

Session 2.1. Administrative Decentralisation

INTRODUCTION

In this session you will increase your knowledge of the basic concepts of administrative decentralisation across and within sectors, with such concepts as deconcentration, delegation, devolvement and divestment; the subsidiarity principle and multi-level governance. The session aims to increase awareness of the fact that the way functions and responsibilities are assigned to different government levels can vary from one sector to another, depending on the characteristics of each specific sector and the national context, thus leading to a sector-specific mix of deconcentration, delegation and decentralisation. You will learn about several instruments for shaping administrative decentralisation and making it work in practice, such as the legal and regulatory framework, arrangements for inter-administrative relations, coordination mechanisms, shared responsibilities, regional cooperation structures and human-resource solutions.

The session includes an exercise on analysing forms of administrative decentralisation and assigning responsibilities to different government levels in a sector.

BACKGROUND INFORMATION

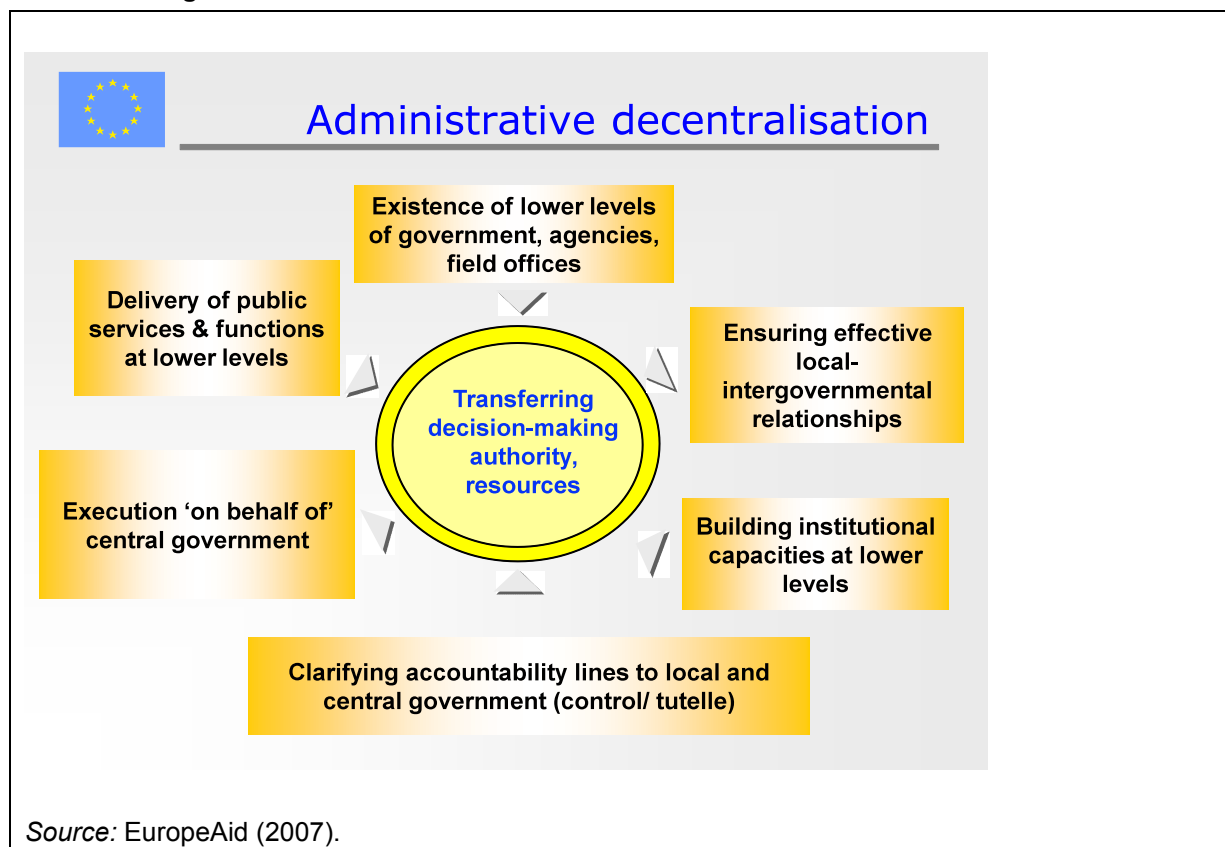
Administrative decentralisation seeks to redistribute authority, responsibility and financial resources among different levels of government for providing public services. It is about the transfer of responsibility for planning, financing and managing public functions, from the central government to lower levels of government:

- field units of government agencies
- subordinate units or levels of government
- semi-autonomous public authorities or corporations
- area-wide, regional or functional authorities

This means a redistribution of authority, responsibility and financial resources among different levels of government and beyond.

The overview presented earlier in session 1.3 identifies the main ingredients of administrative decentralisation that will be part of this session (see box 2.1.1).

Box 2.1.1: Ingredients of Administrative Decentralisation



Administrative decentralisation has three major forms:

- **Deconcentration:** shifting decision-making power to central government officials located outside the capital. The field offices are accountable for their decisions to the central ministry. The main objectives of deconcentration are to improve administrative efficiency, enhance service delivery and ensure adequate representation of the central government as well as supervision at the sub-national level. Deconcentration is considered to be the weakest form of decentralisation, although the opportunities for local input vary and sometimes strong field administrations can be found.
- **Delegation:** shifting responsibilities to semi-autonomous government bodies or NGOs, which will ultimately be fully accountable to the centre. This is a more extensive form of decentralisation. Responsibility for decision-making and administration of public functions is not wholly controlled by central government but is ultimately accountable to it (examples include public enterprises, housing authorities, autonomous school districts and regional development corporations). In the francophone context, delegation is generally seen as an instrument of deconcentration whereby the minister delegates tasks, responsibilities and resources to regional directors, who can then delegate to provincial directors or lower levels falling within the authority of the ministry.

- **Devolution:** shifting fiscal powers and decision-making responsibilities to sub-national governments where sub-national governments are granted substantive decision-making authority. In a devolved system, local authorities have clear and legally recognised geographical boundaries over which they exercise authority and within which they perform public functions. They are accountable to their local constituency for their decisions. This form underlies most political decentralisation. In francophone countries, there is no special term for this form of political decentralisation.

A fourth form of decentralisation is *divestment*, or *privatisation*, in which public functions are transferred from government to voluntary, private or non-governmental institutions. Divestment occurs when governments contract out certain public services or administrative functions or when public services, like public transport or energy, are fully privatised to private companies. Privatisation is often accompanied by *deregulation*, which reduces legal constraints in service provision and allows competition among private suppliers for services previously provided by the government or regulated monopolies.

Several DPWG-LGD specific guiding principles relate to the concept of administrative decentralisation. Specific guiding principle 2 underlines the importance of taking the decentralisation and local governance context as a starting point. Specific guiding principle 4 refers to the different stages of maturity of decentralisation and local governance, and specific guiding principle 5 asks attention for supporting informed decisions on the assignment of functions to different levels of governance. The principles, in short, advise that support should be adapted to national systems. Here, it is important to take into account the mix of deconcentration, delegation, devolution and divestment; differences between countries with a unitary or a federal system (Box 2.1.2), a francophone or an anglophone tradition (Box 2.1.3) or a former communist system (Box 2.1.4) and sector-specific characteristics.

Box 2.1.2: Decentralisation in Federal Systems

In some federal systems (Canada or India, for example) local governments are completely under the authority of state or provincial governments. The federal government is thereby limited in the relationships it may establish with the local level and must seek to affect local behaviour and outcomes through the states or provinces.

In Ethiopia, which is also characterised by a federal system, the districts receive un-earmarked block grants from central government, meaning that sector budgets can only be consolidated after approval by the regions and districts.

Source: Litvack and Seddon (1999).

Box 2.1.3: Decentralisation in Francophone and Anglophone Africa

Francophone Africa

Burkina Faso and Benin are two West African countries that share a French political, legal, administrative and public-finance tradition. The government's administration, which is based largely on the French model, is highly centralised, with only limited powers and spending authority being delegated to deconcentrated authorities for service delivery. In both countries, a representative of the minister responsible for territorial administration represents sector ministries at a deconcentrated level and has formal coordinating powers.

In Burkina Faso, decentralisation reforms provide for three deconcentrated levels of government as well as two tiers of devolved government. In Benin there is one level of deconcentration, with all deconcentrated agencies using the same administrative departments, and one level of devolution with 77 communes.

Anglophone Africa

Both Uganda and Tanzania adopted legislation in the late 1990s aimed at devolving significant powers to locally elected urban and rural councils to provide basic services and promote local economic development. In both countries, decentralisation aims to improve service delivery as well as to enhance local democratic governance. To this end, local authorities have been empowered to manage human resources, revenue generation, planning and budgeting.

Tanzania has retained a regional administrative level that constitutes a deconcentrated layer of central government and which provides a potential link between devolved government and central government. Uganda has no such intermediary level. There, local government is divided into five tiers extending from the district and town level down to the village and ward.

Source: Land and Hauck (2003).

Box 2.1.4: Decentralisation in Former Communist Countries

In former communist countries, decentralisation of tasks and responsibilities to local authorities has been accompanied by privatisation to transform the communist economy to a free-market economy.

Central control over local governments in these countries often remains strong. In Lithuania, for example, the system of local government is two-tiered: the county and the municipalities and villages. The counties are territorial units of the state administration. Only the municipal governments have autonomous power, enjoy the right of self-government and form elected bodies.

All public employees are employed by the labour code of the central government. Local governments can hire new staff but they cannot create new positions nor give different wages or other compensation allowances.

The example of Klaipedia, a flourishing port town in Lithuania, shows that while privatisation and local control have put the town on the path to economic success, the capital still holds very tight reigns of control. A constraining factor for economic development is, for example, the privatisation of land, where the municipality needs to ask permission from the central government.

Source: Thompson (2007).

Assignment of functions

It has now been argued that the history and stage of development of a country define its existing mix of decentralisation, deconcentration, devolution and divestment. However, within a country, the way tasks and responsibilities are assigned to different government levels can vary considerably from one sector to another, depending on the service it provides.

Before further discussing the way functions and responsibilities can be assigned, let's have a closer look at the three main roles of the state, as defined by Musgrave (1959).

1. *Provide a stable economic environment.* The maintenance of high employment and price stability should be assigned to the central government, for two reasons. First, it is impossible for sub-national governments to effectively address macroeconomic concerns such as employment and price levels. For example, a successful employment program will likely attract job-seeking immigrants from other jurisdictions, thereby dampening the employment effect for local residents. Second, one of the basic tools of stabilisation policy—control over the money supply through a monetary authority—rests with a central bank.
2. *Promote a more equitable distribution of income/resources.* Securing equity in the distribution of income and wealth should also largely be a central responsibility. For example, a local government policy of “pro-poor” tax runs the risk of attracting the poor to the jurisdiction, while at the same time providing an incentive for high- and middle-income families to relocate to another jurisdiction and/or move their capital out of the redistributing district. But regardless of the degree of such mobility of labour and/or capital, in the longer term what matters most for an effective income- and wealth-enhancing policy is for all types of governments to coordinate an anti-poverty strategy.
3. *Assure a more efficient allocation of resources (when markets fail).* The efficiency argument (i.e., allocation policy) is the *raison d'être* for a sub-national role. Allocation focuses on two topics: the manner in which the public sector intervenes in how an economy uses its scarce resources by collectively purchasing not only final goods but also the services of the factors of production (labour, capital and land), and the determination of which type or level of government is responsible for which purchases. This third role involves establishing criteria, according to a set of principles and objectives, for sorting out which government does what with respect to the allocation function.

It is crucial to ensure that roles and responsibilities among different levels of government are clearly delineated, as ambiguities regarding the roles and responsibilities of each can prevent the local government from functioning effectively.

There are four main principles that serve as a guide in assigning functions and expenditures (derived from Ebel and Vaillancourt, 2006):

1. Most countries determine the assignment of functions and expenditure responsibilities in accordance with the subsidiarity principle, which states that a function should be

performed by the lowest level of government that can do so efficiently. See also the European Charter of Local Self-Government in which the parties commit themselves to the subsidiarity principle, saying that public responsibilities should preferably be exercised by the authorities closest to the citizens (Box 2.1.2).

The government should have adequate legal authority and management capacity to perform its assigned functions and it should be willing to pursue intergovernmental policies for promoting inter-jurisdictional cooperation. The notion that local government may be better able than a regional or central government to determine how a service is to be organised or delivered is a key part of this management principle. This can also help ensure that best practices can be identified through experimentation and then adopted by other jurisdictions.

2. Functions should be assigned to that tier of government whose jurisdiction most closely approximates the geographical area of benefits provided by the function. For example, fire protection services benefit only the residents of the community located near the relevant facilities; while activities to prevent air or water pollution benefit larger regions or even a nation.
3. Closely related to the previous point is the principle that takes into account the *heterogeneity of preferences* that persons or groups living in different parts of a country may display for different amounts of certain services, a different quality of service (for a given amount) and/or a different approach to delivering public services. Under such circumstances, local governments can be the appropriate service provider if the border of the locality matches that of the social preference. Where this heterogeneity of preference crosses the line from acceptable to unacceptable is when it violates protections of human rights, civil liberties, the right of people and governments to freely associate and equal access to jobs and justice.
4. Public goods and services should be provided by the government that can best realise *economies of scale* in production of the good or service. Economies of scale refer to the unit cost of production. For any good or service, increasing the amount produced may result in increasing, decreasing or constant unit costs. Other things being equal, the type of government that can deliver a good or service at the lowest possible cost should provide that service. Economies of scale generally accrue when a capital-intensive enterprise can spread the high cost of capital over a large number of customers. For example, building a sewage treatment plant that services a larger region may be more cost effective than having each local jurisdiction build its own capital-intensive treatment plant.

Box 2.1.5: European Charter on Local Self-Government

The European Charter on Local Self-Government (Art. 4) refers to the subsidiarity principle as follows:

- Public responsibilities shall generally be exercised, in preference, by those authorities that are closest to the citizen. Allocation of responsibility to another authority should weigh up the extent and nature of the task and requirements of efficiency and economy.
- Powers given to local authorities shall normally be full and exclusive. They may not be undermined or limited by another, central or regional, authority except as provided for by the law.

Multilevel governance: Finding an appropriate balance

Different countries have ended up with very different practices. The optimal size of jurisdiction for each service can theoretically differ, but in practice economies of administration and transactions costs lead to a "grouping" of roughly congruent services. Street lighting or refuse removal are, for example, functions that are most often assigned to the local level; rural-urban roads and refuse disposal, to the regional level; and intercity highways and environmental policy, to the national level.

Functions that are typically decentralised to the local government level include basic education, basic health services, agricultural extension, (rural) water supplies, local roads and urban services such as public utilities and sanitation. Note that many of these functions are closely related to achieving the MDGs, as depicted in Table 2.1.1.

Table 2.1.1: Relationship between Service Delivery Functions Commonly Assigned to Local Governments and the Millennium Development Goals

Chart 1. Relationship between service delivery functions commonly assigned to the local government level and the MDGs									
MDG	Primary education	Primary health	Agricultural extension	Water and sanitation	Roads	Solid waste mgmt.	Fire fighting and police	Land use planning *	Economic development *
1: Poverty and hunger	■ ■	■ ■	■ ■ ■	■ ■	■ ■	■	■ ■	■ ■	■ ■
2: Primary education	■ ■ ■	■	■	■	■			■	
3: Gender equality	■ ■		■				■ ■		
4: Child mortality	■ ■	■ ■ ■	■	■ ■	■ ■	■ ■		■	
5: Maternal health	■	■ ■ ■	■ ■	■ ■	■ ■	■	■		
6: HIV / Aids and Malaria	■	■ ■ ■	■	■ ■		■ ■		■	
7: Environmental protection	■	■	■	■ ■ ■	■ ■ ■	■ ■ ■	■	■ ■ ■	■
8: Partnership									■

Key: ■ ■ ■ direct provision ■ ■ indirect relationship ■ Some relationship
 Note: * In some cases, local governments can influence the MDGs negatively through poor governance.
 Source: Based on *Improving Local Government: the Commonwealth vision*, Commonwealth Local Government Forum, 2009 (Box 2).

The application of the principles for assigning responsibility does not always yield an unequivocal answer to the “right” tier to which functions and expenditures should be assigned. In general there are two types of local functions:

- exclusive local functions, delivered and financed from own sources at the local level
- concurrent functions: public services that are provided locally but funded by central authorities through inter-governmental transfers

Specific Guiding Principle 5 says: “There are no hard and fast rules about which functions should be assigned to which level of government.” The European Charter of Local Self-Government mentions that responsibilities should be carried out by the authority “closest to the citizen” but leaves open the possibility of assigning financing and regulation responsibilities to more centralised tiers of government. The subsidiarity principle does imply that not all functions can or should be managed and financed in a decentralised fashion. As mentioned before, decentralisation might not always be efficient. It can result in the loss of economies of scale and of control over scarce resources by the central government.

The policy and financing of social services are most often provided for by the central level, with more or less detailed conditions for the provision of the service by the local level. The health and education sector are often more centralised than, for example, the water sector.

Primary education is a good example of a concurrent or shared function. In many countries primary education is assigned to the local government. At first glance that makes a lot of sense—local schools for local children. Why should a provincial (or national) legislative body have anything to say about schooling in a municipality or village? However, a nation or province as a whole has a strong interest in a well-educated population, so there is a broader-than-local benefit. Indeed, when one applies the four principles presented above, it turns out that education can be broken into several sub-functions: for example, setting the curricula (a role for a national “core” curriculum supplemented by local options); teacher certification (the centre or province may wish to set minimum standards); staff hiring, firing, and salary determination (local); and textbook selection (a mix) (adapted from Ebel, 2007).

Legal and regulatory framework

The World Bank’s “Decentralization Briefing Notes” describe the basic elements for the legal framework for decentralisation:

- Constitutions enshrine the broad principles on which decentralisation is based, including the rights and responsibilities of all levels of government, the description and role of key institutions at central and local levels, and the basis on which detailed rules may be established or changed.
- One or more laws (local government act, law on municipal water management, local health administration law, etc.) define the specific parameters of the intergovernmental fiscal system and the institutional details of the local government structure (key structures and procedures, including elections, accountabilities and remedies).
- A series of regulations associated with each law interpret and detail the practices and measures by which the related law will operate. Laws that deal with shared tasks and responsibilities include sections on intergovernmental relations.

However, the legal framework is always embedded in and shaped by the broader system of national and international laws, ancestral and customary law, market law and religious law.

The way intergovernmental relations are shaped in a country is through special codes or in policy documents related to specific sectors. In the Netherlands, intergovernmental relations are described in the Code of Inter-administrative Relations. The Spatial Policy Document (see Box 2.1.6) is an elaboration of the intergovernmental framework of the Netherlands for one particular sector. In France, special contracts define the cooperation and financial arrangements between central and regional governments in multi-annual plans (see box 2.2.7).

Box 2.1.6: The Netherlands' Spatial Policy Document

The Spatial Policy Document sets out a change of course in spatial policy in which there is more space for decentralised authorities. The reason behind the policy change is that municipalities and provinces are considered to be in a better position than the State to formulate suitable solutions for spatial problems. The Spatial Policy Document therefore states explicitly that there may be regional differences. This by no means implies that the role of the State is defunct. The State is responsible for defining a so-called basic quality (generic framework for decentralisation). Furthermore, there is a specific role for the State in the National Main Spatial Structure. This main structure consists of bodies such as national parks and national urban networks. In the six urban networks, an attempt has been made to create separate and unequivocal, but complementary, areas of responsibility. The municipalities and provinces within an urban network reach agreement about developments and complementariness within these networks. In its turn, the State provides support in complex situations.

Source: Code of Interadministrative Relations, Netherlands Ministry of Home Affairs.

Box 2.1.7: Contracts between National and Regional Government in France

In France, the Contrat de Projet État-Région (CPER) is an agreement between central and regional government about the programming and financing of multi-annual plans for policy areas such as infrastructure, climate and environment, agriculture, employment and social cohesion. In these contracts, the prefect of the region—representing the central government—and the president of the regional council agree about the realisation of projects and each party's financial contribution. Other parties, such as the councils of the departments or inter-municipal cooperation structures, can join the CPER on the condition that they contribute financially to the projects that are part of the agreement.

The negotiation of and adherence to a clear set of rules regulating inter-administrative relations are important conditions for the effective functioning of decentralisation. The rigidity or flexibility of these structures has important implications for the implementation and management of the decentralised system.

Implementation challenges

Administrative decentralisation is a process of civil-service reform in which roles and powers shift between national and sub-national governments. When national governments decentralise responsibilities, they retain important policy and supervisory roles. They have a

crucial role in promoting and sustaining decentralisation by developing appropriate and effective national policies and regulations. In addition, they must create enabling conditions that allow local units of administration or NGOs to take on more responsibilities.

The Kampala Call to Action (see Box 1.1.3, above) is aimed at local government design and management of development policies in order to accelerate the achievement of the MDGs. It calls on national governments to do the following:

- give local authorities sufficient autonomy to exercise leadership, foster innovation in development, mobilise local resources and stimulate citizenship
- make sure that decentralisation reforms are not limited to political and administrative structures but also stimulate a development-oriented and democratic mindset of local governments
- show leadership at the national level by overcoming bureaucratic obstacles and developing central State capacity to supervise and support local authorities
- establish the structures necessary for effective inter-governmental relations to ensure cooperation and consensus on localising the MDGs

Shifting roles and responsibilities cause numerous challenges for the implementation of administrative decentralisation, related to the following:

- vertical coordination between the different government levels (control and oversight, information and monitoring)
- horizontal coordination (territorial planning and regional cooperation between similar levels of government)
- human-resource issues and capacity development

Vertical coordination

The coordination between government levels becomes more complicated in the case of shared rather than exclusive responsibilities. It requires a supervisory and monitoring role by central government (control or *tutelle*) that has to be supported by a continuous two-way exchange of information between national and sub-national levels of government. Systematic collection, analysis and reporting of information is essential for central government to verify compliance with policy goals, analyse alternative outcomes and guide future decisions. The type of information needed depends on the service-delivery objectives in the various sectors (health, infrastructure, education, etc.).

Depending on the country context, concentrated government offices can play an important role in supervising and monitoring local government units at the regional or local level, especially when the capacity of local governments is weak; they can then provide support and guidance.

An important implementation issue related to vertical coordination is how to ensure a certain degree of monitoring of quality of performance without compromising newly found local government discretion? Experience shows that too much coordination and control ends up facilitating re-centralisation.

One way to address the risk of re-centralisation is the establishment of a permanent body, such as a local government association, with proper representation at various levels. A local government association can address coordination issues and give sub-national governments institutional space for defending their interests. It can function as a coordination instrument for central government since it supports its members in the elaboration and implementation of new laws and regulations. At the central level, a ministry of local government can be charged with the implementation of decentralisation and can deal with issues of vertical coordination.

Horizontal coordination

An efficient provision of local services and management of local resources often involves coordination between local units of the same government level. Territorial cooperation and coordination is required not only because of economies of scale in providing services but also because certain tasks, such as managing natural resources (like water and forests) as well as infrastructural development, cannot be restricted within administrative boundaries. In some cases, effective structures for cooperation have even ended up in an amalgamation of neighbouring local government units.

Territorial or spatial planning, which can be done at the national, regional and local level, relates to the geographical areas where resources are spent (for example, on infrastructural investments or regional hospitals). It requires both inter-sectoral coordination and coordination between government units of the same level. When decentralising, it is important to assess how resources are distributed over different regions and which government level is responsible for management and coordination.

Regional cooperation and territorial planning are important for the following:

- realising joint investments in infrastructure
- fostering regional economic development
- managing natural resources
- managing local services
- inter-sectoral coordination

Horizontal coordination also relates to the cooperation between sub-national governments (through such mechanisms as associations of municipalities or unions of mayors, chief executives or professionals) to represent and defend their interests vis-à-vis the central level. Local government associations function as a coordination instrument for central government as well, since they support their members in the elaboration and implementation of new laws and regulations. Another function of the associations is that they share lessons and experiences and work on capacity development by providing training and advice to their members.

Human-resource issues

Decentralisation of tasks and responsibilities to lower government levels requires organisational reforms in the civil service. In the case of both deconcentration and devolution this implies a shift of staff from central ministries to lower units of government. A central

question here is what level of government should have the power to determine human-resource policies (pay scales, performance-based incentives, hiring and firing personnel)?

The advantage of devolution instead of deconcentration is that local authorities will be better able to respond to local conditions and needs. If sub-national governments have the discretion to determine pay scales, to hire and fire personnel and design their own employment policies, they will be able to hire a civil service that matches the community's needs and budget constraints.

In practice, however, it often happens that local authorities are given responsibility for providing services but must provide the service by using public-sector employees whom they do not control. This considerably reduces sub-national autonomy.

When assessing the reach of administrative decentralisation at the local level, one should take into account the issue of human resources by looking at the following:

- the right to hire and fire government workers in service sectors that have been decentralised
- the possibility to fill open positions without permission from the central government and by setting the job qualifications
- the right to determine salary levels and to supplement salaries on a performance basis
- the right to determine the number of positions of government employees at the local level

Decentralisation of authority for human resources to lower levels of government does however also have some risks:

- Since skilled civil servants prefer to work in more-developed areas, decentralisation might lead to a skewed distribution of human resources. This poses serious problems for local authorities in delivering basic services (for example, in the field of health or education). There are several ways of dealing with this. A cadre system can be developed in which highly skilled civil servants rotate between more- and less-developed regions (India). Another solution is providing higher salaries or other incentives (education, housing) for people working in less-popular areas (see the example of Tanzania, Box 2.1.8).
- Smaller units of government have less room for building expertise in certain fields. They have only a limited number of staff dealing with more topics, which leaves less opportunity for specialisation. Shortages of skilled people can be exacerbated when responsibilities are divided among smaller jurisdictions. One way to address this problem is to pool resources for specialised staff or central consultancy services.

Box 2.1.8: Attracting Health Workers in Rural Areas

The geographical imbalance of the health workforce in Tanzania represents a serious problem when it comes to delivering crucial health services to a large part of the population. A recent experiment in Tanzania shows that rural districts can help make rural jobs more attractive and increase the recruitment of health workers in rural areas. The most important incentives for attracting health professionals are the offer of continuous education after a certain period of service, increased salaries and hardship allowances. Other measures, that are less powerful, however, are offers of decent housing and good infrastructure, including equipment.

The World Bank's African work force programme, which aims to address the shortage, low productivity and mal-distribution of health workers in Africa, found that improved housing, properly equipped clinics and education for their children often ranked higher than wages in attracting and retaining health workers.

Source: Kolstad (2010).

Capacity development

Capacity development in decentralisation processes is crucial not only because sub-national levels have to adapt to their newly assigned responsibilities in service delivery but also because the national government has to adapt to its new role. It must create conditions, set standards and supervise in order to create sustaining conditions for local government service delivery and to monitor quality and equity. The new tasks require new knowledge and skills as well as a shift in mindset in which national governments learn to let go and live with the consequences of decentralisation. The central level may have to give up the direct provision of services and become better at developing broad policy goals and ensuring equal opportunities and access across the nation.

Box 2.1.9: The Case of Uganda

The case of Uganda, a country that embarked on a very ambitious decentralisation programme in the late 1990s, makes it clear that public-sector reforms did not take adequate account of the changes to the roles and functions required of line ministries. There was no strategy document to provide overall guidance to the decentralisation process. The Ministry of Local Government did not play its role as promoter of decentralisation reform, and line ministries continued to function in traditional ways as implementers, rather than facilitators, of policy. This was an important obstacle to the implementation of the decentralisation policy.

Source: Kasumba and Land (2003).

At the local level, government administrations have to adjust to their new tasks and responsibilities as well. Local staff often lack the knowledge and skills necessary for developing policies in cooperation with local stakeholders and for managing and monitoring service delivery. The lack of capacity at the local level is often an excuse for central governments to refuse to transfer authority and financial resources. In session 4.1 attention will be paid to the assessment and support of capacities at the local level.

KEY READINGS AND BACKGROUND MATERIAL

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www.fiscalreform.net/index.php?option=com_content&task=view&id=364&Itemid=63

In this paper, the authors make a series of related arguments about how decentralisation can be strengthened in the large set of countries that have already decided to expand the governing roles of sub-national governments. They give three recommendations about where and how programmers should focus their efforts in cases where decentralisation has already been set in motion: (1) adopt a more comprehensive and integrated approach, (2) promote effective coordination across levels of government and (3) strengthen sub-national institutions. They proceed by qualifying the support offered for a comprehensive and integrated approach to decentralisation in the first part of the paper and argue that, under special conditions, a sequential approach to decentralisation may be superior to the comprehensive and integrated approach.

EuropeAid. 2007. Supporting Decentralisation and Local Governance in Third Countries. Tools and Methods Series: Reference Document No. 2. EuropeAid, Brussels.

ec.europa.eu/europeaid/infopoint/publications/europeaid/138a_en.htm

Kasumba, G. and A. Land. 2003. Sector-Wide Approaches and Decentralisation: Strategies Pulling in Opposite Directions? A Case Study from Uganda. ECDPM, Maastricht. (Study prepared in the context of a five-country review of the relationship between sector-wide approaches and decentralisation, coordinated by ECDPM.)

www.ecdpm.org/Web_ECDPM/Web/.../uganda_report_final_version.pdf

This case study describes the decentralisation policy of Uganda in relation to efforts to eradicate poverty. Among other things, it describes the impact of conditional (sector) grants on decentralisation and the lack of commitment for capacity development that goes beyond the concerns of project implementation. The authors give suggestions for donors to reinforce the process of decentralisation in Uganda.

Land, T. and V. Hauck. 2003. Building Coherence between Sector Reforms and Decentralisation: Do SWAps Provide the Missing Link? Discussion Paper No. 49. ECDPM, Maastricht.

www.ecdpm.org/Web_ECDPM/Web/Content/Navigation.nsf/index2?readform&http://www.ecdpm.org/Web_ECDPM/Web/Content/Content.nsf/0/a2de1a6ab9798442c1256c7f003b8c7f?OpenDocument

This paper explores the relationship between sector-wide approaches (SWAps), sector programmes and decentralisation in a range of institutional contexts. It tries to ascertain the extent to which SWAps provide a framework for bringing coherence to sector-reform programmes and decentralisation processes that, in practice, often run in parallel and at times contradict one another, but which are ultimately interdependent. On the basis of experiences in five countries, the paper identifies issues for consideration and suggests ways of fostering coherence in the design and implementation of sector reforms and decentralisation processes.

Litvack, J. and J. Seddon. 1999. Decentralization Briefing Notes. WBI Working Papers. World Bank, Washington DC. Pages 9–14 and 39–47.

<http://info.worldbank.org/etools/docs/library/8680/Decentralization%20Briefing%20Notes.pdf>

This publication describes the different forms of and the rationale for decentralisation. It provides a broad overview of the several types of decentralisation that can occur across countries, and even

within the same country and sector. Six notes are included, each focusing on a different sector: education; health care; safety nets; infrastructure; irrigation, water supply and sanitation, and natural-resource management and the environment. The central idea of the publication is that distinguishing among different types of decentralisation facilitates the discussion of policy design and, particularly, of impact. For example, whether a country chooses to “deconcentrate”, “delegate”, or “devolve” certain functions—and the impact of those decisions—will depend on the policy makers’ objectives, as well as on many factors related to the political, administrative and fiscal structure of that country. It aims to promote consistency in discussions of decentralisation to avoid comparing apples and oranges and to ensure that lessons can be elicited where appropriate.

OTHER LITERATURE

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GUIDELINES AND HANDBOOKS

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The Kampala Call to Action, adopted in October 2010 by national governments and their development partners, calls for a joint effort to support a “Local Development through Local Government” (LDLG) approach in order to accelerate achieving the millennium development goals. The approach relies on the design and management by local governments of local development strategies to achieve sustainable development.

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These international guidelines are key to promoting good governance at all levels and to strengthening local authorities. They are to serve as a catalyst for policy and institutional reform at the national level to further enable and empower local authorities in improving urban governance in regard to attaining the millennium development goals related to human settlements. The UN-HABITAT agenda

recognises that sustainable development of human settlements can be achieved through the effective decentralisation of responsibilities, policy management and decision-making authority (including the authority to collect revenues) to local authorities—those closest to and most representative of their constituencies. It also recommends that governments should examine and adopt, as appropriate, policies and legal frameworks from other states that are effectively implementing decentralisation.

OTHER INTERESTING MATERIAL SUGGESTED DURING THE SEMINAR

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