GLOBAL PARTNERSHIP

PRIA Global Partnership (PGP) is a global initiative on citizenship and democracy which aims to foster knowledge and relationships. It strengthens and nurtures partnerships across communities and countries to 'make democracy work for all citizens'. It undertakes research, advocacy and capacity building activities, and provides demand-based advisory and consulting services. The broad thematic areas of PGP's work are:

- Democratic Governance
- Participation, Voice and Social Accountability
- Effective and Empowered Civil Society
- Agency for Gender Equity
- Environmental Governance

Capacity Development of Local Governance Institutions

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CONTENTS

From the Director's Desk

One of the challenges of strengthening grassroots democracies is to continuously improve capacities of citizens, civil society, elected representatives and public officials of governance institutions at the local level. However, policies, institutions and resources to support local capacity development seem to be precariously inadequate throughout the global south. This issue of *Global Partnership* critically explores the principles, approaches, practices and experiences in capacity development of local governance institutions. Dipa Bagai in her contribution argues that local capacity development is both under-resourced and under-developed as a strategy for accelerating progress towards the MDGs, and indeed of development. In my own contribution I have tried to argue that given the complexity of capacity development, more synergy is required between levels, dimensions and approaches to capacity development in local governance. More concerted practice and political will is required, even if conceptual clarity is on the right track. Akhter Hussain, Harriet Namisi and Ashley Palmer have analysed a number of critical factors for successful capacity development in Bangladesh, Uganda and the Philippines respectively.

This issue of *Global Partnership* is very special. PRIA Global Partnership (PGP) is proud to bring out the current issue in partnership with Capacity Development Programme, UNDP Asia Pacific Regional Centre. In future, we look forward to many such partnerships and collaborative efforts.

Your continuous feedback and support is always welcome and will keep us going.

Kaustuv Kanti Bandyopadhyay
August 2011

REVISITING CAPACITY DEVELOPMENT OF LOCAL GOVERNANCE INSTITUTIONS

KAUSTUV KANTI BANDYOPADHYAY, DIRECTOR, PRIA GLOBAL PARTNERSHIP (PGP)

Capacity in the context of democratic decentralisation refers to the totality of inputs required by Local Governance Institutions (LGIs) to fulfil their purposes. Despite having diverse views on the motivations and rationale for promoting decentralisation, there is growing consensus that the raison d'etre for LGIs are at least three fold: (a) deepening local democracy; (b) promoting socio-economic equity and justice; and (c) ensuring provision of public services to citizens. Viewed in this perspective, capacity in LGIs means that these institutions are capable of realising these core purposes. Capacity development is therefore a systematic process of providing such inputs, holistically and organically, so that LGIs are enabled to effectively realise the aforementioned purposes. As a considerable number of countries in the global south have embarked upon reorganising their governance structures and processes through democratic decentralisation, it is expected that commensurate efforts will be made to enhance the efficiency and effectiveness of such new institutions through capacity development policies, programmes and interventions.

Governments, civil society, international donors and other development actors have made considerable effort to address the capacity development requirements of LGIs. However, a critical review of capacity development practices across the global south suggests that only a few such examples would cross the bar to be considered 'effective capacity development frameworks' when compared to the collective knowledge harnessed on capacity development over the last two decades. This article examines the critical lessons on the principles, methods and outcomes of capacity development and their application in enhancing capacities of LGIs.

A balanced emphasis on intellectual, institutional and material capacities:

Intellectual capacity in LGIs refers to the perspective through which LGIs and their leadership view, analyse and reflect on their identities. How do LGI representatives and their leadership identify with these institutions? Do they really view them as autonomous governance institutions with relevant vision and mandate or only as the lowest tier of public service delivery administration? Unfortunately, very few capacity development interventions make such an endeavour to develop visionary political leadership in LGIs. This is clearly one of the reasons why the quality of politics has not evolved satisfactorily in local democratic processes. It has also led elected representatives of LGIs to believe that these institutions are inferior as compared to higher tiers of governance, which adversely impacts

Photo courtesy PRIA Archives

political negotiations between LGIs and provincial or national governance institutions with regard to devolution of power and authority to the former.

Institutional capacity in LGIs refers to the ability of these institutions to develop and manage systems, procedures, structures, staffing, decision-making, planning, implementation and monitoring. In most countries of the global south, LGIs have been created much after the consolidation and centralisation of decision-making power by national governments; capacities of LGIs are then largely dependent on the de jure devolution of power and authority by national and provincial governments, effected through some kind of policy or legislative intervention. However, many such provisions have not been translated into de facto devolution of power, leaving LGIs at the mercy of national and provincial governments. As democratically governed institutions, institutional capacity also includes mechanisms to promote transparency, accountability and participation. This is one of the most significant but much neglected aspects of capacity development in LGIs throughout the global south. In recent years, however, there have been renewed efforts to strengthen the capacities of LGIs, particularly in relation to 'institutional' as well as 'social' accountability mechanisms. The other aspect of institutional capacity refers to the ability of LGIs to relate to the external environment, other stakeholder institutions and citizens at large. In the context of market driven economies and associated pressure for privatisation of public service delivery, LGIs are constantly challenged to uphold one of their most critical mandates – that of promoting social welfare and equitable development. A good one-third to half of the poorer citizens in most countries of the global south (irrespective of their status as under-developed or emerging economies) are dependent on public social welfare and are often excluded from market-driven service delivery mechanisms. LGIs must be capacitated to find innovative mechanisms to promote 'smart privatisation' but must also hold private service providers and themselves accountable to the most poor and marginalised citizens.

Material capacity primarily refers to the ability of LGIs to mobilise and utilise financial resources to optimise their performance. In most countries of the global south (with some exemplary exceptions) the capacity of LGIs to mobilse their own financial resources is abysmally low. A combination of factors like least autonomy to determine the sources and rate of taxes, non-taxes, levies and user charges; weak and non-pragmatic tax administrations; lack of control over natural resources; and high-handedness of higher-tier control leads to weak material bases of LGIs. Most LGIs remain dependent on national or provincial governments for financial resources through 'grants-in-transfer'. This fiscal dependence not only adversely affects the overall 'autonomy' and 'self-determination' of LGIs but also seriously impedes their responsiveness to the emerging aspirations of citizens. The capacity to utilise available resources for optimising performance is primarily dependent on the ability to get information, make decisions and deliver according to the needs of citizens. This is to a large extent dependent on the institutional capacities of LGIs.

Synergy among individual, institutional and societal capacities:

Individual capacity development refers to inherent human potential as its focus. The development of ethical political leadership and skilled human resources are an integral part of such capacity development in LGIs. It not only includes developing technical, managerial and administrative skills but also developing broader perspectives on democracy, governance and citizenship rights. In the past, however, techno-managerial capacities received a lopsided emphasis driven by narrow perspectives on the roles of LGI representatives. It must be underlined that while elected representatives need a general appreciation of the technicalities associated with the planning and delivery of various services like health, education, sanitation, etc, the prime responsibility of democratically elected representatives includes prioritisation in planning, resource allocation and holding techno-bureaucrats and officials accountable to citizens. A critical aspect of capacity development at the individual level includes a focus on enabling meaningful participation of marginalised groups like women, indigenous and minority communities in the affairs of LGIs. As most such groups have been historically excluded from public decision making structures and processes and are represented for the first time in these governance institutions, they inevitably need long-term hand-holding support from within and outside the LGIs.

Institutional capacities have been discussed in the previous section in detail. However, two issues may require special attention in this regard. First is the capacity deficit in LGIs to promote participatory bottom-up planning. Decades of 'centralised, expert-driven-planning and resource allocation to local development' paradigms are still dominant across governance institutions from the local to the national. Specialised para-statal planning and developmental agencies created and perpetuated by national and provincial governments have largely remained unaccountable to elected LGIs, and therefore to citizens at large. This has either eroded the existing planning capacities or by-passed any further investment to develop capacities of LGIs. Second is the non-functioning of institutional mechanisms and lack of political will to promote citizen led mechanisms for transparency and accountability in LGIs. Due to lack of appreciation of participatory democratic practices and citizens' rights and entitlements, any organised civic engagement is seen with suspicion and considered as political conspiracy against 'democratically elected representatives'. This is quite contradictory to one of the core purposes of LGIs – deepening grassroots democracy. A combination of developing a rights perspective and institutionalisation of social accountability mechanisms in LGIs would go a long way in achieving the democratic objectives of LGIs.

Societal capacities refer to a systemic view of capacity development to be inclusive of all actors and stakeholder of LGIs. The primary stakeholders of LGIs are citizens and, from an equitable and inclusive development perspective, the poor and the marginalised. There is growing evidence that the capacities of citizens, particularly the middle and upper economic and educated classes, are increasing in many developing and emerging economies. However, this is far from true for the poor and marginalised. Their capacities to participate, contribute and hold LGIs accountable are constrained by institutional norms and prejudices. Patriarchal values, ethnic and religious biases, traditional beliefs all contribute to perpetuate such constraints. Systematic and long-term investments in capacity development for the poor and marginalised, promoting strong collectives and citizens' organisations, and removing such societal and institutional constraints must find a prominent place in the capacity development frameworks to make LGIs accountable to such social groups. Societal capacity development also refers to other actors, such as academia, media, civil society organisations, etc, and sensitising them to the democratic and developmental values of strengthening LGIs.

An effective capacity development framework for LGIs should then acknowledge the necessity to:

- Adopt multiple approaches and methods to address intellectual, institutional and material capacities;
- Include multiple actors and institutions to address both the supply and demand side of democratic governance and facilitate their interface;
- Support long-term, organic and flexible approaches to respond to the emerging capacity needs of various actors;
- Promote principles of life-long and participatory learning; and
- Make explicit commitment to support the special capacity needs of the poor and the marginalised.

INVESTING IN LOCAL CAPACITY DEVELOPMENT[1]

DIPA BAGAI, CD TEAM LEADER, CAPACITY DEVELOPMENT PROGRAMME ASIA, UNDP-ASIA PACIFIC REGIONAL CENTRE

As long ago as 2006 the OECD-DAC reported:-

Adequate country capacity is one of the critical missing factors in current efforts to meet the MDGs. Development efforts in many of the poorest countries will fail, even if they are supported with substantially increased funding, if the development of sustainable capacity is not given greater and more careful attention.

In addressing country capacity, little of the discourse on capacity development revolves around developing capacity at the local level, where needs are the greatest and where capacities are the weakest. In spite of the triple trends of decentralisation, democratisation and local development planning – all of which may be expected to increase the need for greater capacity of local government, service providers, civil society organisations and communities – local capacity development is both under-resourced and under-developed as a strategy for accelerating progress towards the MDGs, and indeed of development.

Why does local capacity development not receive the investment that it deserves? The need for local capacity development is rarely adequately articulated on the demand side, and supply-side weaknesses means that the response is also sub-optimal.

On the demand side, the poorest and most marginalised often have very low expectations of government services, little understanding of their entitlements and even less power to insist on improvements. Local governments and service providers also don't articulate well just how much and what type of capacity development is needed to improve their performance. A study from Pakistan[2] describes well the demand-side constraints in public sector organisations which prevents the extent and nature of the real capacity needs at the local level being fully articulated – a bureaucratic culture that stifles innovation and leadership; targeting of training and development opportunities based on arbitrary nomination (*sifarish* [connections, seniority]) rather than organisational needs assessment; and insufficient incentives to improve capacity in a context where promotion is not based on performance, jobs are for life and no-one is accountable when things go wrong. And this is the same in many similar contexts.

In the absence of well-articulated demand, capacity development 'solutions' are then imposed in a top-down, formulaic fashion without undertaking any comprehensive or contextualised analysis of underlying, organisational and institutional capacity development needs. The suppliers of capacity development services also then very often offer a limited range of approaches – commonly, workshops and off-the-job training.

Photo courtesy UNDP-APRC

An argument often put forward for not increasing investment in local capacity development is lack of absorptive capacity at the local level, when national level officials deny the need to invest more in local level capacity because local organisations and departments are already unable to spend their existing budgets. The issue, however, is often of sequencing. Studies show that investing in local capacities will increase the ability at the local level to manage bigger budgets, bigger development projects and expanded services.[3] That is the way to break the cycle of low capacity, inadequate resources and unmet MDGs at the local level.

How can international and national level actors do more to build capacity and improve performance at the sub-national level? The answers lie in strengthening supply and demand at the local level; improving accountability, especially downward and outward accountability to citizens and service users who have least access to services; and targeting priority organisational capacities.

Using a framework of five steps in an accountability relationship it is possible to see where the relationship breaks down and where capacity can be built to make it work. Thus, as citizens, we delegate to service providers and elected officials certain responsibilities for providing basic services to us, but these 'agents' that we have appointed are often not clear about their respective roles and responsibilities as considerable confusion exists both vertically within the hierarchy of each organisation and horizontally between organisations acting at each administrative level. They also lack the capacity to encourage participation and consult with all sections of the community about our needs, priorities and preferences. We need then to invest in developing their capacity to make plans and decisions that are more inclusive and responsive.

We also need to invest in clarifying roles and responsibilities, taking in the wider context in which they operate. But we cannot delegate roles without also financing them; frequently service providers are not adequately funded to carry out the ambitious roles that we delegate to them. So developing the capacity for raising finance and for realistic budgeting is a crucial task. Our 'agents' then have to perform; they have to carry out their duties. Here we need to invest in the technical and functional competencies of the relevant local organisation. But that in itself is not enough to ensure performance. We have to know if our 'agents' are doing a good job; we have to be informed. Lack of information and information transparency is a pervasive issue in developing countries, especially at the local level. So we need to invest in better monitoring and evaluation of service providers and local government by citizens, and better reporting. Citizens also need to have the capacity to enforce change if we are not happy with the performance of our 'agents'. At the local level, especially among the poorest and most marginalised, this capacity is frequently absent; hence the need for investment in empowerment of marginalised groups, community management of services and democratic processes such as elections and public hearings.

The same approach can be used to address accountability issues within organisations. As we have seen, there is often a lack of internal accountability within organisations which hampers performance. Within these organisations the same five steps, or we can call them capacities, of delegating, financing, performing, informing and enforcing have to be developed so that staff know what is expected of them, have the resources to carry out their job, are supervised and monitored on the job, and are sanctioned or rewarded depending on how well the job is done. Without these basic accountability actions being in place there is likely to be a continued lack of progress.

Finally, concerning the targeting of generic organisational capacities, there is a surprising degree of convergence on what these are considered to be. UNDP has identified a list of five functional capacities, namely: to engage with stakeholders; to assess a situation, define a vision and a mandate; to formulate policies and strategies; to budget, manage and implement; and to monitor and evaluate. These are, for example, very close to an assessment of local government capacity needs that was carried out in Vietnam in 2008. The European Centre for Development Policy Management meanwhile has carried out a research project on capacity development, change and performance which places more emphasis on the emergent, organic and chaotic way that organisations develop, particularly emphasising the larger political, social and cultural forces within and around organisations that are frequently underestimated by external interventions. But the study also identified five core organisational capabilities fundamental for performance: to commit and engage; to carry out technical, service delivery and logistical tasks; to relate and to attract resources and support; to adapt and self-renew; and to balance diversity and coherence. Both of these frameworks can then serve as a basis for targeting investments in organisational capacity development at the local level.

If there is a serious commitment to capacity development then it is essential that the local level is the focus. Capacity development strategies that only remain at the national level will continue to fail to serve the interests of the poor at the local level. Examples of successful attempts to develop capacity at the local level are plentiful, even if the evidence may not be well collated or scientifically presented. These examples point to the need to understand and to address capacities in terms of supply and demand, accountability and organisational capabilities, particularly in their local political, social and cultural contexts. With more and better investment, and better mechanisms for lesson-learning and sharing, they can be scaled up to have a wider impact, and make capacity development the key lever for development.

Localising capacity development means creating a new agenda for action. Development partners and local organisations themselves need to get better at assessing local capacity development needs in a more comprehensive and contextualised way. Government and donor budgets for sub-national capacity development must be clearly identified, monitored and almost certainly increased in order to respond better to identified needs. Sub-national capacity development investments should be allocated more rigorously based on needs assessments that address quick impacts as well as sustainable solutions, on careful selection of suppliers of capacity development services and, to go to scale, on integration with national policy reforms including decentralisation, democratisation and public sector accountability.

National development strategies must prioritise capacity development at the local level where needs are greatest and place emphasis on how capacities of sub-national organisations can be supported. The leaders of today must be prepared to implement this new agenda if development goals are to be achieved at the local level.

1. This paper draws on research commissioned through the UNDP and SNV partnership *Advocacy for Local Capacity Development for MDG Achievement in Asia*, as well as on the paper by Bill Tod, *Learning to Localise: The Case for Investing More in Local Capacity Development*, which was prepared for the UNDP Global Event in 2010: 'Capacity IS Development'.

2. Idris, Iffat (2009). *Local Government Capacity Development Investments for MDG Localisation in Pakistan*. UNDP/SNV Asia.

3. Nguyen, Thi Kim Dung and Le Minh Ngoc (2008). *Local Capacity Development Investments for MDG Localisation in Vietnam*. UNDP/SNV Asia.

TRENDS IN LOCAL GOVERNANCE CAPACITY DEVELOPMENT IN THE PHILIPPINES[1]

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The Philippines has been lauded for the high value it places on education and strong commitment to MDGs. The advent of decentralisation has increased the responsibilities of Local Government Units (LGUs) for delivering public services. Effective service delivery requires a range of local governance capacities. But has this link between capacity development and effective local governance been recognised and acted upon?

A research study commissioned by UNDP and SNV on investments in local capacity development found that there are many good practices and innovations in local capacity development in the Philippines. Indeed, the existence of so many educational institutions gives the impression of Philippines being a 'leading capacity development country'. However, challenges remain. Many LGUs still do not articulate a demand for capacity development, for many reasons. On the supply side, despite the plethora of capacity providers, they are not always positioned to meet the demand with effective approaches. A lack of financing of local capacity development efforts compounds these challenges.

Capacity Development at the Local Level: Demand

While the need for capacity development at the local level is increasing, it is not always recognised as such and, in turn, articulated as demand for capacity development interventions. There are still national and local officials who believe that capacity development should not be a priority, given the extensive formal education system in the country. Needless to say, this perspective views 'capacity development' as limited to a focus on individual capacities. Other times, the link between capacity development and effective service delivery is not appreciated. Decision makers may be preoccupied with the demand for improved education, health and other services but fail to see how capacity development is a means to strengthening services in these sectors.

Furthermore, certain practices linked to capacity development have eroded its urgency and usefulness. Some capacity development programs are perceived to be more 'rest and recreation' activities. The selection of participants for such programs can be highly politicized, rather than based on assessed needs, roles and responsibilities, or performance.

This is not to say there are no instances of LGUs recognising capacity needs and taking steps to address

Philippines President Gloria Macapagal Arroyo presents an award for innovations in local capacity development to an LGU representative, February 2009
Photo courtesy UNDP-APRC

them. In many cases, however, it is the supply side (capacity development providers) in the Philippines that is unable to respond effectively to the demand.

Capacity Development at the Local Level: Supply

There are many universities, training institutions, donor-supported programs and civil society organisations that contribute to capacity development in the Philippines. Two national institutions are specifically concerned with local governance: The Center for Local and Regional Governance (CLRG) and the Local Governance Academy (LGA). Contributions by the international donor community and Philippines' civil society should also not be overlooked.

Despite the range of capacity suppliers, it is important to mention several qualifying factors. First, a large number of suppliers (institutions and organisations) are concentrated in the national capital region. This presents a mismatch, given that the need for capacity development services tends to be greatest in the more remote areas of the country. Second, capacity providers too often work only with a handful of 'preferred LGUs', creating a duplication of effort and/or an exclusion of other LGUs. Third, there is a general trend, often with donor-supported programs, for capacity development interventions to be supply-driven, rather than based on assessed capacity needs or articulated demands.

When it comes to the actual content of capacity development initiatives, approaches range from cutting-edge innovations to age-old lectures and trainings.

One innovation, piloted by UNDP and the Galing Pook Foundation, an NGO in the Philippines, is the use of non-monetary incentives to recognise government performance at the local level. An awards program identifies local programs throughout the country that have helped build or enhance local government or community capacities, and have contributed to specific MDG targets. There is

also a current trend in the Philippines towards more experiential learning and on-the-job training, rather than formal classroom training. Coaching and mentoring approaches are also increasingly being adopted as modes of knowledge transmission.

Critical Factors and Recommendations

1. Capacity development at the local level in the Philippines is very uneven. Innovative practices are being piloted, yet bad practices still exist. This is not strictly due to a lack of financing of dedicated capacity development. Any advocacy for increased capacity development financing should be part and parcel of efforts to recognise and replicate good practices, and should focus on assessed needs.

2. The strengths of civil society should not be overlooked when it comes to improving local capacity development in the country. CSOs engage LGUs extensively in the Philippines. They have played an important role at the national level as well.

3. In terms of increasing budgetary allocations for local capacity development, the national agencies and LGUs who actually deliver services may not need much convincing. It is the agencies and individuals who determine development priorities and appropriate the budget that will need to be convinced. The legislative process may provide an opportunity for advocacy to this end.

4. There is need for a more concerted effort to develop capacities in areas of general local governance. Much capacity development is very specialised and technical. It is equally important, however, to invest in LGU personnel in the broader areas of administration and governance.

5. Leadership has proven a key factor when it comes to effective local capacity development in the Philippines. Political leaders often have the mandate to make decisions about how existing budgets can be spent on effective capacity development initiatives.

The UNDP-APRC provides support to UNDP country offices in a number of cross-cutting areas, including capacity development, gender equality, knowledge service, public-private partnerships and mine action.

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1. This case study draws on the findings of research conducted by Leonor Magtolis Briones, under the auspices of the UNDP and SNV initiative *Advocacy for Local Capacity Development for MDG Achievement in Asia*. The full text research report is available online at http://www.thepowerofhow.org/uploads/resource/Philippines_Investments_in_Local_Capacity_Development_48.pdf

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Strengthening Local Governance through Participatory and Responsive Public Services Project in Bangladesh[1]

Akhter Hussain, Department of Public Administration, University of Dhaka

The Public Services Project discussed in this article was a WAVE Foundation initiative implemented in 112 unions under 11 districts in three administrative divisions of Bangladesh. WAVE executed this with the assistance of 41 NGOs belonging to the `Governance Coalition'. The purpose of this project was: (1) to activate standing committees of education, health, agriculture, and audit & accounting with the focus of improving service delivery and overall functioning of the Union Parishad (UP); (2) to increase local level conflict resolution by making Gram Adalats or village courts functional; and (3) to ensure effective participation of the local community.

The project created Lok Morchas or People's Alliances at the union, upazila and district levels. These community based organisations representing local interest were

Photo courtesy WAVE Foundation

intended to be watchdog organisations overseeing and monitoring the delivery of public services at the local level and also to advocate and lobby with concerned agencies for further improvement in those areas.

A number of activities were undertaken to build the capacity of the Lok Morchas and other stakeholders by the project in the mandated areas. These included:

1. Orientation of Lok Morchas on the project

2. Capacity building activities for the UPs

3. Training of UP representatives and members of the Lok Morchas on village courts, gender and leadership, participatory planning and budget procedures in UPs

4. Since WAVE's partner non-governmental organisations (PNGOs) were responsible for implementation in the field, activities were also undertaken for their capacity development

5. To ensure inclusivity of all sections of society, including the poor and marginalised, three specific criteria of gender, political affiliation and profession were fixed as membership to the Lok Morchas.

Observations

Despite a good effort to ensure participation through criteria fixing, it was found that women constituted only 24 per cent of the UP Lok Morcha. At upazila level, it was lesser (19.5 per cent) and at the district level it was 20 per cent. In terms of participation from marginalised sections, out of the eight categories selected, two represented marginalised sections, i.e., farmers and workers. At the UP level, their participation was only 27.6 per cent, at upazila level it was 18.8 per cent and at the district level it was the least at less than 8 per cent.

Despite inclusion at less than desired levels in these Lok Morchas, the main shift that came about was establishment of a participatory process of planning, lobbying and decision making. For instance, the three standing committees in focus started having regular meetings in 93 out of 112 unions selected and as many as 654 decisions of the UP standing committees got elevated to the upazila level. Planning and budget meetings began to take place in the wards of all 112 unions, ensuring participatory decision making. Regular UP-NGO-GO coordination meetings began in 106 UPs, thereby strengthening the micro-macro link.

There were many positive changes specific to the standing committees. Personnel issues were resolved by filling 76 vacant positions of sub-assistant agriculture officers and 97 doctors due to consistent lobbying by the Lok Morcha. In 102 unions, a redistribution of 487 teachers was accomplished to ensure consistent student-teacher ratio and 107 community teachers were recruited. The gap in adequate infrastructure was addressed by lobbying for new machines, irrigation, health instruments, furniture for schools, etc, and 87.5 per cent unions now have 100 per cent sanitation coverage.

Transparency was another core issue that was addressed in all the three committees. The union health and family centres of 96 unions started the process of putting up the list of medicines available with them on the notice board. Many UP complex offices were set up at the union level. Health and family welfare centres of 108 union centres were found to be providing qualitative services.

Another goal for this project was setting up of and making functional the existing Gram Adalat system at the UP level. Towards the end of the project, 83 out of 112 UPs were found to be conducting village courts on a regular basis. Two-thirds (66.3 per cent) of disputes in the 112 UP courts were resolved while the rest were still under proceedings or had been dismissed. The higher courts referred a total of 1281 cases to the village courts.

Established in 1990, WAVE Foundation has been working in the field of human rights, good governance, microfinance, agriculture, water and sanitation, and other development related issues in Bangladesh.

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1. This article has been abridged by Pavneeta Singh, Senior Programme Officer, PRIA Global Partnership (PGP).

Decentralisation in Uganda: The Question of Institutional Capacities

Harriet Namisi, Programme Coordinator, Governance-Policy Analysis, DENIVA

The roots of local administration and decentralisation in Uganda can be traced back to the 1955 District Administration Ordinance which promoted election of district council members to facilitate revenue collection efforts. However, this was not long lived and some improvements were made only with the coming to power of President Yoweri Museveni who introduced a Ten Point programme for a new political and economic strategy. For the first time Uganda talked about good governance, stating the need for democratically elected leadership right from the village. In 1992, Uganda embraced decentralisation and established the 1993 Decentralisation Policy. The Policy entrenches the devolution of powers, functions, responsibilities and services from the central government to all local governments, which has led to the rapid growth of administration units from 38 in 1992 to the current 111.

Capacity Challenges Faced by Local Governance Institutions in Uganda

Despite all the impressive intentions and attempts to achieve successful decentralisation in Uganda, a number of institutional capacity challenges still exist. According to the Local Government Sector Investment Plan (LGSIP), the challenges include a low skills base in the face of increasing demands for enhanced social service delivery. While development planning and resource allocation are, by policy, mandatory in all local governments, it is still a challenge to make the process participatory especially in regard to linking up lower local government priority needs with higher local government and national priority plans.

Fiscal management and audit in terms of formulation, approval and execution of a balanced budget as well as the capacity to keep books of accounts is also a huge difficulty. Besides, the fiscal decentralisation strategy in Uganda faces numerous challenges in terms of declining local revenues, poor accountability, complex reporting and accountability systems, etc. The fiscal transfer system is also weak, which affects council planning and budgeting options. With the abolition of graduated tax, decentralisation is further faced with the lack of local revenues, thus casting a doubt on the sustainability of Ugandan local governments that depend entirely on central allocations.

Initiatives to Develop Capacities of Local Governance Institutions in Uganda

The Ministry of Local Governance has played a leading role in coordinating all the interventions aimed at addressing capacity gaps. The Ministry's 2005 National Local Government Capacity Building Policy (NLGCBP) aims at regulating capacity building interventions across the country. The NLGCBP has been linked with local

A picture of Ntoroko District Local Government Administrative Unit departmental offices hosted under this tree. This is the only space available that acts as office space and can be rearranged to host a meeting. Photo courtesy DENIVA.

governance performance assessments, identified needs, and made provision for training and incentives to improve performance (LGSIP, 2006-2016). Key among the initiatives by the government is the Local Government Management Service Delivery (LGMSD) Programme that sets minimum performance requirements for local governments. The LGMSD grant is also used for assessing performance and those that excel are awarded an increase of 20 per cent financial allocation, while poor performers get a penalty of 20 per cent reduction in their allocations.

CSOs have also played a crucial role in the process of capacity building in Uganda. The Development Network of Indigenous Voluntary Associations (DENIVA) has been a key CSO in the implementation of the LGSIP and has been involved in strengthening the capacity of local leaders in areas of accountability and responsive governance along with others such as the Forum for Women in Democracy (FOWODE), Uganda Joint Christian Council (UJCC), the European Union, DANIDA, Linkages (USAID) and Irish Aid.

Achievements of Such Capacity Development Efforts

There is a relative increase in effective and efficient service delivery that has led to an improvement in fiscal decentralisation and increased budget allocation to the Ministry of Local Government by 45 per cent in the financial year 2011-12. The structure of political decentralisation has improved in terms of planning, budgeting, monitoring and evaluation of government programmes as well as improved relations between the political and technical staff in the districts. Further, the citizens have been empowered – most are now more aware of their rights and also the roles of duty bearers.

DENIVA is a Ugandan network of non-governmental and community based organisations (NGOs/CBOs) providing a platform for collective action and a voice to voluntary local associations to strongly advocate for creation of more opportunities for people and CSO participation in the development of Uganda.

Summary of Proceedings
Asian Regional Conference on Effective Local Governance: Accountability, Participation and Inclusion

2-4 June 2011, Kathmandu, Nepal

The Asian Regional Conference on Effective Local Governance: Accountability, Participation and Inclusion was organised by PRIA Global Partnership (PGP), Local Governance Initiative South Asia (LoGIn), Logo Link South Asia and Institute for Governance and Development (IGD). It was conceptualised as a multi-stakeholder platform of civil society organisations, academicians, government and donor agencies to engage in debate and discussion on strengthening local governance in the Asian region. The Rt. Hon'ble Prime Minister of Nepal, Mr. Jhala Nath Khanal, inaugurated the conference, which was also attended by Mr. Jagath Balasuriya, Hon'ble Minister, Ministry of National Heritage, Government of Sri Lanka and Ms. Urmila Aryal, Hon'ble Minister, Ministry of Local Development, Government of Nepal. The conference was attended by 110 participants from 26 countries from South Asia, South East Asia, Latin America, Canada, Africa and Europe.

The conference generated discussions around three themes:

Theme 1 - Capacity Development of Local Governance: Opportunities, Challenges and Ways Forward: Capacity development is indispensable for strengthening local governance and key actors within and outside the state need to be involved in the process. Capacity development should have an integrated approach to help the most marginalised. National and regional level capacity development strategies for focused interventions have to be prepared. Public private partnerships can be one future possibility in local economic development.

Theme 2 - Democratic Accountability in Local Governance: Though constitutional or legal provisions are important for establishing accountability and democratic governance, they are not the only means of acquiring the goal of accountable governance. Many cases exhibit that citizens have participated in processes that are beyond the confines of constitutional/legal frameworks. Informal and new forms of participation have to be explored by communities to demand accountability from the state.

Theme 3 - Citizen Participation and Social Inclusion in Local Governance: Deeper exploration of institutional and capacity development issues that need to be addressed in order to facilitate participation of socially excluded communities in local government is required. Monitoring and evaluating the implementation of policies which are supposedly promoting social justice and social inclusion and their impact at the national and local levels would be relevant in the present context.

Recommendations

1. Local governments in different countries in Asia are at different stages of evolution, so they can learn from each other and identify practices which can be adopted or inspire.

2. Political and legal frameworks define the opportunities of participation and accountability in the local government system and effort should be made to make these frameworks vibrant. Efforts should also be made to ensure meaningful participation in these institutional frameworks.

3. Capacity building of local governance institutions with the objective of spreading political awareness among citizens, building capacities of local governments to work effectively for the people and creating a culture of inclusion in all decision-making processes can be expected to yield better results.

4. Policy advocacy at the regional level should comprise of systematic and on-going monitoring of existing policies, their implementation and reformulation. A variety of initiatives such as structured dialogues, lobbying, campaigning and public education can be planned.

5. Building networks and collaborations at the regional and local level can collectively take up the issues of participation, inclusion and accountability in local government.
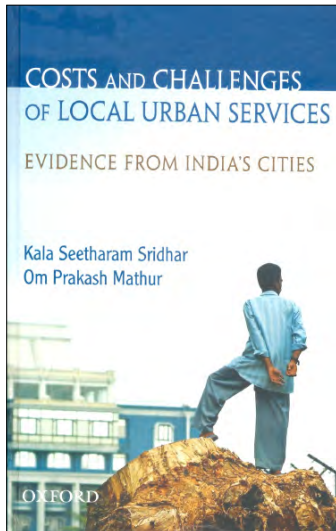
The full text conference report is available online at http://www.pria.org/docs/ARC%20Report.pdf

BOOK REVIEW

COSTS AND CHALLENGES OF LOCAL URBAN SERVICES: EVIDENCE FROM INDIAN CITIES

Costs and Challenges of Local Urban Services: Evidence from Indian Cities by Kala Seetharam Sridhar and Om Prakash Mathur is one of the earliest studies of its kind in India analysing the provision of urban infrastructure by examining the costs and prices of key urban services in India. In this book, chapters 2 to 5 focus on the questions: What are the marginal costs of providing urban infrastructure services such as water in Indian cities? How do they compare with actual tariffs being charged? What are the pricing instruments most commonly used to charge for water in Indian cities? Estimating the marginal cost means estimating the additional burden of population on the supply and costs of a service. The authors study costs of operation and maintenance for purposes of estimating short-run marginal cost. No attempt is made to perform the estimation of long-run marginal costs though. The authors use field data from six cities – Chandigarh, Lucknow, Bangalore, Pune, Jaipur and Surat - to present a comparative perspective on diverse fiscal and institutional arrangements. The findings from the expenditures on water supply, instruments and methods of water pricing, marginal cost estimates of water supply, etc, is described in these chapters. One also finds information on international practices in water pricing. The authors relate country specific pricing reforms with their country specific characteristics respectively. In the end they lay down criteria which can serve as objectives of water pricing for all to follow.

Chapters 6 and 7 focus on the questions: With respect to urban services such as solid waste, sanitation, sewerage, street lights and roads, what is the total expenditure required for ensuring a certain benchmark level of services? How does it compare with actual expenditure by cities on these services? These chapters explain institutional, regulatory and legal frameworks for solid waste collection, treatment and disposal in India; the costs and charging mechanism that currently exist for solid waste management; and normative financing principles that should underlie the charges. They also report findings with respect to expenditure of these services.

Chapters 8 and 9 attempt to answer the questions: What are the challenges faced by Indian cities in reforming their service delivery? Are they primarily financial or are they institutional as well? In these chapters the larger question of urban reform and challenges in improving public service delivery has been discussed in the context of Ludhiana in Punjab and Rajkot in Gujarat. No one-to-one comparison has been made between these two cities. The assessment of the two cities broadly addresses the need for urban reforms, potential bottlenecks, triggers for reform and reform agenda in the context of these cities. The study has been done keeping in mind the possibility of replication and use of information for cities in developing countries.

The findings by the authors show that over and above the issue of finances, institutional and statutory overlap of functions explains poor service delivery in case of many Indian cities. They recommend that there should be one local level institution for all locally provided services to avoid statutory overlap of several institutions dealing with the same service. This will also help curb the `passing the buck' attitude for responsibilities. Local level institutions need to be adequately equipped with resources, skills, powers and expenditure responsibilities with respect to provision of services. The case of Rajkot demonstrates that even when privatisation is practised with respect to some services, public monitoring becomes necessary for better outcomes.

Readers will find this book a small but important step towards studying what ails public service delivery in India. More research is required to build upon this work and to study what else can be done to reform service delivery.

PGP INITIATIVES

CIVIL SOCIETY AT CROSSROADS ?

Major economic and political upheavals of the past decade have transformed the entire discourse on the role of civil society. The attack on the World Trade Centre and the subsequent 'war on terror' in Afghanistan and Iraq, the emergence of new economies and affluent middle classes directing growth, the financial meltdown of North America and Europe and the loss of employment there, the strength of voices of the new coalitions of emerging economies and their influence on global governance, citizen's movements in the Middle East demanding democratic freedoms – all these in one way or the other have brought about contradictory influences on the functioning of civil society at both the local and global levels. It is in this context that a need has been felt among practitioners to create a platform where participants can come on board to debate, discuss, share stories and relate experiences about the changing face of civil society.

'Civil Society at Crossroads?' is a joint initiative between CDRA (South Africa), EASUN (Tanzania), INTRAC (UK), PSO (The Netherlands) and PRIA (India). The platform is aimed at creating and sharing knowledge on and about civil society around the world that would be helpful to both practitioners and policy makers alike. The basis of this initiative lies in a strong belief in civil society and its importance and future role in promoting inclusion, equity and justice.

This Thematic Learning Programme (TLP) aims at providing more insights into how civil society contributions in different regions of the world can be understood, supported and enhanced. Hence, this is an iterative and collective reflection process with a methodology of 'recalling and recovering' those stories that encourage reflection among ourselves and our partners in local and global civil society. As this is an iterative process, initial stories will be collected in Tanzania, South Africa, India, UK, Netherlands and Brazil. These stories will be about civil society actions that have supported changes taking place in the last ten years.

Follow the discussions on http://pria.org/blog

RESOURCES FOR DEVELOPMENT PRACTITIONERS

STUDY ON LOCAL GOVERNMENT CAPACITY DEVELOPMENT INVESTMENTS FOR MDG LOCALIZATION IN CAMBODIA

This study seeks to address important questions related to capacity development like prevailing and emerging perceptions on capacity development, budgetary allocations targeted to local-level capacity development, existing and emerging government and donor investment policies in local-level capacity development and many more.

http://www.thepowerofhow.org/uploads/resource/Cambodia_Investments_in_Local_Capacity_Development_44.pdf

LOCAL GOVERNMENT CAPACITY DEVELOPMENT INCENTIVES FOR MDG LOCALIZATION: PAKISTAN, PHILIPPINES AND VIETNAM

This paper is an overview of three papers on local government capacity development incentives for MDG localization in Pakistan, Philippines and Vietnam. The focus of this overview is on financing capacity development.

http://www.thepowerofhow.org/uploads/resource/Local_Government_CD_Incentives_20.pdf

ASSESSING GENDER RESPONSIVE LOCAL CAPACITY DEVELOPMENT IN INDONESIA

This study presents important research on the Indonesian experience of gender responsive capacity development at the local level. It provides some important insights into the kinds of gender responsive capacity development programmes that have been initiated in Indonesia as well assessing which of these have worked and why.

http://www.thepowerofhow.org/uploads/resource/UNDP_Indonesia_Gender_Study_final_version_45.pdf

ANNOUNCEMENTS

PRIA GLOBAL PARTNERSHIP (PGP) IS CO-ORGANISER OF OSLO GOVERNANCE FORUM (OGF), 3-5 OCTOBER 2011

PRIA Global Partnership (PGP) is one of the co-organisers of Oslo Governance Forum (OGF), which will take place from 3-5 October 2011. OGF is an initiative of UNDP Oslo Governance Centre and UNDP Democratic Governance Group. The other co-organisers include United Nations Democracy Fund (UNDEF), Action Aid, ACT Alliance and World Bank Institute.

The Forum will focus on Participatory Governance Assessments and Social Accountability as means for strengthening democratic governance at national and international levels. It will discuss five thematic areas – governance of natural resources, strengthening public service delivery, the future in anti-corruption strategies, the role of governance assessment in political transformations, and youth and technology as forces for social accountability.

The main objectives of OGF are to recognise innovation and leadership in the south in using assessments to promote social accountability, to create a network of likeminded practitioners and to bridge the 'supply and demand' of assessment initiatives that are making linkages between users of assessments, especially between the community level and the producers of assessments.

Information on the Forum, the programme, co-organisers, panels and speakers can be found on the Forum website www.oslogovernanceforum.org, which will be constantly updated.

FORTHCOMING THEMES OF *GLOBAL PARTNERSHIP*

- Volume 1, Issue 4, October–December 2011: Participatory Monitoring and Evaluation.

REQUEST FOR CONTRIBUTIONS

Based on the different themes of the newsletter, interested individuals can share their experiences and learning with a wider audience. Contributions are invited from all readers – development practitioners, consultants, academicians, research students, etc. For information regarding article guidelines (word limit, font, reference style, etc) write to pgp@pria.org mentioning the specific theme and issue for which you wish to contribute.

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