External Support for Decentralization Reforms and Local Governance Systems in the Asia-Pacific: Better Performance, Higher Impact?

Localizing the SDGs :
- What could this mean for UNDP in Asia and the Pacific ? -

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The journey from Decentralization, to Local governance and towards the SDGs… a long and complex path…. Where people must be at the center.

For a citizen, DLG is about access and quality of services but its also the opportunity to have its voice heard and change local leaders when LG performances are not met (+ vertical power sharing).

Local Governance and Decentralization in the Regional Context:

Center of gravity continues to shift from Capitals towards Cities, but:

- LG/Decentralization reforms are often '**unfinished-reforms**' and more a **political agenda** than a reality for the people.
- **Social compact** remains weak and there's a disconnect between councilors and local administrations.
- **Capacity gaps** hinder service delivery (plan, budget, procure, M&E, etc.).
- **Fiscal transfers local resources:** but local absorption capacities are still low.
- **'Whole-of- (local) government'** approach is weak and services are often delivered in silo (**de-concentrated**). Unclear accountability lines.
- Local governments are not sufficiently recognized (beyond election periods) and empowered to **drive their local development agenda**.
- Elite capture and issues of **transparency** and **corruption** remains high (+ poor demand from citizens).
- The role of the **private sector** in service delivery is weak and unclear.
- Question: Is the **informal sector** a challenge or opportunity (in a rapid urbanization context)?

Quick Facts on Local Governance and Decentralization in Asia-Pacific:

Pakistan: Islamabad is urging Provinces to transfer funds to the 3 government tiers (Local elect in KP).

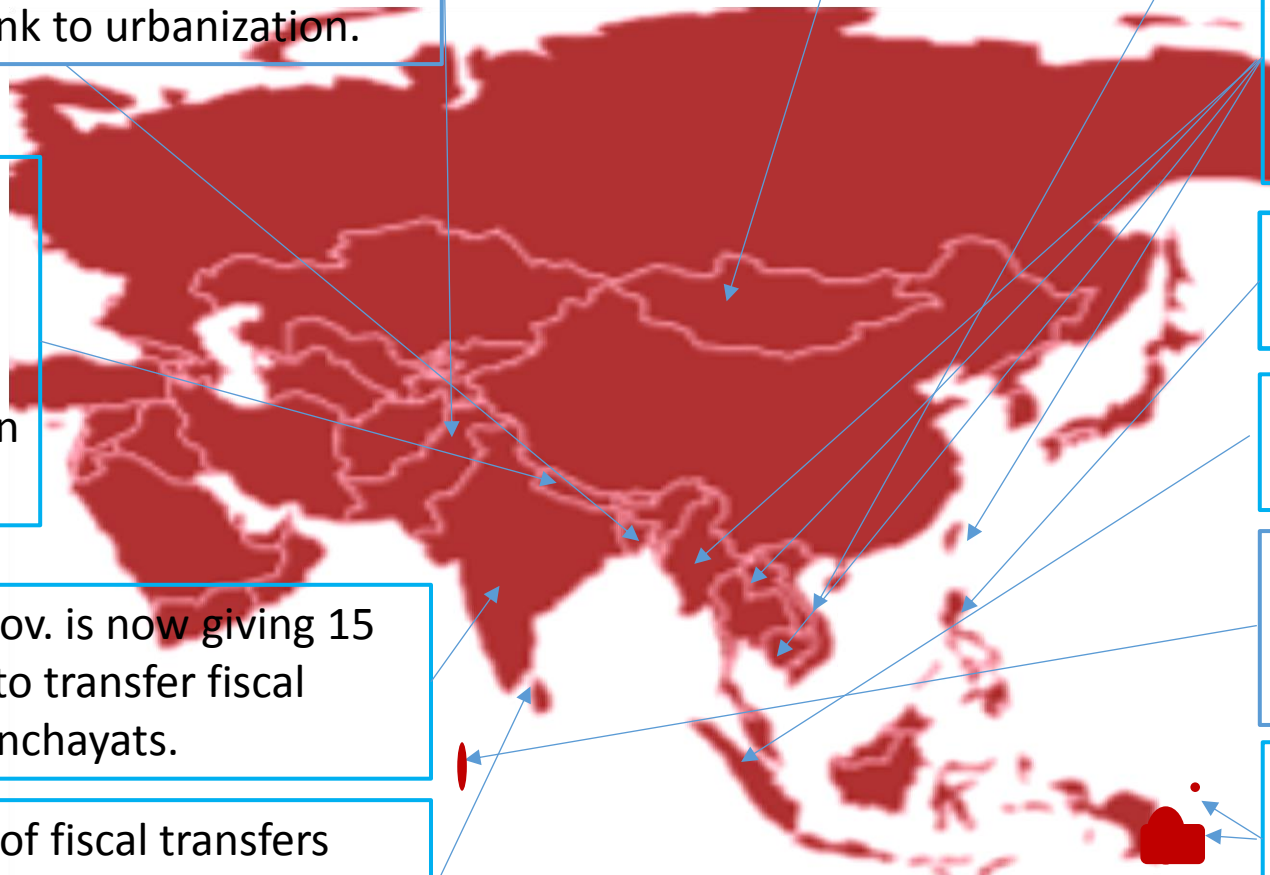
Bangladesh: On-going LG reform with a strong link to urbanization.

Nepal: New Constitution will require further decentralization & LG reforms.

India: Federal gov. is now giving 15 days for States to transfer fiscal resources to Panchayats.

Sri Lanka: 24% of fiscal transfers (capital development) unspent in 2014.

Mongolia: Ongoing local decentralization process (fiscally driven).



Vietnam: New Local government law under consideration by the National Assembly.

Lao PDR, Myanmar, Cambodia and Timor Leste: On-going decentralization process (+ new eco zones in TL).

Philippines: Local Governance Act could soon be reviewed.

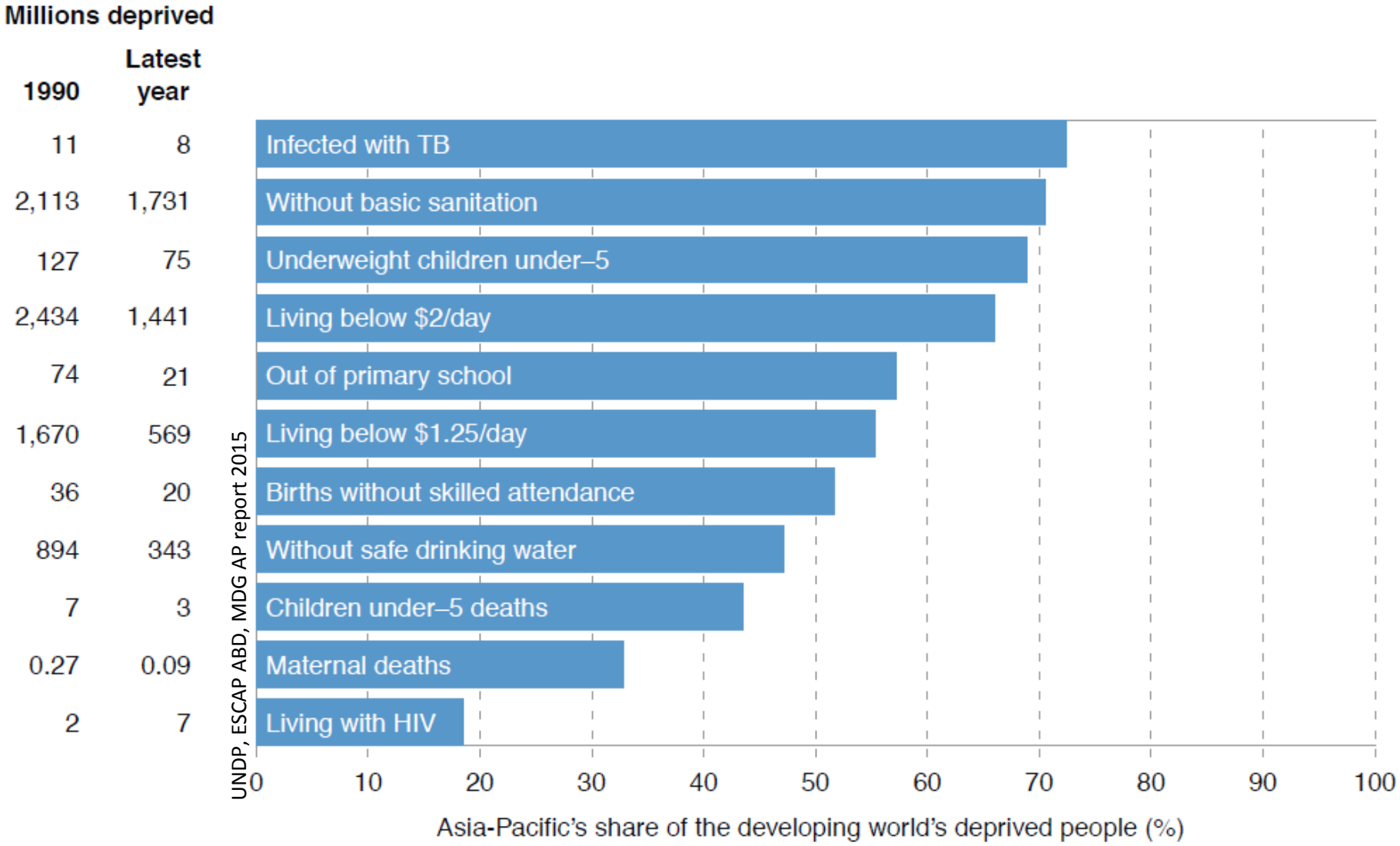
Indonesia: Jakarta is increasing fiscal transfers to West Papua.

Maldives: On-going regionalization and decentralization programme in line with the 2008 Constitution.

Solomon Islands and PNG: On-going LG reforms (+ SL gov. plans to institutionalize the LDF).

The Asia-Pacific Region : Has Unfinished MDG Business:

(UN ESCAP, ADB & UNDP Regional Report on MDG, June 2015):



UNDP anticipated interventions to help localize the SDGs:

National level

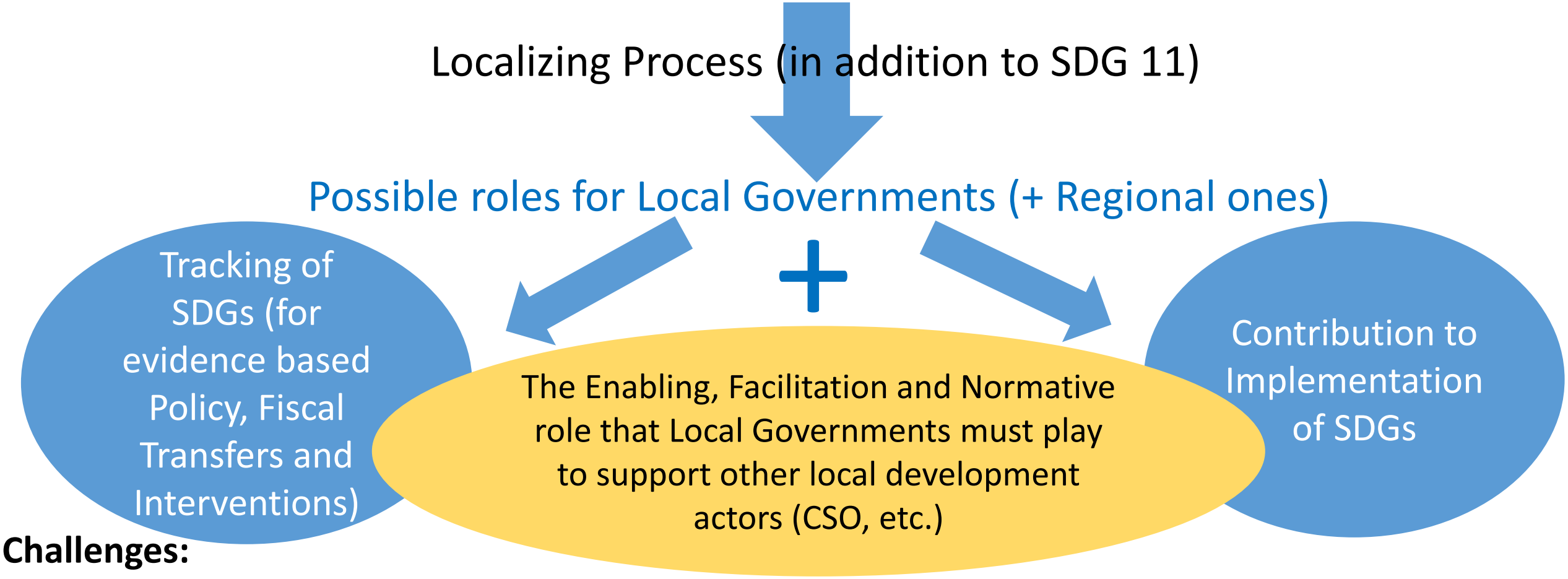
- Advocacy for a **mind-shift** ("Local is Important").
- Continuous support to local governance and decentralization processes.
- Policy and Legal frameworks for National development plans to integrate local SDG plans.
- UNDP to **support countries track** and report SDGs (incl. **inequalities at sub-national** level).

Local level

- Local SDG plans (People-centered approach), incl. **capacity to track/monitor SDGs**.
- **Capacities for Local Governments** (Coordination, Planning, Budgeting, Procurement, etc.).
- Enabling environments for relevant local development actors to deliver services (incl. Private)
- Promote use of Sub-national systems and Local Financing for development.
- **Public participation**, Social auditing, Youth and Women empowerment.

Regional: Asia-Pacific

- Peer-to-Peer learning and Local Government **support network** (+ web-based tutorial)
- **Action-Research** on SDG localization (indicators: Accountability, Health, Violence, Climate, DRR).



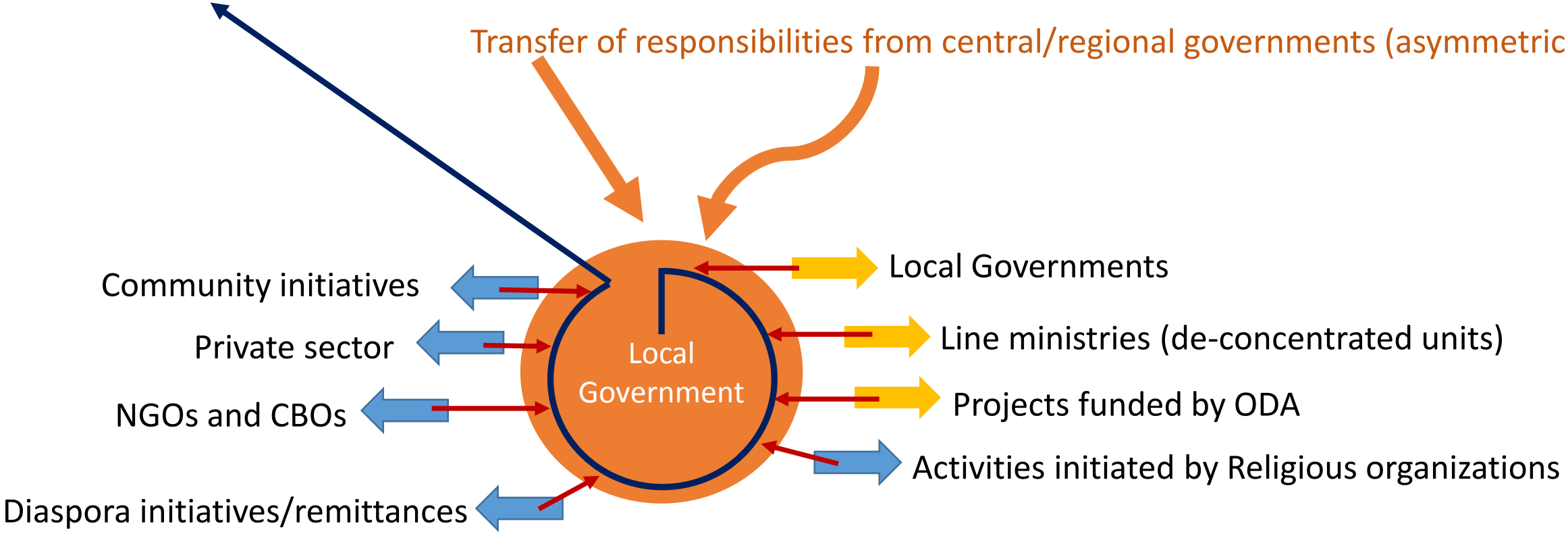
Challenges:

- Setting Local **Targets & Indicators** and developing National SDG Plans that integrates Local SDGs
- Establishing a simple tracking and **monitoring system** (while dealing with 17 Goals and hundreds of Indicators)
- Strengthening **capacities** of local (+central) governments to collect/analyze local data (reduce inequalities within countries)
- Moving towards a “Whole of local Government approach’ and a **multi-stakeholder** approach.

For the SDGs at the local level: UNDP advocates for moving horizontally & beyond the 'decentralization' traditional actors

Process by which Local Governments and other local development actors coordinate and improve provision of services and accountability.

Action-Research in 3-5 countries focusing on how LGs address Accountability, Health, Violence, Climate, DRR.



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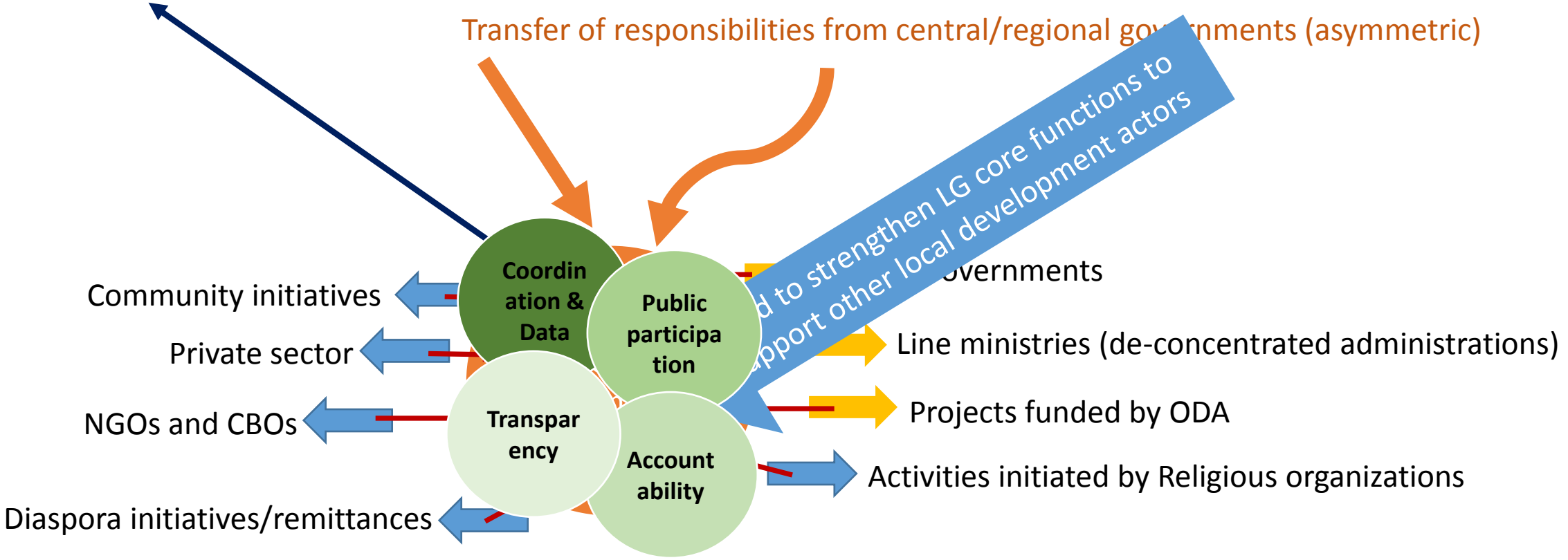
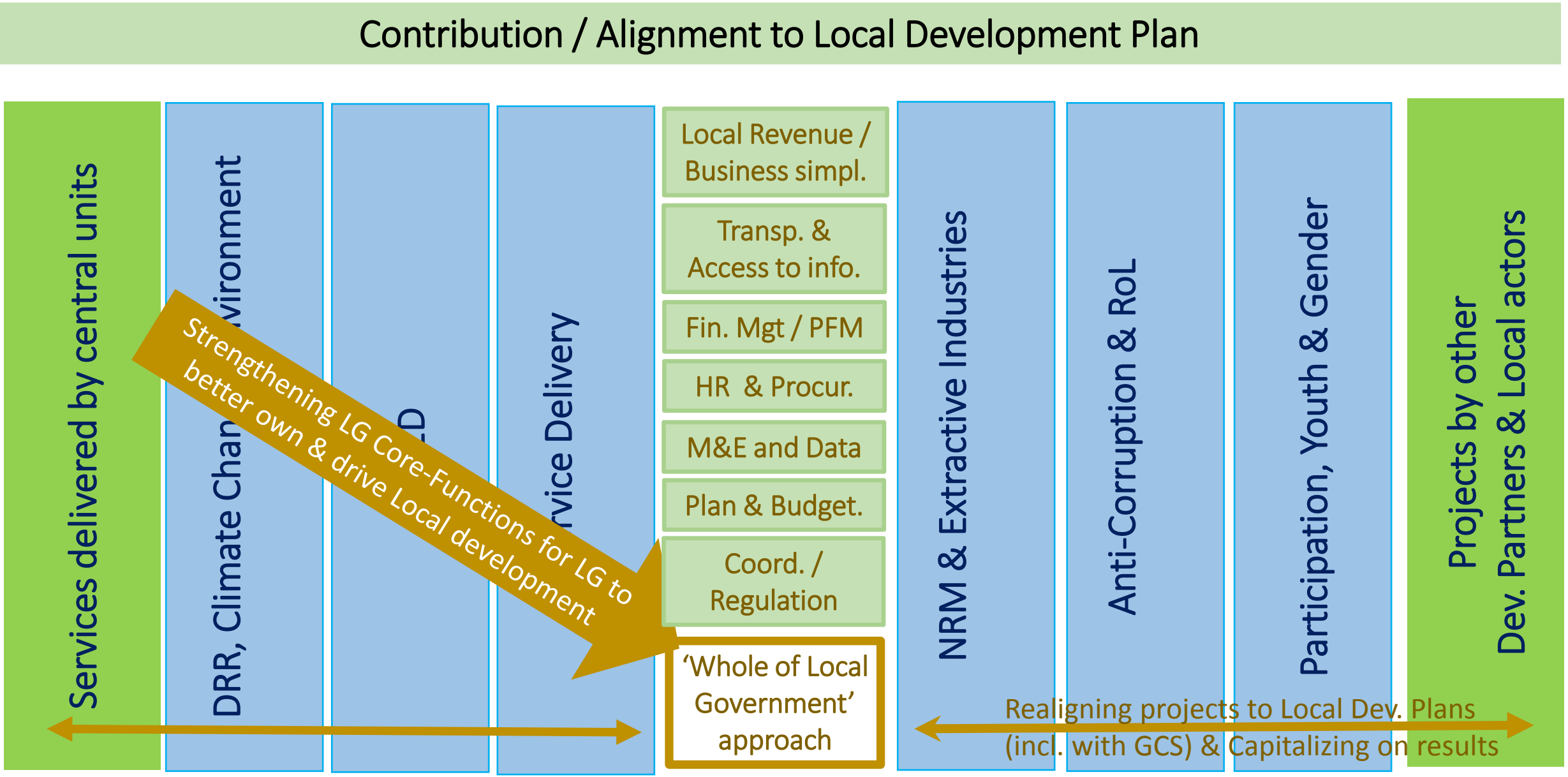
A ‘Whole of Local Government’ approach: moving away from vertical projects towards increasing Ownership and Accountability of Local Governments