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Seminar on Decentralisation and local government institutions: exchange of best practices : by Emmanuelle Paris Cohen

INTRODUCTION

Why an EU seminar on decentralisation and exchange of best practices?

The EU has also had issues with overly centralized states, such as the former soviet countries, and a debate is still going on concerning the subsidiarity principle at all levels, including the supra-national, EU level.

The goals:

1. Promote democratic governance at the local level
2. Improve social service delivery to reach the MDGs, as local governments hold a strategic role in this respect

SAFP was invited to attend this conference thanks to its lobbying activities with local and regional authorities to increase the participation of women in governance and planning, in the optic of decentralising decision making and promoting participative democracy. SAFP has worked with the town planner's office of Kollam district in Kerala, as well as engaging



local MLAs and elected representatives of Okhla in Delhi to push for the allocation of funds and support to women's groups' participation in urban planning as part of ongoing development schemes.

SAFP has also been working with Urban Local Bodies (ULBs) in the state of Bihar to perform their gender audit, of both the structures themselves and the programs they support. For ULBs and other local authorities to move beyond being implementing agencies to being the actual 3rd tier of governance in India, they must be representative of population as a whole, *including women*.

Currently, the EU supplies budget support towards improving governance, health and education. Specifically, it has a partnership with the states of Rajasthan and Chhattisgarh, of which the goal is to help in the decentralisation process and service delivery to the communities. In Chhattisgarh, SAFP has also been pushing state officials to collect gender desegregated data as an

essential step towards assessing women's access to essential services and status within the community. With this data in hand, the government, with the feedback of civil society organisations, would have the necessary knowledge to develop adequate development policies.

According to Mr. George Matthew, invitee from the Institute of Social Sciences in Delhi, "*Every village must be a republic*". According to the 73rd and 74th amendments of the Indian constitution, concerning urban local bodies (ULBs), Panchayats and Municipalities are the 3rd tier of government, as opposed to solely being implementing agencies. The most positive outcome of these amendments has been mandatory elections. As well, the provision of

reservations for women in government has been a step forth. In the spirit of these amendments, twinning agreements between Europe and India is to share experiences in decentralisation.

Unfortunately, in the last 17 years, these amendments have not been implemented. In 2004, a separate ministry for Panchayati Raj was put in place, but since the last elections, there has been no minister, instead it was lumped together with the rural ministry. And while there are reservations for women in local governments, they aren't heard consistently across all states, even though their participation would mean increased livelihood and income, better education and health systems for all, which are issues that aren't discussed when only men participate. And most of the time, when women are present, they don't actively participate.

SO WHY ARE LOCAL AUTHORITIES IN INDIA MARGINALIZED?

1. Because Politicians, members of Parliament and MLAs are against giving power to Panchayats. They get local area development funds which they are supposed to allocate to local governments, but choose not to. Everyone opposes social audits. So what is the result? *Corruption.*

2. The upper caste system and landlords who control resources and human power don't want the democratic redistribution of Power to the people. To fight this tendency, there needs to be unionization of local elected officials.



3. There are 'Middle men' who don't want strong Panchayats, and do everything for the status quo to prevail.

4. The corporate sector is also against giving more power to the people.

Mr. Panda, from the Ministry of Panchayati Raj confirmed that every elected body has its vested interests. But this ministry is there to, and should, strengthen local representatives.

The problem is that most municipalities have very little legal power. Only north-eastern states have judicial powers.

Based on SAFP's own experience working with or engaging local authorities in India, these problems have impacted our ability to implement development plans, even though they are called for by the law, under the reservation of 10% of local budgets for development projects which directly favour women.

One common problem which arises when dealing with local authorities in India, is the passing on of responsibilities from one actor to the other. With the duplicity of roles and lack of clear accountability, it has been especially difficult to obtain commitment from MLAs towards making gender equal urban planning a reality.

WHAT CAN WE LEARN FROM THE EUROPEAN EXPERIENCE?

Mr. Jean Bossuyt, from the European Center for Development Policy Management gave Europe's point of view on the topic, as decentralisation in the EU hasn't been easy and is far from uniform: There is a huge diversity, but decentralisation is still a 'hot topic' in most EU member states. Multi-level governance and subsidiarity have entered the legislative vocabulary of the European Union: "laws and regulations must be decided by those who implement them". It seems logical that those who are closest to the communities which will benefit from (or suffer the brunt) government policies are those who also know best what the community needs and how it operates. So why should decision making be so far removed from the 'ground'? Evidently, there is a democracy crisis in Europe at this time.

With these principles goes that of solidarity between regions, or 'who gets what'. This follows the principle that local and regional governments should have their own resources and the legal means to raise money from taxes.

In the context of EU cooperation policies, European cities are looking for partners in the south. From the point of view of an NGO which tries to work with local authorities, we can only encourage practices which promote increased decentralisation, when this entails involving civil society and CBOs in decision making.

Good practices supported by the EU:

1. Are central governments really committed to decentralisation?
2. What do local governments do with their autonomy?
3. There needs to be a strong local database for effective governance, and for good policy making. (*Note: the need for gender desegregated data*).
4. One must be opened to exploring different ways of running public affairs, testing and evaluating new practices as well as following budgets. One such way to do this is to invite other local government representatives to evaluate local practices for joint learning: need for *institutionalisation* of this process.

Bad practices:

1. Reproduction of central approaches by local governments (i.e. partisan fighting)
2. Central governments ignoring the role of local governments (i.e. funds for MPs getting redistributed, leading to politicking and populism). Donors are not exempt from this, when they circumvent local governments
3. Creating local governments and giving grants, but without allowing them to decide how to spend
4. Taxes!! If local governments are not allowed to have a tax system, there won't be accountability or effective governance
5. Only looking at the local level: These must be linked to other levels (i.e. unionization of local governments)
6. Decentralisation becoming highly political

ENHANCING SERVICE DELIVERY TO THE POOR

This is where the EU partnership with Chhattisgarh and other states comes in. Besides funding, there are the following questions: who monitors actual expenditures, or project success? What about transferring power of taxation to Panchayats?

Through its experience of working on joint local authority – funding entity projects, SAFFP has had both the chance to participate in such monitoring practices, but also the unfortunate reality is that often, funding agencies or governments simply allocate resources without ensuring proper project follow-up. And as local Panchayats and other institutions don't have official power to levy their own resources, the support supplied is often siphoned off, or used otherwise.

By supporting local authorities, the EU is hosts a thematic programme called “Non state actors and local authorities”, which functions through calls for proposals:

1. Action in development and coordination between civil society and local authorities
2. Indirect support to decentralisation and local authorities (through support programmes for health and education)
3. Specific programmes for regions

Challenges: Inclusion of local authorities in aid effectiveness agendas (to foster a sense of ownership over policies, to favour alignment and harmonisation, to get better result indicators and mutual accountability).

Local Authorities (LA) as actors of development: in 2008, their participation increased through response strategies:

1. Assemblies of decentralised cooperation
2. Atlas of decentralised cooperation as an analytical tool
3. Portal of decentralised cooperation (Who’s doing what? Where?)

All of these tools (also utilised in Europe, incidentally) have the common goal of improving communication i.e. the “Regional Structured Dialogue” (based on the EU model), between civil society, organisations, LAs, etc. to improve aid to development. In the Indian context, this is akin to what SAFFP and other CBOs have been pushing for in their lobbying strategy.

Recommendation: there must be an exit strategy when programme support is done, with documentation of good practices. For instance: why did such programmes work so well in Kerala?

1. Ongoing political support, culture of decentralisation and public service delivery.
2. People participation in the process, with citizens at the center of the governance process.
3. Local knowledge process as a key tool for decision making, which means transparency is essential.

What about the dilemma between constitutional empowerment and delivery of services? One must take precedence over the other, and the choice still has not been made. We believe that delivery of services to those in need should take precedence. In fact, SAFFP is currently trying to work out an agreement with local councillors and MLAs in Delhi’s marginalised neighbourhood of Okhla to implement better service delivery, notably in the WATSAN department. By involving women’s self-help groups, youth volunteers and local NGOs in the management of resources, we believe service delivery will be greatly enhanced. This follows the logic of user based decision making. Who better to make decisions or offer solutions to problems than the people who live in the communities themselves and use these resources on a daily basis, or government officials working in a far removed office?



There is tension between constitution amendments, laws and government schemes, which are supply side measures, and the demand. What about capacity training? The goal now should be to build up this demand side, which is essentially the voice of the people. In the same vein, accountability should be promoted through the use of performance and social audits, or ombudsman mechanisms which are lacking at this time. For instance: 10% of local development budgets must be spent on measures directly benefiting women. But is this really the case? Not according to our work on the ground...

Constitutional amendments are fine, but if civil society and local elected officials don't have sufficient knowledge of their rights, nothing can get done. There needs to be training of Panchayat leaders, as well as awareness raising using simple material. Needs analysis must also become the basis for effective programme planning, and attention must be given to the learning style of the target groups. Educational training is not a one time exercise, but needs constant and regular reinforcement.



Other good practices:

- Networking between institutions
- Direct contact with target clientele
- Having deep insight in the field
- Strengthening of GOs and NGOs within institutional partnerships
- All tiers of local government should have strong associations (trade unions, syndicates, CBOs, etc)
- Dissociation between Politics and development.

BUT: *Decentralisation shouldn't lead to a de-concentration of power!* And as the conference highlighted, for decentralisation to really work, responsibilities must be accompanied by a decentralisation of resources and taxing power, for policy implementation. If roles are not well defined then there is de-concentration, and overlap.

Examples from Jharkhand:

Development goals and agendas were localized, leading to community empowerment, while there are no local governments or Panchayats. This is supposed to lead to the localized achievement of the MDGs.

- Measurement of goals through quantitative surveys and qualitative impact assessment.
- Factors impeding project completion have been identified
- There has been focus on improving the implementation of women empowerment and other programmes

Basically, it is up to Panchayat government bodies to sanction projects at the Panchayat level, through three phases:

1. Administrative
2. Technical
3. Financial

The problem remains, and this is true not only in India, that LA are 'lesser authorities'. 'Local public policies based on local knowledge' must be upheld and promoted: "*Local solutions to local problems*".

In India, a problem which must also be remedied is the lack of coordination between departments, and the difficulty in finding a centralised source of information on available schemes. Full decentralisation needs to happen, with independent Panchayats having the sole responsibility of delivering services, on a regular, day to day basis. It can't be punctual initiatives done through development or aid programmes, which are new investments, not regular services. For this, LAs must have resource generating power.

As Ms. Sayeda Hameed said, the 12th development plan for India must measure and support human development as opposed to GDP increase. Issues of governance and corruption will be addressed. The planning process will also be opened up to the people, to make governments accountable. People shouldn't be supplicants.

CONCLUSIONS FROM SAFP: LAs are essential in the implementation of government schemes, including development plans of local and regional areas. Only LAs have the required knowledge of the functioning constituency, of the local issues to be dealt with, and how. Therefore, without strong local governments, local development initiatives are bound to fail. But strong local bodies also mean accountable local bodies. This means that they should be given the power to levy their own resources, of which the spending should be transparent and closely monitored by independent bodies. Such bodies could be independently elected local councils made up of local citizens and CBOs who are actively involved in their community. Lastly, reserved funds for initiatives benefiting women should be made readily available through fair and transparent calls for proposals, and entirely spent instead of allocated elsewhere. Such initiatives must also be closely monitored and followed up in the long run (i.e. women run enterprises, should they have a chance of surviving, should be supplemented with proper training and management techniques).