide)**

Organization involved: Community Environmental Resource Centre

LIFE grant: $34,848

Objective: Construct play areas using waste material, hold workshops on the use of waste materials and train residents in manufacturing and maintaining playground equipment.

■ **Water supply project (Maxfield, Trelawny)**

Organizations involved: Maxfield Citizens Association, Trelawny polish council and national water commission

LIFE grant: $22,221

Objective: Provide a water supply to a community that has been without one for years.

PAKISTAN

■ **Low-cost sanitation (Mominabad, Gujranwala)**

Organizations involved: Organization for Participatory Development, Orangi Pilot Project and Mominabad community

LIFE grant: $13,000

Objective: Provide modern sanitation with low-cost sewerage system on self-help, self-managed basis.

■ **Polythylene bag recycling (Karachi)**

Organization involved: Society for Conservation and Protection of the Environment (SCOPE)

LIFE grant: $9,868

Objective: Find practical and cost-effective methods of recycling non-biodegradable black polyethylene bags.

■ **Primary school books (Karachi)**

Organization involved: The Book Group

LIFE grant: $11,382

Objective: Produce 30,000 primary-level books and a teachers' guide to environmental training; provide training for five schools.

SENEGAL

■ **Cleanup and tree planting (kedougou)**

Organizations involved: Youth Association and volunteers from kedougou community

LIFE grant: $10,000

Objective: Clean up environment, plant trees and maintain infrastructure.

■ **Waste management (Thies neighborhoods at Cite Lamy, Diamague and Medina Fall)**

Organizations involved: Women's Committee on Health from Cite Lamy, NGO-Rodale International and the community of Thies

LIFE grant: $28,000

Objective: Involve and NGO, a women's group and the community in waste management.

■ **Cleanup of drainage system (Dakar)**

Organizations involved: NGO-CAMCUD of Dakar, urban community and African Institute on Urban Management

LIFE grant: $50,000

Objective: Clean up and maintain the sewerage system and preserve the urban environment.

TANZANIA

■ **Street kids vocational training center (Mbezi-Luisi in Dar es Salaam)**

Organization involved: The Catholic Archdiocese of Dar es Salaam

LIFE grant: $13,520

Objective: Provide vocational training centre with two underground deep-water wells and a solar panel to provide heat for kitchen and laundry.

■ **Improvement of Mwaloni market (Mwanza Municipality)**

Organization involved: Mwanza municipal council

LIFE grant: $43,000

Objective: Improve water supply, latrines and waste collection for market users.

■ **Town public toilet services (Zanzibar municipality)**

Organization involved: The Drainage and Sewerage Division of Zanzibar municipal council

LIFE grant: $8,253

Objective: Renovate public toilets and employ youths to clean them and to collect fees from the users.

THAILAND

■ **Canal and community environmental improvement (Bo Wah and Samrong communities in Songkhla)**

Organizations involved: Human Settlement Foundation and community council

LIFE grant: $17,660

Objective: Rehabilitate and clean 5 kilometres of Samrong canal.

■ **Promotion of environmental management (Taeparak slum in Khon Kaen municipality)**

Organization involved: NGO-Cord in Northeastern Thailand

LIFE grant: $20,000

Objective: Promote local-local dialogue as a step towards solving environmental problems.

■ **Fresh market for health and environment (Nonthaburi)**

Organizations involved: Folk Doctors Association, city council and women vendors

LIFE grant: $20,000

Objective: Improve conditions for women vendors and market customers.

DECENTRALIZED GOVERNANCE PROGRAMME

Strengthening Capacity for People-Centred Development

OVERALL PROGRAMME OBJECTIVE

The overall objective of the Programme is to contribute to the learning process of UNDP, governments and other donors on how the capacities for good governance of the various actors-public, private and civic-at the appropriate levels-national, provincial, district, municipal, village or community-can be strengthened in the areas of policy formulation, resource management, and service delivery/access in order to achieve poverty eradication and other SHD goals.
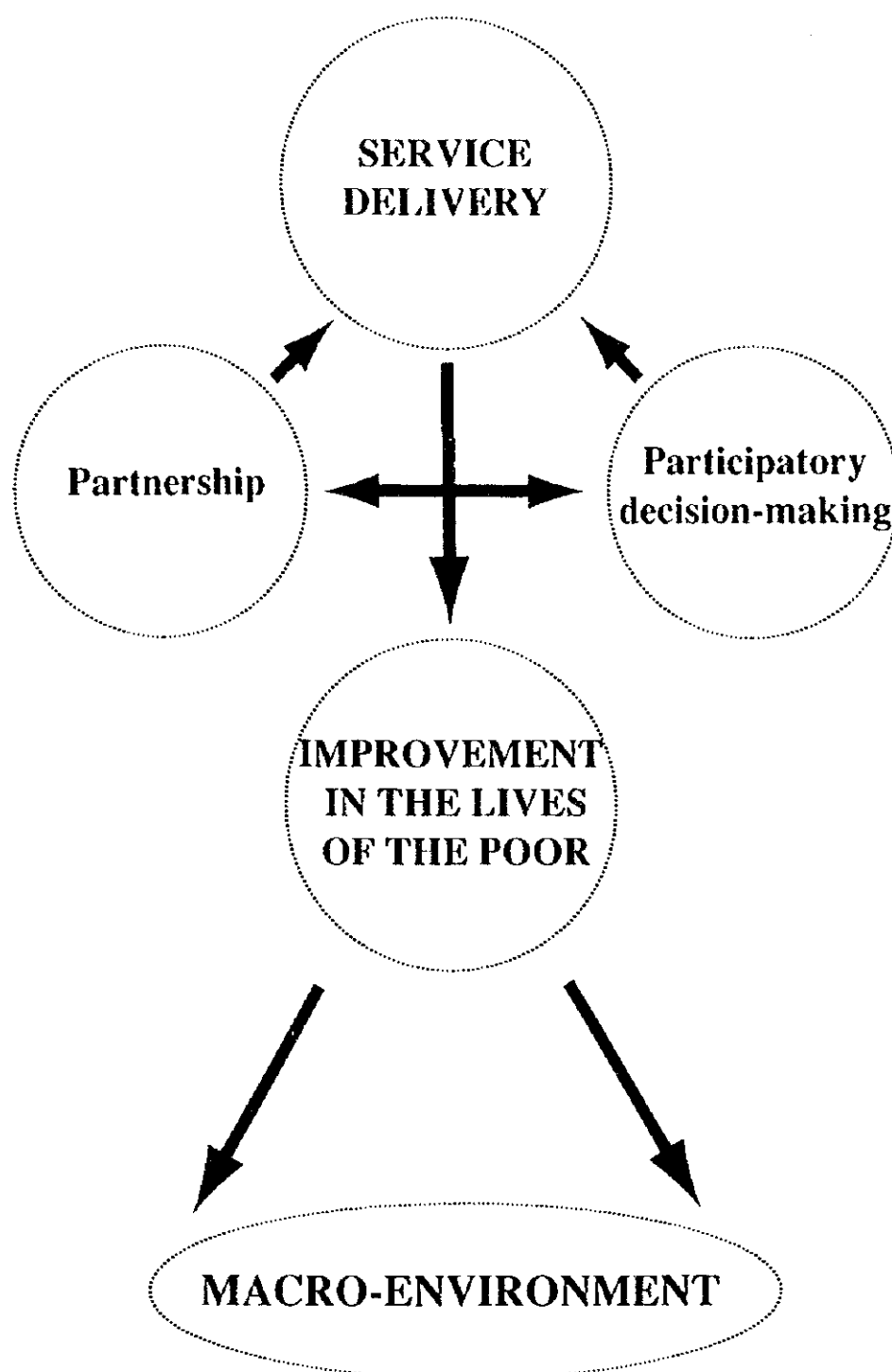
Decentralised Governance Global Research Project

Objective: to directly contribute to the process of knowledge generation with regard to the interrelations between decentralization and good governance and the consequent effects on poverty eradication.

Primary Research Question: "What are effective mechanisms, processes or procedures of decentralized governance which contribute to measurable improvements in the quality of life of men and women living in rural and/or urban poverty?"

Partners: Ten Research Institutions (Poland, Jordan, India, Pakistan, the Philippines, Brazil, Honduras, Uganda, South Africa, and Senegal) and the Massachusetts Institute of Technology (MIT).

LOCAL SUCCESS CASE STUDY

SERVICE DELIVERY

Partnership

Participatory decision-making

IMPROVEMENT IN THE LIVES OF THE POOR

MACRO-ENVIRONMENT

In-Depth Country Thematic Assessments

Objectives: (1) to directly contribute to the process of knowledge generation with regard to the interrelations between decentralization and good governance and the consequent effects on poverty eradication and (2) to enhance understanding on the role development agencies and donors can play in supporting decentralization.

Activities: The documentation, analysis, collation, synthesis and dissemination of the experience in decentralized governance of selected countries which have made serious efforts to implement comprehensive plans for decentralization of key governance functions with UNDP collaboration and, in particular, to assess the contributions UNDP and other donors have made. The result will be the documentation and analysis of Success Stories and Lessons Learned.

Partners: Three research institutions in selected countries.

JICA