



Training Toolkit on Effective National to Local Public Governance for SDG Implementation

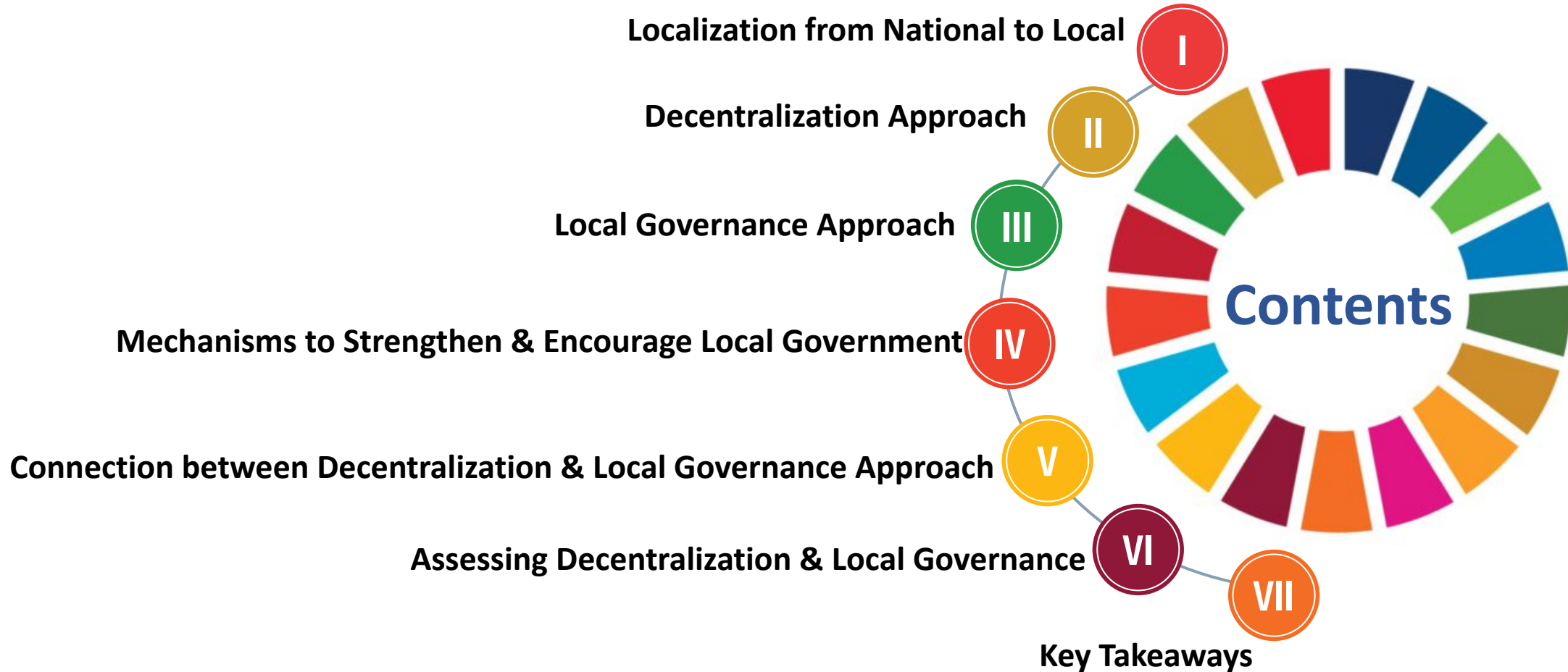




Localization from National to Sub-national

Module 3.4







Learning Outcomes



Understanding the different approach of localization



Learn different forms of integrated local governance



Explore mechanisms to strengthen & encourage local government



Learn how to assess decentralization and local governance using different tools



I. Localization from National to Local

Sustainable development depends on *“the effective decentralization of responsibilities, policy management, decision-making authority and sufficient resources, including revenue collection authority, to local authorities, closest to, and most representative of, their constituencies”*

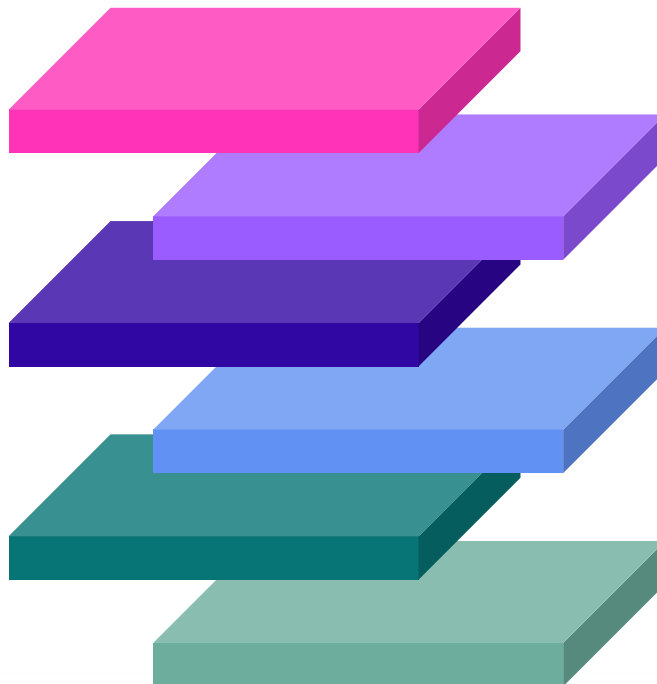
- UCLG, 2008

Local governments should strive to

Be informed

Evaluate performance

Improve transparency and inclusion



Work in partnership

Cooperate with neighboring local governments

Form coalitions of cities and local governments



I. Localization from National to Local

Stages of SDG implementation process

Stage	Focus	Activities
1	<p>PREPARATION National level</p>	<ul style="list-style-type: none"> • Preparation of national strategies (integration/alignment of the SDGs within national development strategies (NDSs) or development of a 2030 Agenda plan). • Appointment of a responsible national coordination body and building an inclusive governance arrangement to promote a ‘whole-of-government’ and ‘whole-of-society’ approach to SDG implementation. • National monitoring and evaluation framework and indicators. • Information and consultation (national and local). • Localization strategy for implementation of SDGs: vertical and horizontal alignment of policies. • Dedicated means of implementation: technical assistance and training programmes, financing mechanisms. • National reporting system for the preparation of the VNR with a multi-stakeholder participatory approach
	<p>PREPARATION Local/regional level(s)</p>	<ul style="list-style-type: none"> • Alignment of local development plans (LDPs) with the SDGs and/or national development plans (NDPs) that have already integrated with the SDGs. • Local/regional coordination body: building governance arrangements. • Strengthening local information and consultation. • Setting priorities and targets for implementing local 2030 Agenda plans.

Source: [Brian Roberts for the ‘GOLD V Report’](#).





I. Localization from National to Local

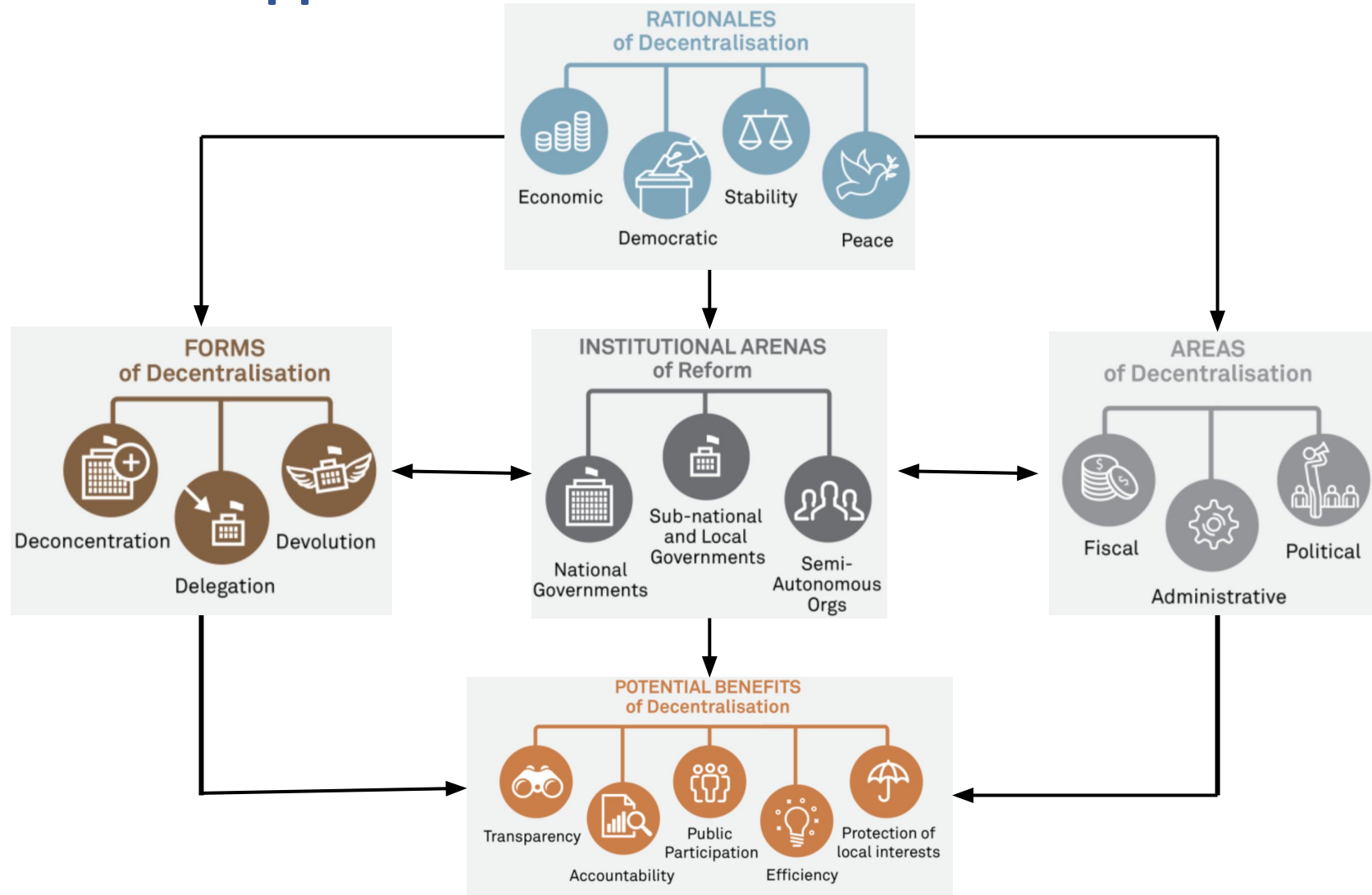
Stages of SDG implementation process

Stage	Focus	Activities
2	Operationalization	<ul style="list-style-type: none"> • Setting priority targets, involving local stakeholders, preparing investment plans and budgets for projects and programmes. • Operationalizing SDG monitoring and evaluation of performance targets and indicators. • Collaborative multilevel governance and coordination arrangements established to support co-funded local SDG initiatives. • National and local retrofitting of SDGs to existing projects and programme activities
3	Scaling-up/ mainstreaming	<ul style="list-style-type: none"> • Long-term plans, budgets and funding models for scaling-up to long-term programmatic and bundled programme activities. • Mainstreaming and tailoring to context and scale. • Knowledge transfer involving continuous open learning.
4	Adapting/ glocalizing	<ul style="list-style-type: none"> • Glocalization of good practices. • Customization and adaption of learning and good practices. • Value-adding through innovation and creativity. • Developing learning systems and technologies.

Source: [Brian Roberts for the 'GOLD V Report'](#).



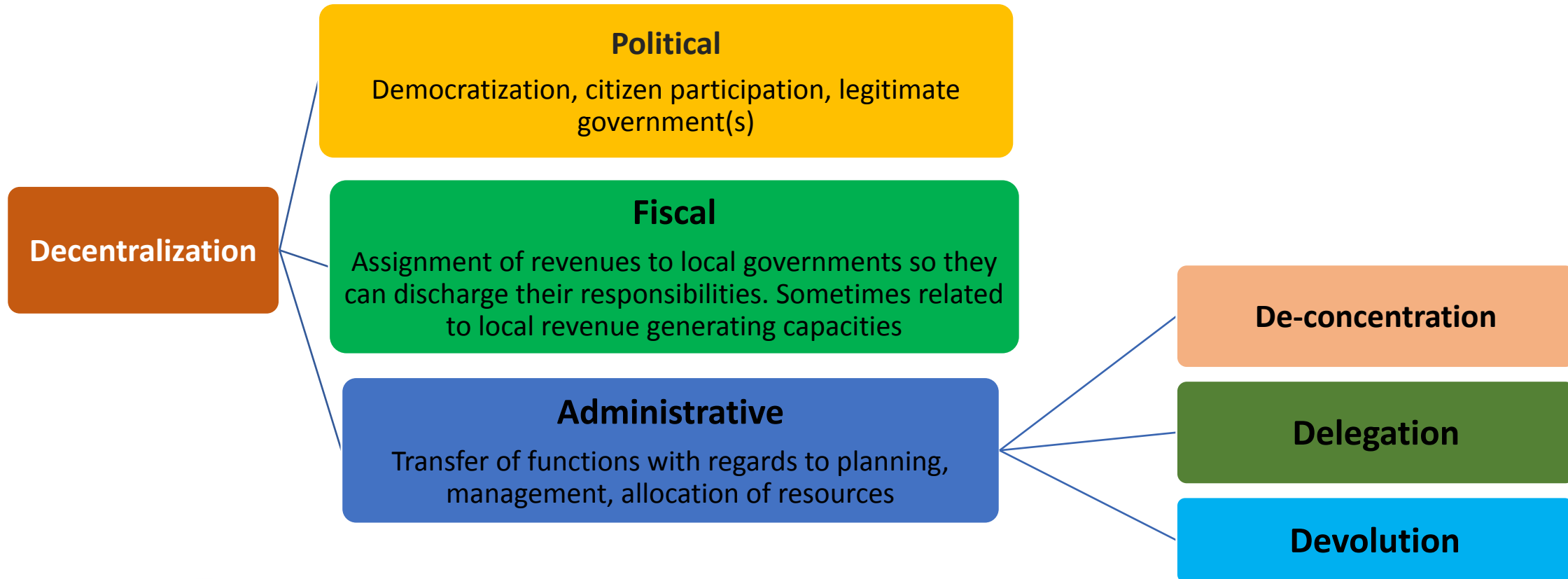
II. Decentralization Approach





II. Decentralization Approach (Cont.)

***Decentralization** is the transfer of authority and responsibility for public functions from the central government to intermediate and local governments or quasi-independent government organizations and/or the private sector.*





II. Decentralization Approach (Cont.)

Political Decentralization

Aims to give citizens or their elected representatives more power in public decision-making

Introduce more participatory forms of governance

Decisions made with greater participation will be better informed and more relevant

Allows citizens to know better their political representatives

Often requires constitutional law reform

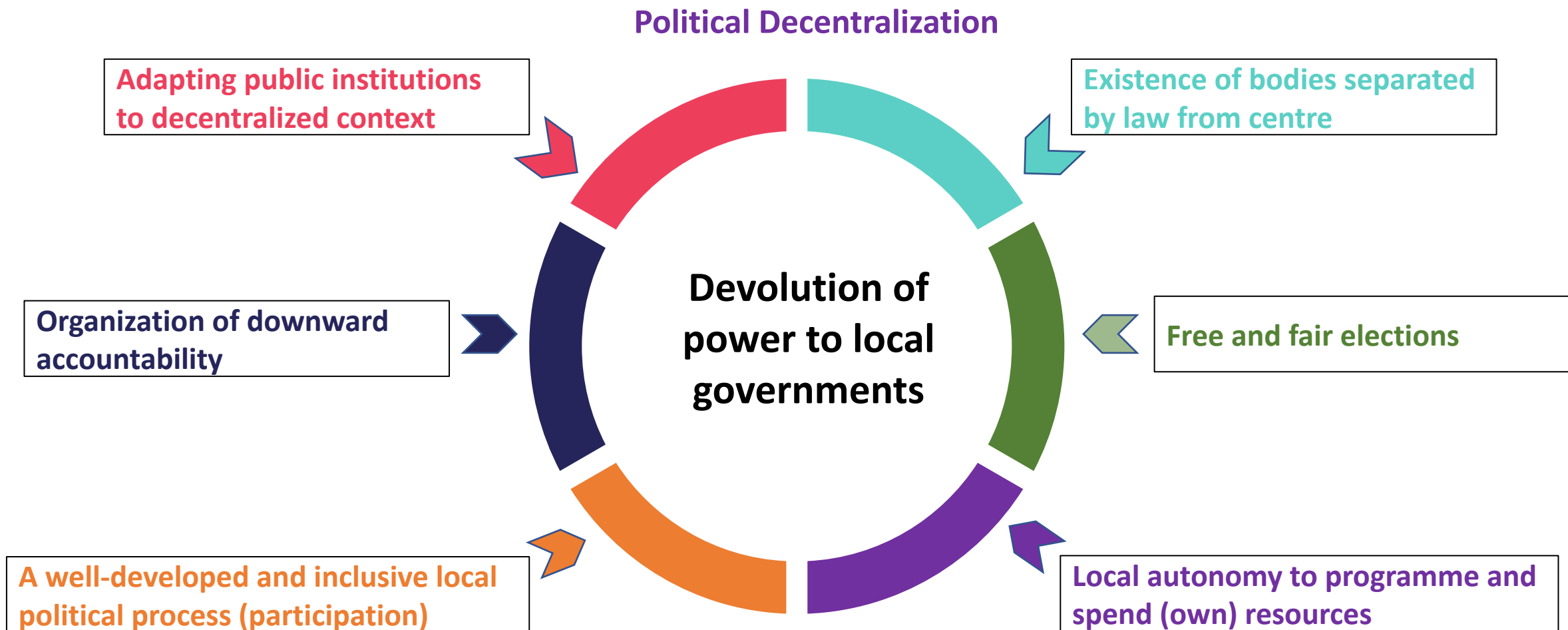
Puts in place local governments at sub-national level allowing for relatively extensive decision-making, policy-making and even some legislative authority

A strong vehicle for championing local diversity and local autonomy as well as localizing SDGs

Provides a structural and institutionalized venue for local people



II. Decentralization Approach (Cont.)



Adapted from: European Union (2007) Supporting Decentralization and Local Governance in Third Countries



II. Decentralization Approach (Cont.)

Fiscal Decentralization

Need to have an adequate level of revenues

Law changes are likely to be required

Autonomy to make independent fiscal decisions

Goal is to confer on local governments greater responsibilities for taxation and for resource allocation



Fiscal decentralization can take many forms, including

- Self-financing or cost recovery through user charges
- Co-financing or co-production arrangements
- Expansion of local revenues through property or sales taxes, or indirect charges
- Intergovernmental transfers
- Authorization of municipal borrowing



II. Decentralization Approach (Cont.)

Fiscal Decentralization

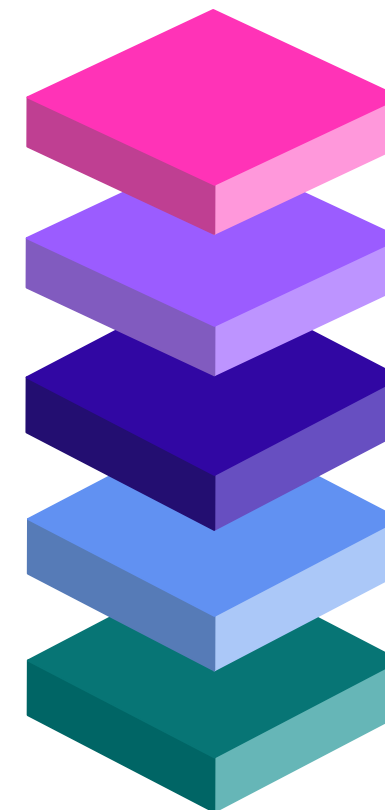
Self-financing or cost recovery through user charges

Co-financing or co-production arrangements

Expansion of local revenues through property or sales taxes, or indirect charges

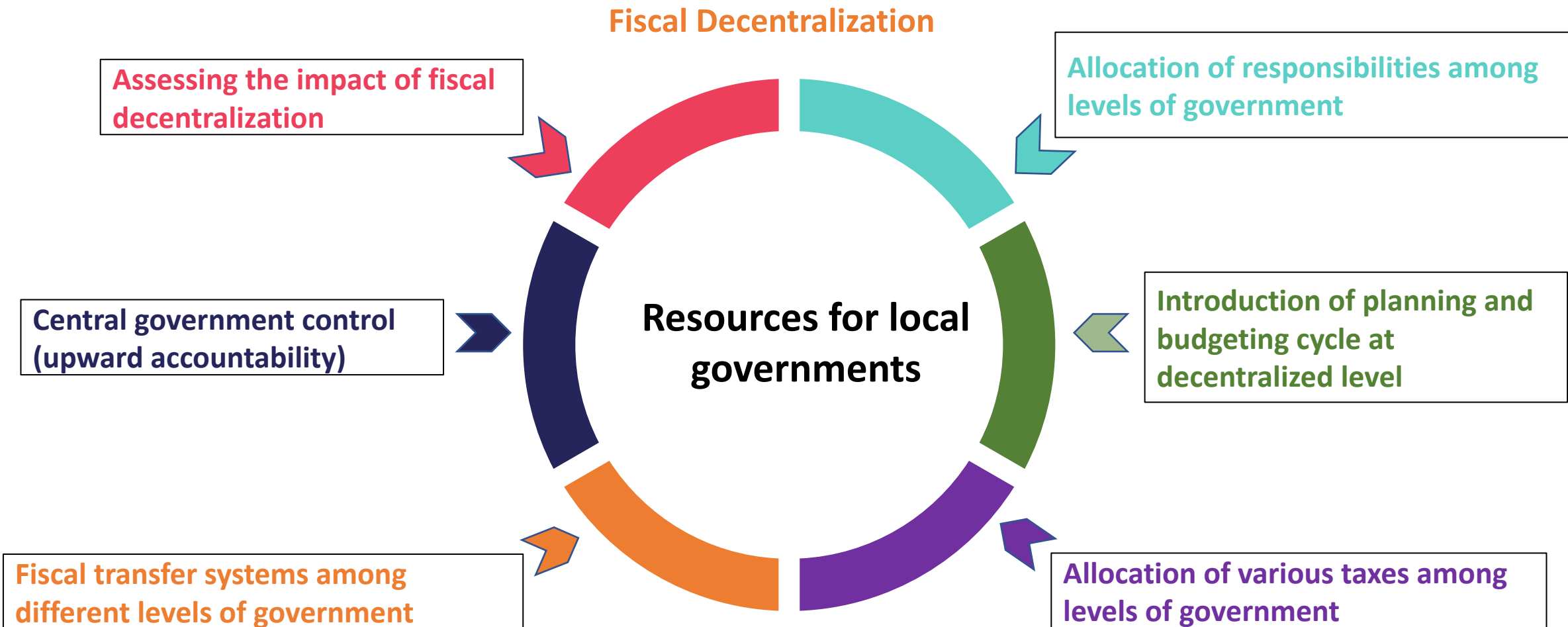
Intergovernmental transfers

Authorization of municipal borrowing





II. Decentralization Approach (Cont.)



Adapted from: European Union (2007) Supporting Decentralization and Local Governance in Third Countries



II. Decentralization Approach (Cont.)

Administrative Decentralization

Transfer of responsibility for planning, financing, and managing certain public functions from the central to local government

Deconcentration

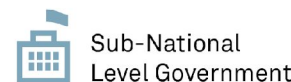
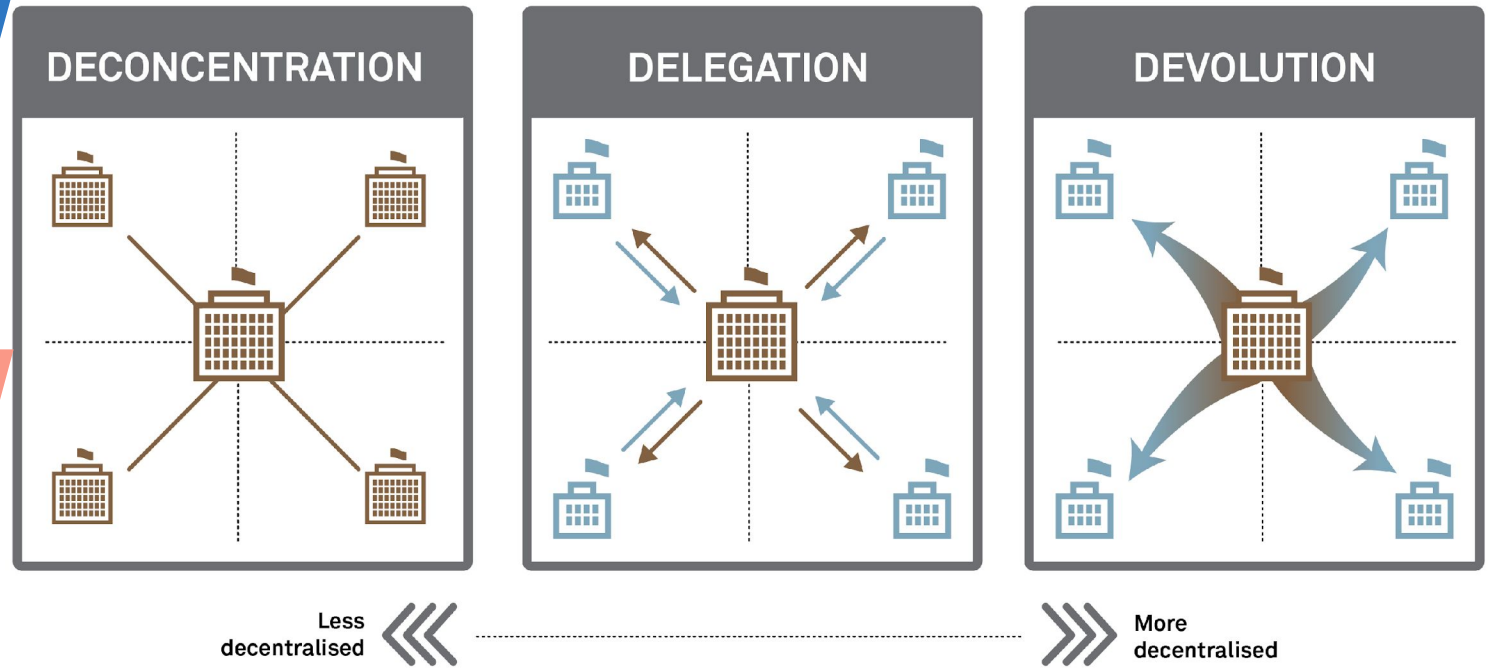
Consists of redistribution of decision-making authority and financial and management responsibilities among different levels of the *central* government

Delegation

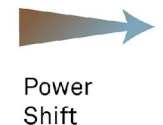
Involves a national government transferring responsibility for decision-making and administration of public functions to semi-autonomous public sector organizations

Devolution

National governments devolve functions to sub national government



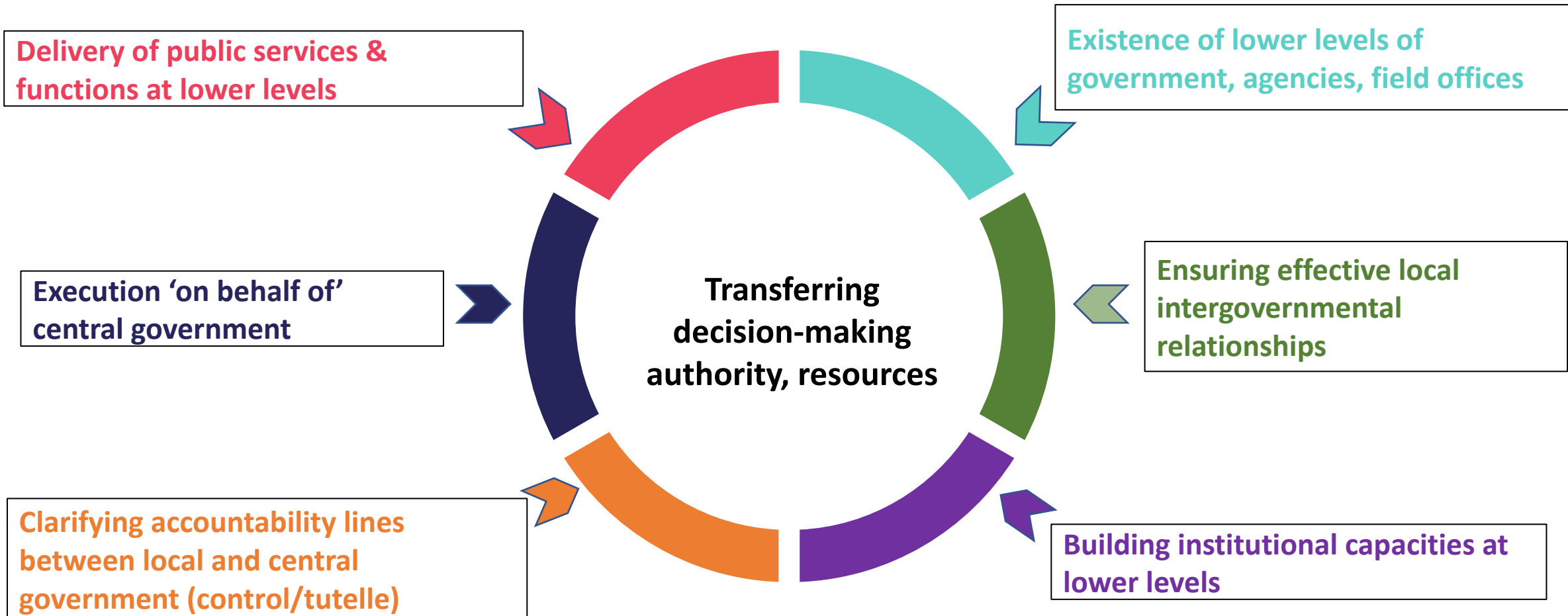
Principal-Agent Contractual Relationship





II. Decentralization Approach (Cont.)

Administrative Decentralization

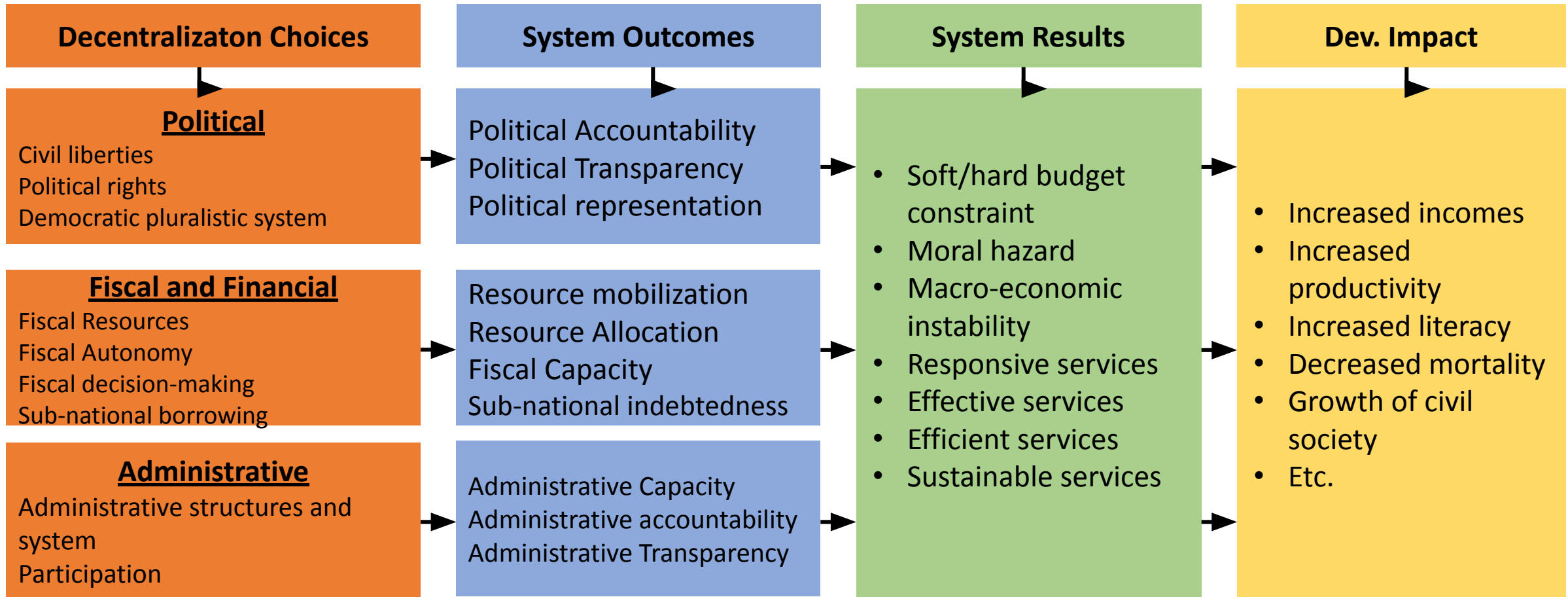


Adapted from: European Union (2007) Supporting Decentralization and Local Governance in Third Countries



II. Decentralization Approach (Cont.)

Decentralization choices, outcomes, results and impact



Source: UN DESA. Decentralized Governance for Democracy, Peace, Development and Effective Service Delivery



II. Decentralization Approach (Cont.)

Decentralization For Better Service Delivery



Local governments are well placed to assess the needs of the users of basic services



National policies meet community needs at the local level



National and regional governments

- transfer to local government clear and extended responsibilities
- ensure that local authorities have predictable budgetary transfers
- permit local government to have access to, and to control, financial resources
- establish, in consultation with local government, an effective regulatory system

Local authorities can establish

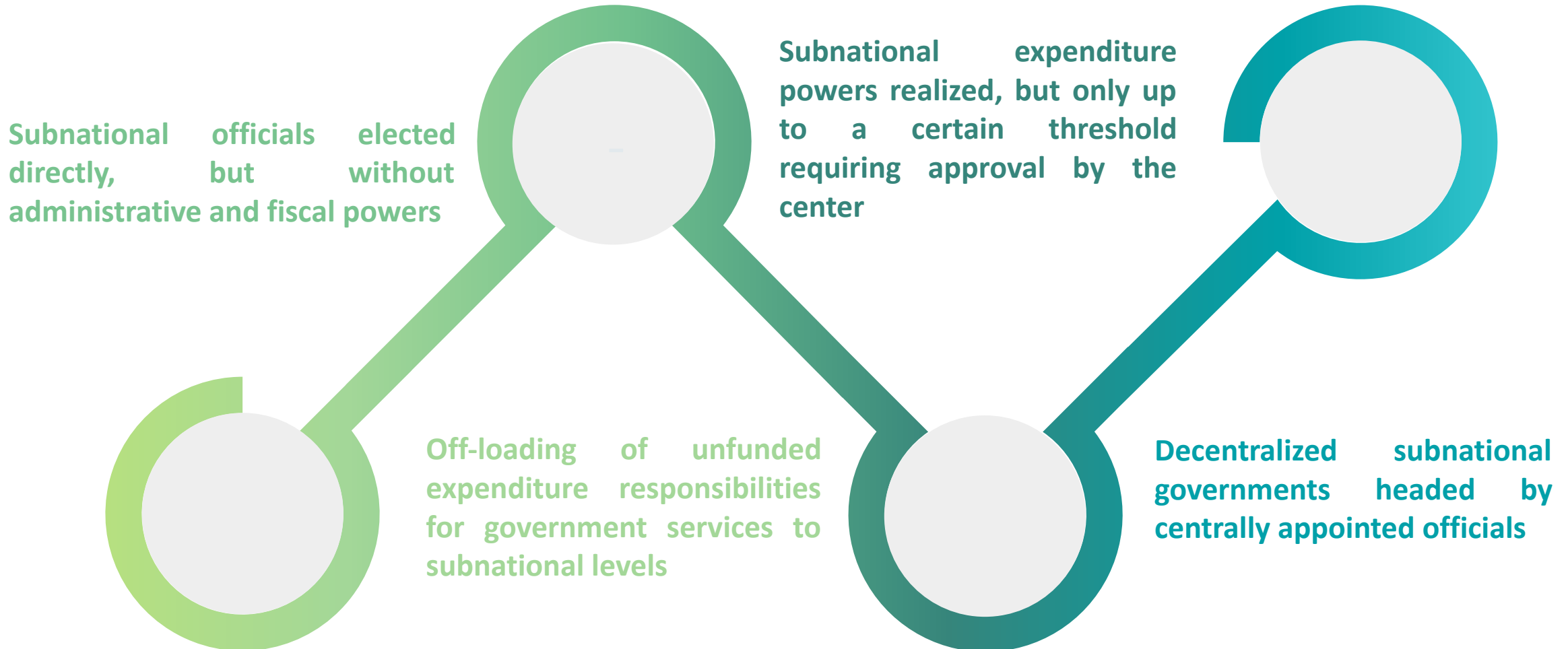


- Equitable tax systems
- Relevant rules of enforcement to ensure the collections of revenues
- User charges and monitoring mechanisms



II. Decentralization Approach (Cont.)

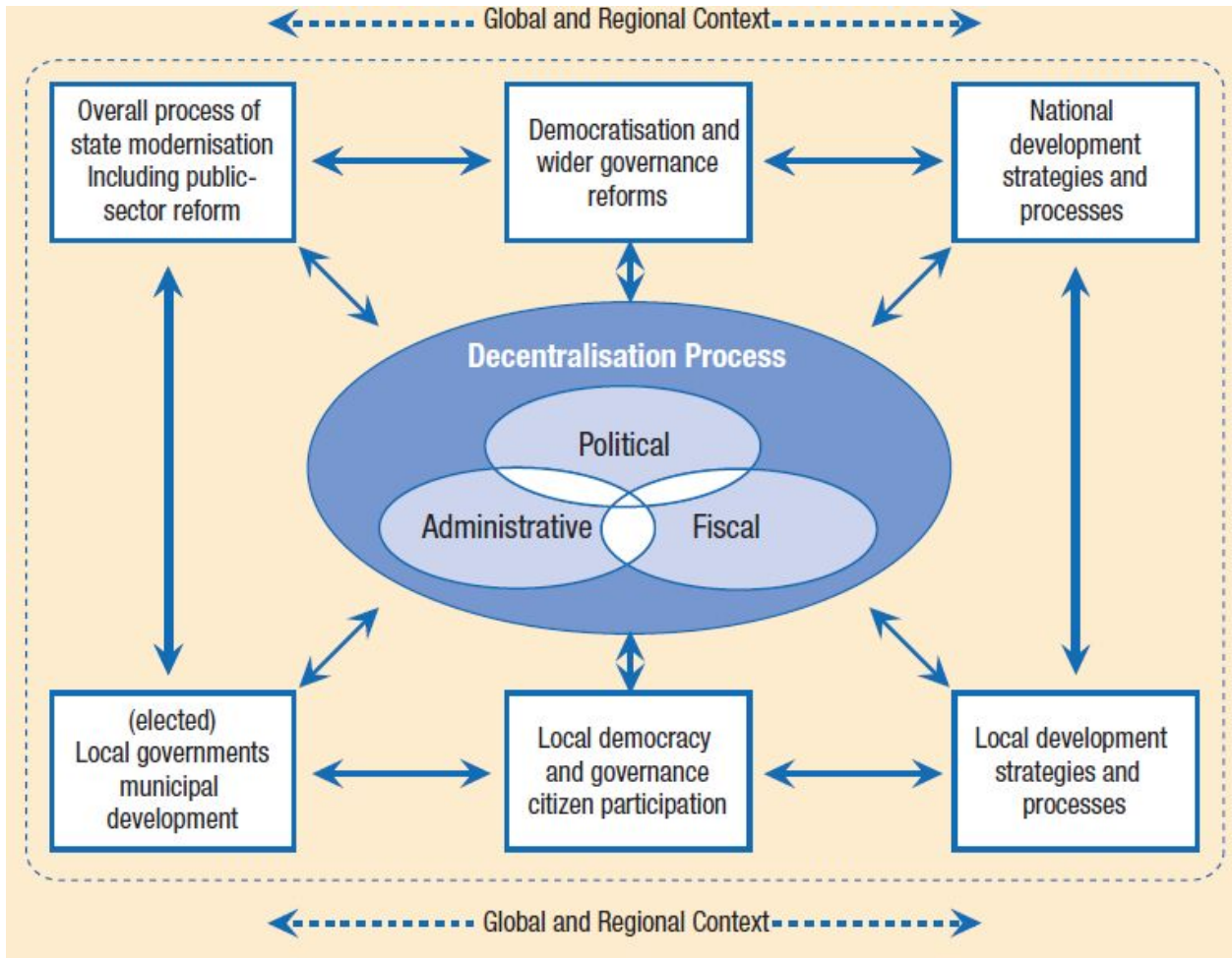
Complexity of Decentralization





II. Decentralization Approach (Cont.)

Looking at decentralization as an open system



Major implications for the Government

- Efforts to promote political decentralization are unlikely to succeed in the absence of administrative deconcentration and fiscal decentralization
- Decentralization attempts, in turn, are dependent on broader state and public-sector reforms
- Inadequate intergovernmental linkages can have a substantial constraining effect on sustainable local development
- Strong linkages are needed between decentralization as a 'political process' and the myriad of 'local development initiatives'.
- The road from establishing 'local governments' to ensuring effective 'local governance' is likely to be tedious
- The currently prevailing aid paradigm stresses the importance of supporting domestic policies and reforms with adequate financing modalities
- For decentralization to succeed, a harmonization of agendas, roles and donor practices is required



II. Decentralization Approach (Cont.)

Decentralization: A complex field



High political intensity and sensitivity

A multitude of actors and stakeholders

Question of commitment and/or capacity to reform at the central level

Different levels of decentralization

A wide range of complex institutional and technical issues to be sorted out

Confusion on new roles and responsibilities

Limited legitimacy of the new local governments

Strong presence of development partners

An unpredictable and dynamic process

Need for long-term donor engagement but with uncertain impact

Insufficient capacity to take on new responsibilities



Activity

Identification of the potential challenges and opportunities from the decentralization processes (in own national context) for your Change Project



Identify potential measures for addressing challenges and capitalizing on opportunities.

Note: Separate handout is provided



III. Local Governance Approach



Local governance refers to the whole range of interactions between players at the sub-national level, ranging from local governments, to private sector, civil society and community-based organizations.



III. Local Governance Approach (Cont.)

Successful implementation of the SDGs, with the triple bottom line of social development, economic development, and environmental protection, will **require an integrated approach to governance and policy.**

An integrated approach to sustainable development emphasizes the social, economic and environmental dimensions of development, by:

breaking down traditional sector-based governance structures

aligning development priorities across different levels of government

promoting multi-sector planning through joint action

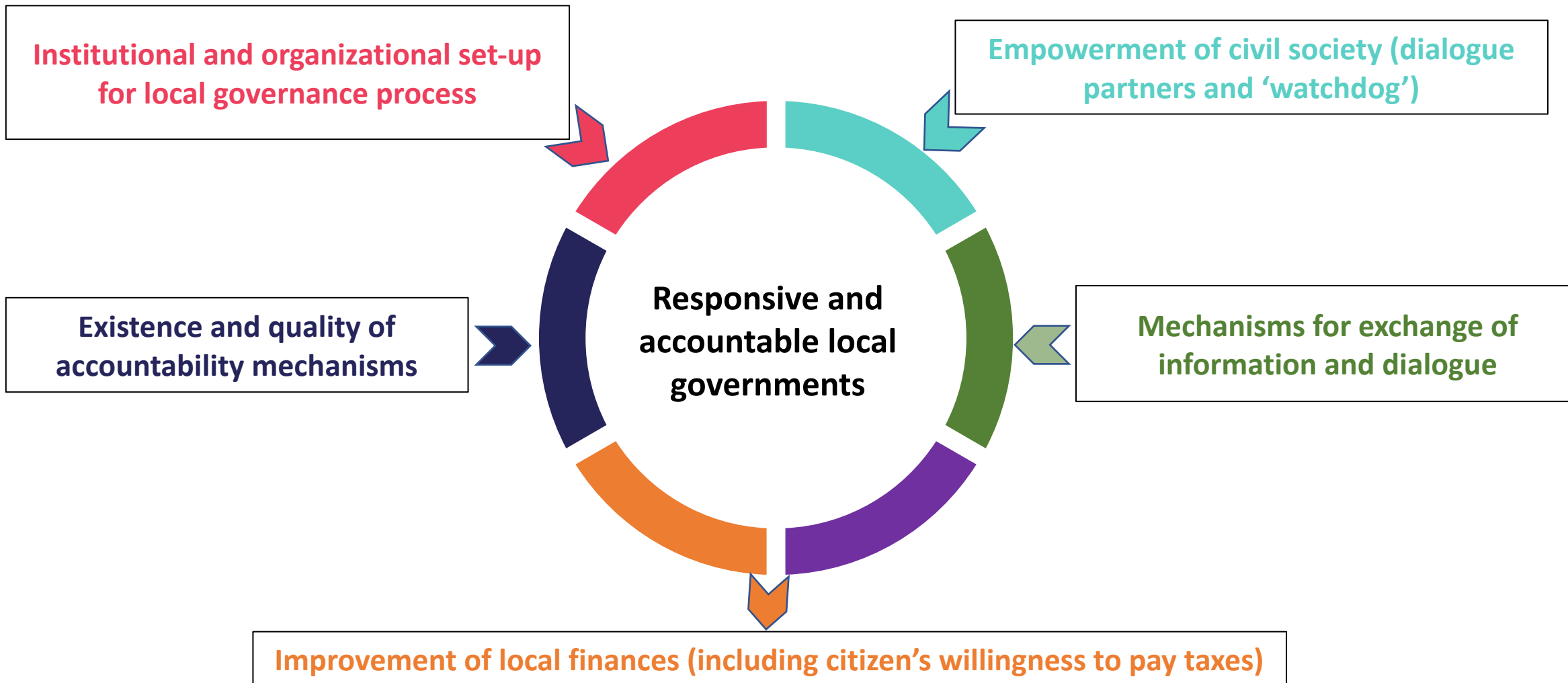


encouraging coordination between departments and public sector institutions

encouraging mutually beneficial decision-making and minimizing trade-offs, and



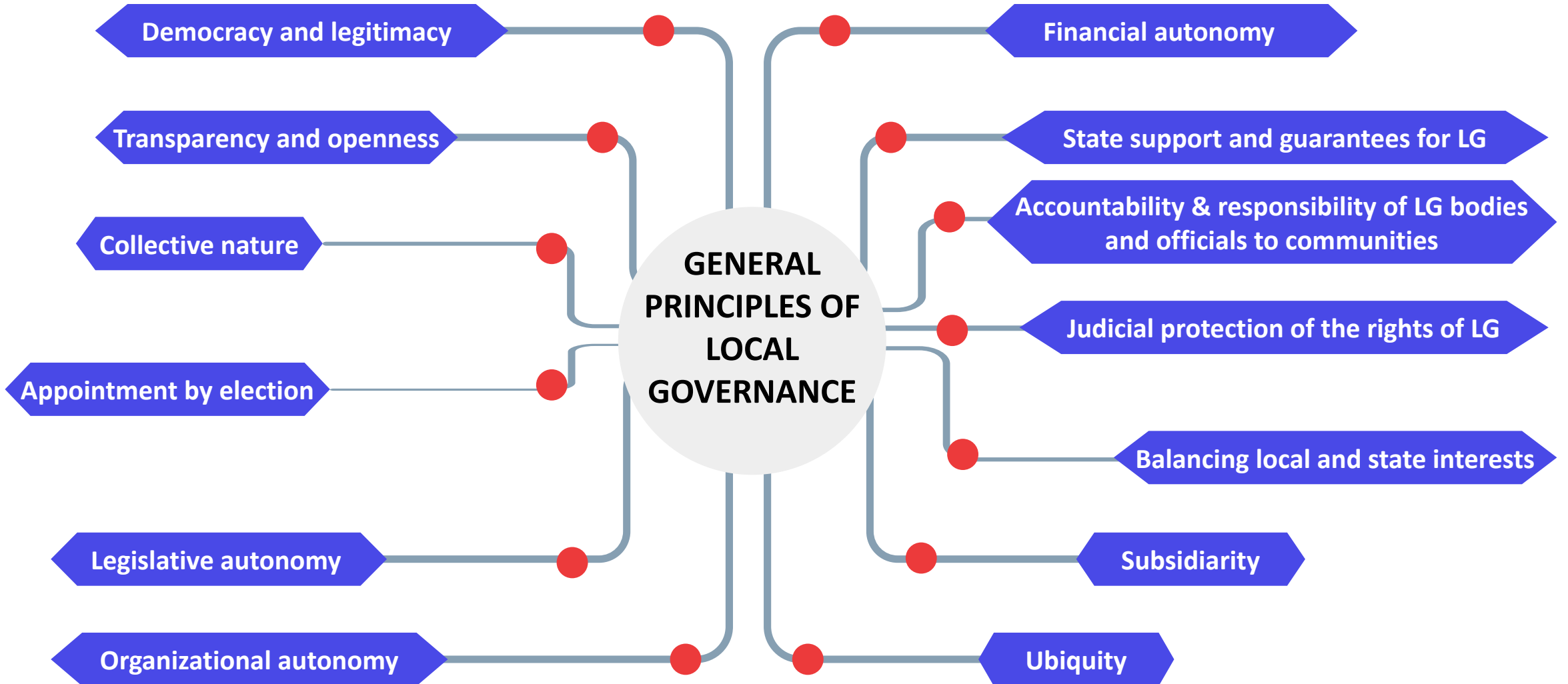
III. Local Governance Approach (Cont.)



Adapted from: European Union (2007) Supporting Decentralization and Local Governance in Third Countries



III. Local Governance Approach (Cont.)





Framework for Local Governance



Improved Quality of Life, Resilient States-Society Relationship at the Local Level

Equitable, effective and sustainable delivery of goods and services

Inclusive decision-making involving women and men

Secure, stable and peaceful environment for development

Sustainable use & management of natural resources

Increased economic opportunities and jobs for women and men

Integrated Local Governance & Local Development

Social capital (women, men, youth, indigenous people)

Administrative capacity

Rule of Law

Democratic accountability

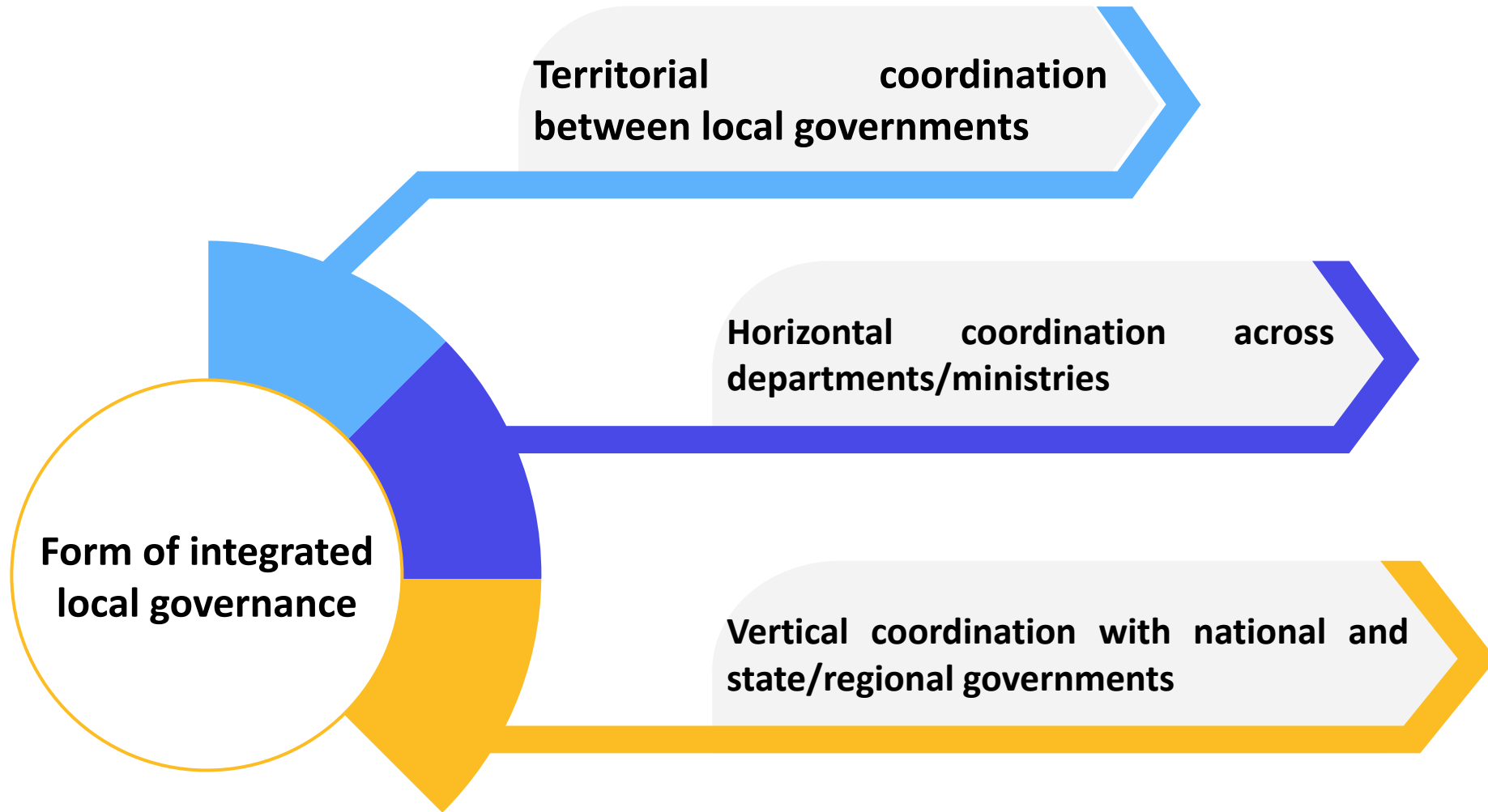
Fiscal empowerment

Spatial information

Source: UNDP, 2016



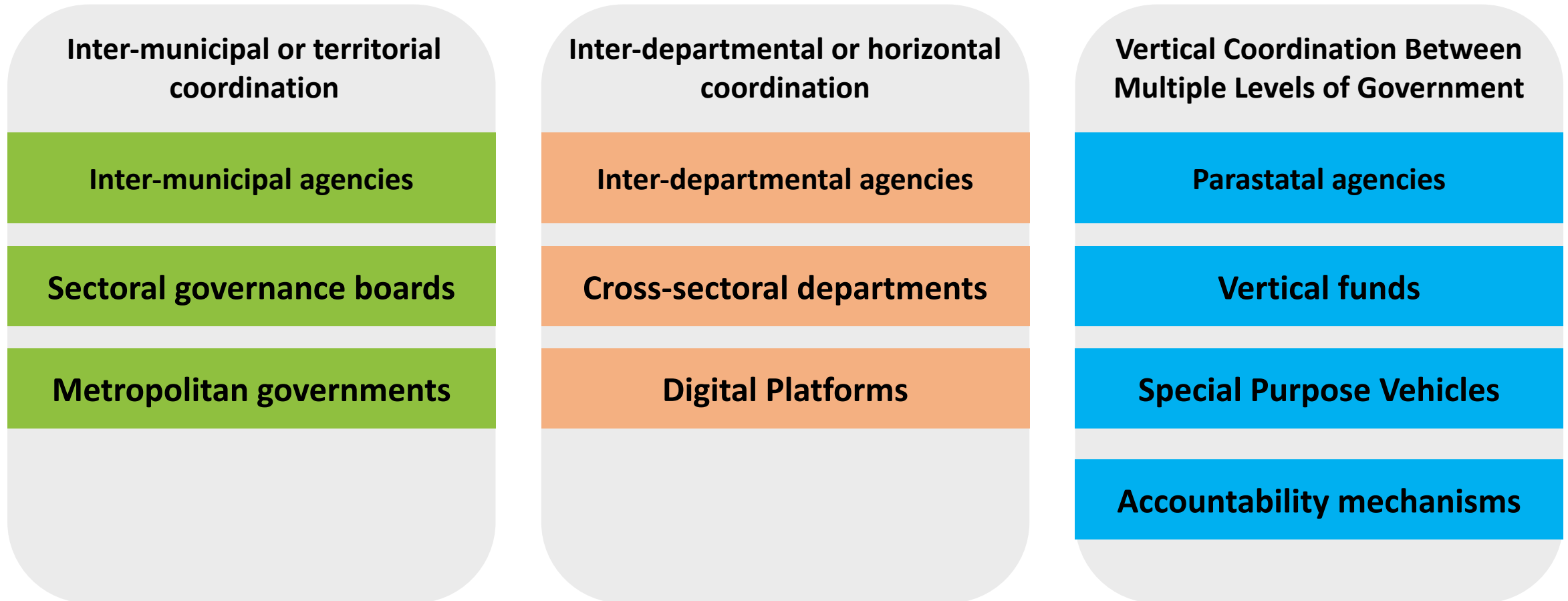
III. Local Governance Approach (Cont.)





III. Local Governance Approach (Cont.)

Mechanisms for Integrated Governance





III. Local Governance Approach (Cont.)

New strategies for supporting local governance

Taking fully into account the local cultural and institutional context



Enhance negotiation and consultation between actors



Increasing levels of participation



Encourage transparency and accountability



Adapt support for local governance to national strategy

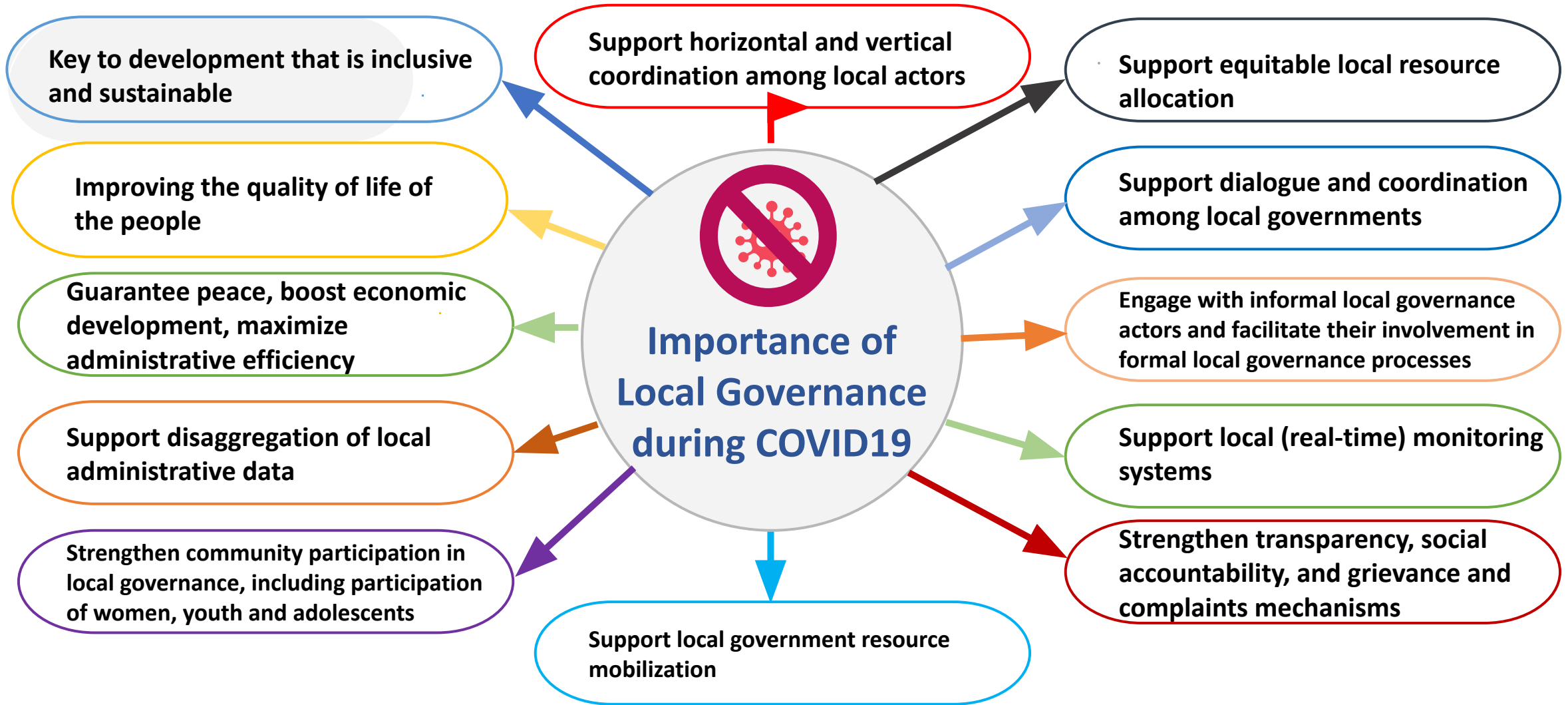


Encourage local government to act





III. Local Governance Approach (Cont.)





IV. Mechanisms to Strengthen & Encourage Local Government

Governance and democracy at local level

- Representative and participatory democracy
- Local officials and the exercise of their office

Powers and responsibilities of local authorities

- Subsidiarity
- Incremental action

Administrative relations between local authorities and other spheres of government

- Legislative action
- Empowerment
- Supervision and oversight

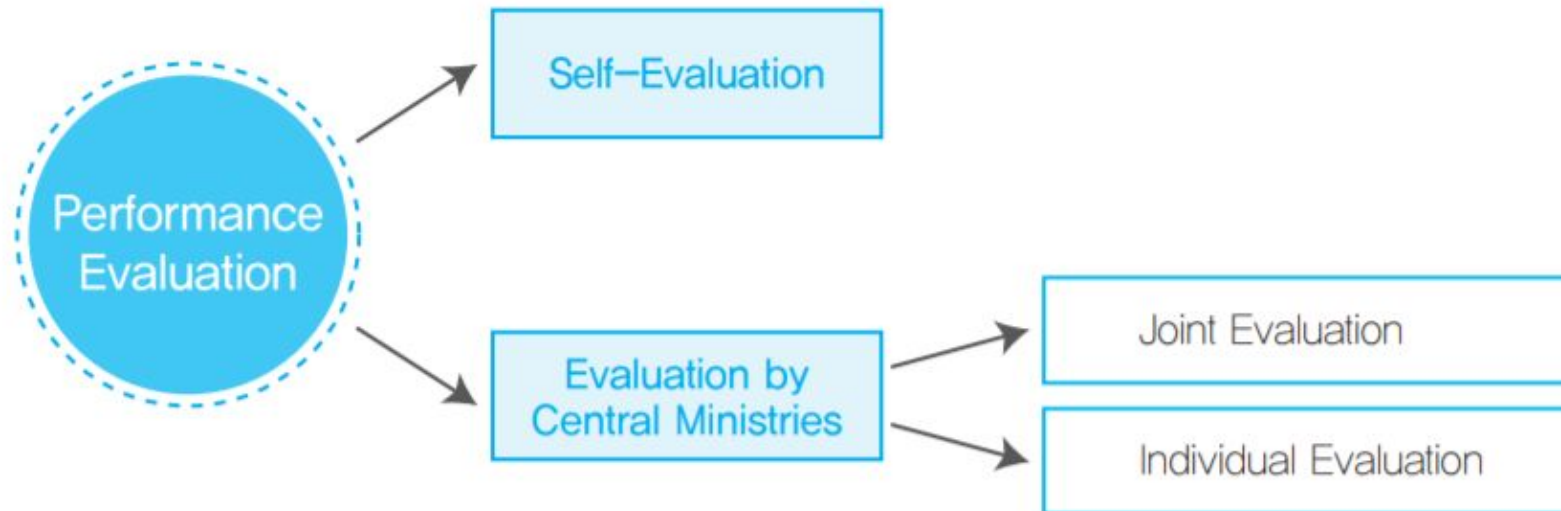
Financial resources and capacities of local authorities

- Capacities and human resources of local authorities
- Financial resources of local authorities



IV. Mechanisms to Strengthen & Encourage Local Government (Cont.)

Local Autonomous Government's Performance Evaluation





V. Connection between Decentralization & Local Governance Approach

Decentralization directly influences local governance by setting up a new layer of political and economic power

Local governance issues can be pursued even **without decentralization**. However, decentralization reinforces and legitimizes local governance processes when correctly done.

Difference between Decentralization and Local Governance

Decentralization Reforms

Support to the formal public sector elements of a decentralization reform

Examples include:

- Assistance to central ministries responsible for reform to develop new policies and legislation.
- Capacity building of local governments for improved planning, financial management, etc.
- Provision of development funding to local governments for water, roads, health, etc.

Local Governance

Support to the wider involvement of citizens, NGOs, private sector in relation to working with and monitoring local governments

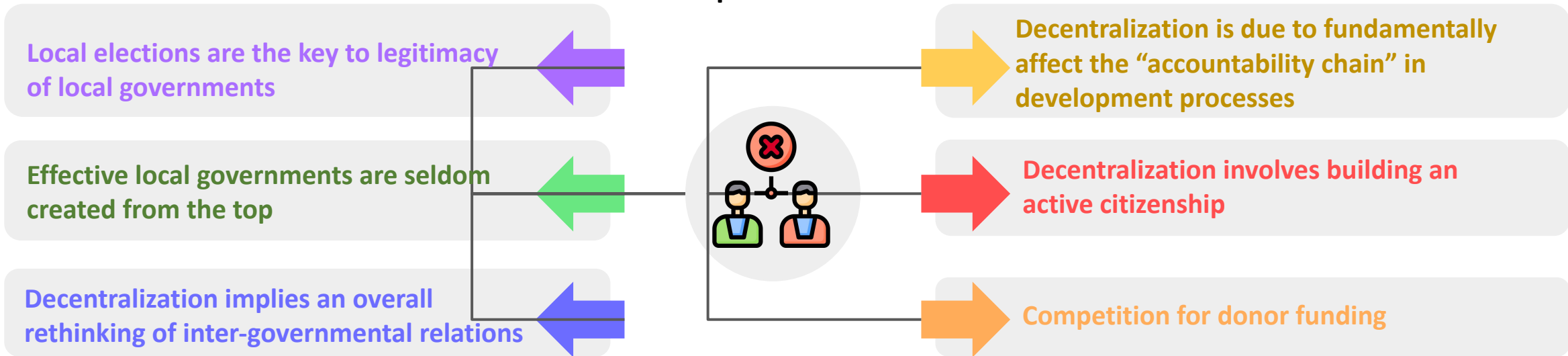
Examples include:

- Assistance to private sector contractors to enable them to bid for decentralized works contracts.
- Civic education and support to CBOs to strengthen the capacity of local communities to hold their local governments accountable.
- Support to gender equality and empowerment.

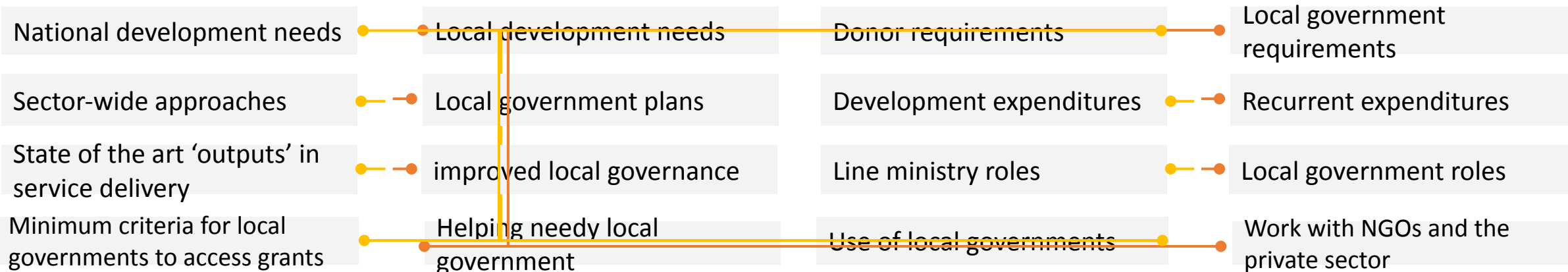


V. Connection between Decentralization & Local Governance Approach

Sources of potential conflicts



Potential tensions and conflicts



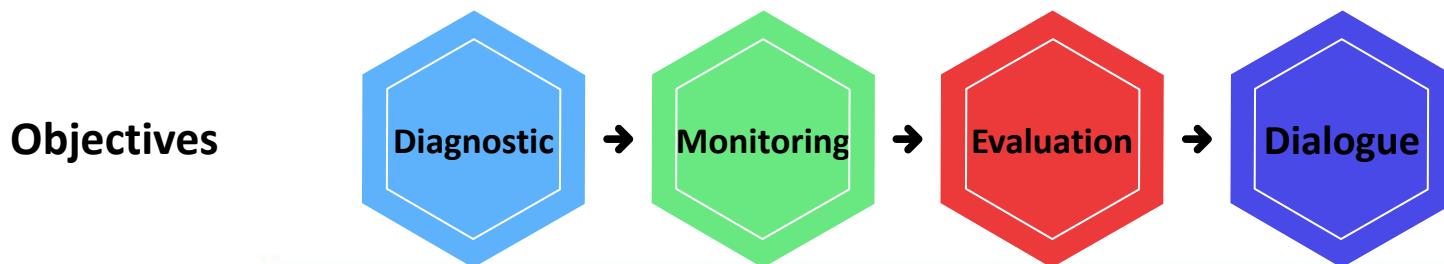


VI. Assessing Decentralization & Local Governance

Assessments of local governance provide important information on issues specific to the local level, such as policies vis-à-vis decentralization, participation and local accountability

Rationale for assessing decentralization & local governance

- To identify potential gaps and constraints in local policy implementation;
- To identify specific capacity development needs and to monitor the results of capacity development efforts
- To formulate change plans and solicit donor or peer assistance for improving specific aspects of local governance
- To engage civil society and private sector in local governance; and
- To provide an objective account of achievements of local elected leaders



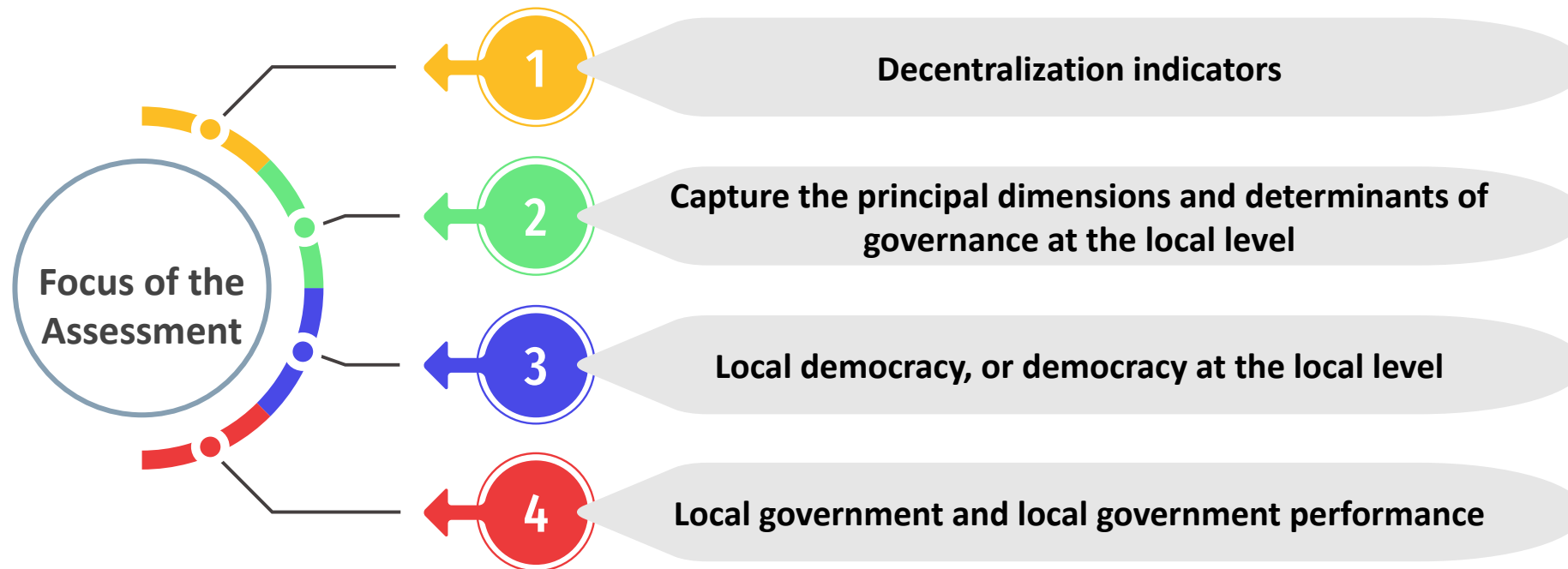
A Users' Guide to Measuring Local Governance



<https://bit.ly/3tVzrza>



VI. Assessing Decentralization & Local Governance



Assessment tools or sources are grouped in three categories

1. Approaches based on **multiple stakeholders**
2. Approaches based on **citizen perspectives**
3. Self-assessments **by local government institution**

Multi-stakeholder participation in assessment

- Local government representatives
- Central government representatives
- Local government associations
- Civil society organizations
- Community based organizations
- Traditional leaders/institutions
- Local businesses
- Ordinary citizens



VI. Assessing Decentralization & Local Governance

Three categories of tools

Comprehensive local governance assessment approaches based on multiple stakeholder perspectives

Local governance assessments based on citizen (or single stakeholder) perspectives

Local governance and performance self-assessments by local government institutions

1. Urban Governance Index (UN-HABITAT)
2. Local Governance Barometer (Impact Alliance)
3. Good Governance for Local Development – GOFORGOLD Index (Afghanistan)
4. Local Democracy Assessment Guide (International IDEA)
5. Indicators of Local Democratic Governance (Tocqueville Research Centre & OSI)
6. Methodological Guidelines for Local Governance Analysis (UNDP)
7. Governance Index (Indonesia, Kemitraan – Partnership)
8. Measuring Municipal Performance – MIDAMOS (Paraguay)
9. Observatory of Democracy in Central America: System of Legal and Institutional Governance Indicators for Central America (Centro Estudios para el Futuro)
10. Desde lo Local – Strategic Decentralization for Local Development (Mexico)
11. Council of Europe’s Guide to Developing Well-Being & Progress Indicators with Citizens – Application of the Governance Module in Timisoara (Romania)

12. Citizen Report Cards (Public Affairs Centre, India)
13. Social Audit of Local Governance (Bosnia and Herzegovina)
14. Social Audit of governance and delivery of public services (Pakistan)
15. Local Governance Self-Assessment (Bangladesh)

16. Governance for Local Development Index – GOFORDEV Index (Philippines)
17. Assessments Informing Performance Based Grant Systems (UNCDF)
18. Local Governance Performance Management System (Philippines)
19. Index of Responsibility, Transparency and Accountability (Macedonia)
20. Standards of Municipal Transparency (Chile)
21. Local Integrity Initiative (Global Integrity)
22. Methodology for the Assessment of Capacity of Municipalities in Turkey and the Western Balkans to deliver basic services (UNDP)



VI. Assessing Decentralization & Local Governance

Main features of the tools

Cost-benefit analysis	Purpose	Information sources	Lead actor(s) applying the tool	Explicit poverty & gender measures
<p>1) Quick, cheap & 'indicative' findings</p> <p>or</p> <p>2) Longer, costlier & more detailed/reliable findings</p>	<p>1) Diagnostic to inform policymaking & priority setting</p> <p>Or</p> <p>2) Capacity development to facilitate engagement of citizen in governance processes</p>	<p>1) Objective and/or</p> <p>2) Subjective</p>	<p>1) Internal to local government</p> <p>Or</p> <p>2) External to local government</p>	<p>1) Disaggregated by income groups and/or</p> <p>2) Indicators specific to the poor</p> <p>1) Disaggregated by gender and/or</p> <p>2) Gender-specific Indicators</p>

Source: Adapted from UNDP Users' Guide to measuring local governance, p.49



VI. Assessing Decentralization & Local Governance

Approaches based on citizen perspectives

Tools	Cost-benefit analysis	Purpose	Information sources	Lead actor(s) applying the tool	Explicit poverty & gender measures
URBAN GOVERNANCE INDEX (UN-HABITAT)	Quick, cheap and 'indicative' findings (a two-day workshop can generate most of questionnaire responses)	Both diagnostic and CD to facilitate engagement of citizens in governance processes	Mainly objective sources	Both: Internal municipal staff (self-assessment), typically facilitated by a local government association	Both disaggregated and specific to the poor Both disaggregated and gender specific

Remarks

- Indexation
- Looks more at institutional aspects of governance (are democratic governance systems in place?)
- Requires a data rich setting (urban)
- **Strengths:** Universal criteria (comparability high); Quickly identifies areas of weakness for further investigation; Can be applied by municipality independently
- **Weaknesses:** Not context specific; No scores per stakeholder group; No perception data (no quality statements)

Source: Adapted from UNDP Users' Guide to measuring local governance





VI. Assessing Decentralization & Local Governance

Approaches based on multiple stakeholder perspectives

Tools	Cost-benefit analysis	Purpose	Information sources	Lead actor(s) applying the tool	Explicit poverty & gender measures
SOCIAL AUDIT OF GOVERNANCE AND DELIVERY OF PUBLIC SERVICES (Pakistan)	Longer, costlier and more detailed/reliable findings	Both diagnostic and CD to facilitate engagement of citizens in governance processes	Mainly subjective sources, complemented by some objectives sources	Both: Both government officials / service providers and citizens serve as facilitators of the audit and as respondents	Both disaggregated and specific to the poor Both disaggregated and gender specific

Remarks

- **Strengths:** Good as diagnostic and monitoring tool; High level of accuracy
- **Weaknesses:** Still in development (one country application); Costs are very high

Source: Adapted from UNDP Users' Guide to measuring local governance





VI. Assessing Decentralization & Local Governance

Self-assessments by local government institutions

Tools	Cost-benefit analysis	Purpose	Information sources	Lead actor(s) applying the tool	Explicit poverty & gender measures
LOCAL INTEGRITY INITIATIVE (Global Integrity)	Longer, costlier and more detailed/reliable findings	Diagnostic	Mainly objective sources	External: Local country teams composed of well-known experts from national think tanks, universities, NGOs, and media	Some indicators are specific to the poor Some indicators are gender specific

Remarks

- Corruption (integrity) measurement tool
- Indexation for national level policy making
- Tested in various countries
- Country specific

Source: Adapted from UNDP Users' Guide to measuring local governance



Group Discussion



What are experiences of working with assessments of local governance and/or decentralization?

What are strengths and weaknesses of the tools or approaches used?



Are principles such as participation, inclusion, equality, transparency and accountability sufficiently addressed?



VII. Key Takeaways

1

While local government is the essential institutional building block for local governance, **the wider governance sphere comprises a set of state and non-state institutions, mechanisms and processes**, through which public goods and services are delivered to citizens and through which citizens can articulate their interests and needs, mediate their differences and exercise their rights and obligations

2

The concepts of local governance and decentralization, at times used interchangeably, **are related but different concepts.**

3

Decentralization directly influences local governance by **setting up a new layer of political and economic power**

4

Effective local governance is **key to development that is inclusive and sustainable**, at the local level as well as the national.

5

The purpose for undertaking an assessment of local governance is of utmost importance as it is the purpose that decides the scope of the assessment, the methodology and the indicators to be applied, and not vice versa

6

Assessment of decentralization and local governance can be assessed through approaches bases **on multiple stakeholders; citizen perspective and Self-assessments by local government institution**





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**Thank
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