



DECENTRALISATION &
LOCAL GOVERNANCE



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

Customizing the SDGs: What will it take?

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OUTLINE

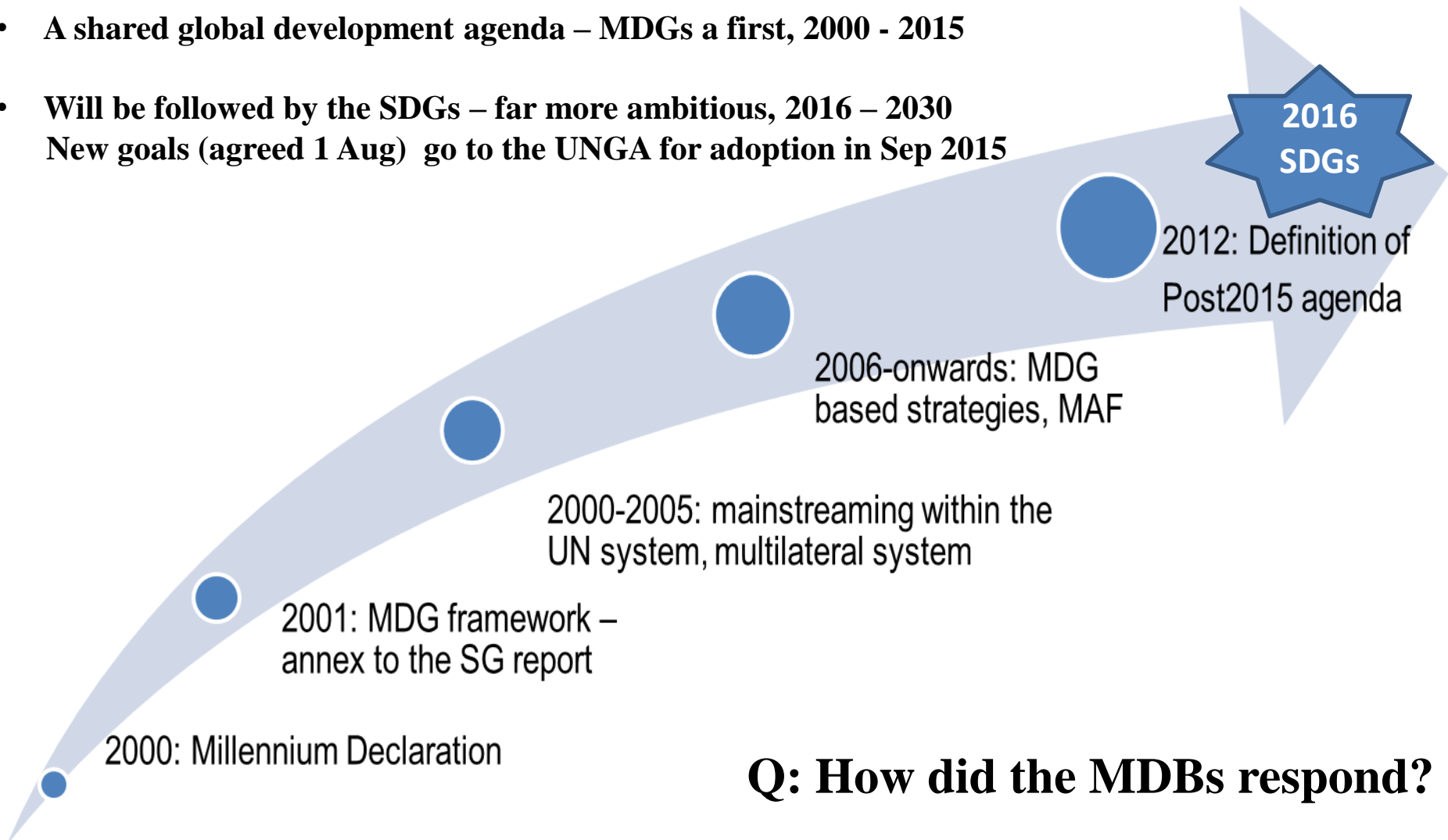
- **The international development goals**
- **Adopt or adapt?**
- **Future prospects**

OUTLINE

- **The international development goals**
– **From MDGs to SDGs**
- Adopt or adapt?
- Future prospects

A short 12 years journey...MDGs to SDGs

- A shared global development agenda – MDGs a first, 2000 - 2015
- Will be followed by the SDGs – far more ambitious, 2016 – 2030
New goals (agreed 1 Aug) go to the UNGA for adoption in Sep 2015



Q: How did the MDBs respond?

What can we expect?

A longer perspective for a start...

Millennium Development Goals	Sustainable Development Goals
UN-led dialogues	Country-led consultations, ambition has ballooned
8 Goals; 18 Targets; 48 Indicators	17 Goals; 169 Targets! (Indicators yet to come!!)
Focus: Deprivations, poor countries	Focus: Sustainable development, universal
Environment, inequality were only partially addressed	3 pillars: economic prosperity, social equity and environmental responsibility
Global partnership – Goal weakly formulated, partially monitored (MDG 8)	Stronger partnerships – implementation under each Goal & SDG 17
Demands on official statistical systems recognized late; not matched by resources	This challenge will continue and escalate
Development finance = largely ODA	Financing for development = All moneys

There's something about international development goals...the X-factor

Top-down Leverage

- Overarching political framework for development cooperation
- Buy-in among donor and recipient countries
- Time bound monitoring, comparable across countries:
 - MDGs: Start of the new millennium in 2000 to 2015
 - SDGs: 2016 to 2030

Bottom-up Potential

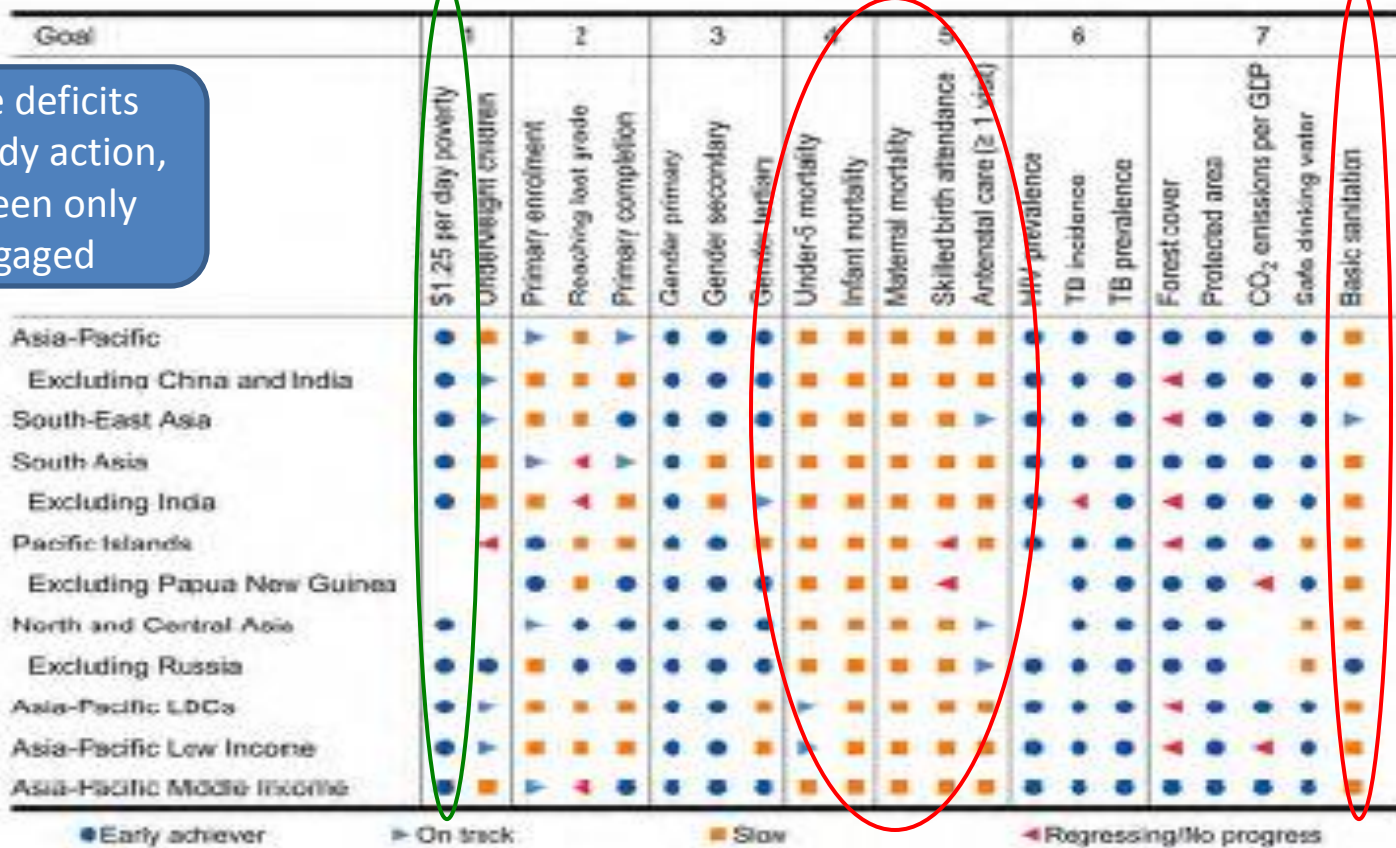
- Open space for CSOs to engage in structured dialogue
- Focus national and local plans, priorities, budgets
- Coordination across not just development partners and ministries, but also levels of government

By 2015, Asia Pacific expected to meet 13 of the 21 tracked indicators: Sub-regional variations are noteworthy

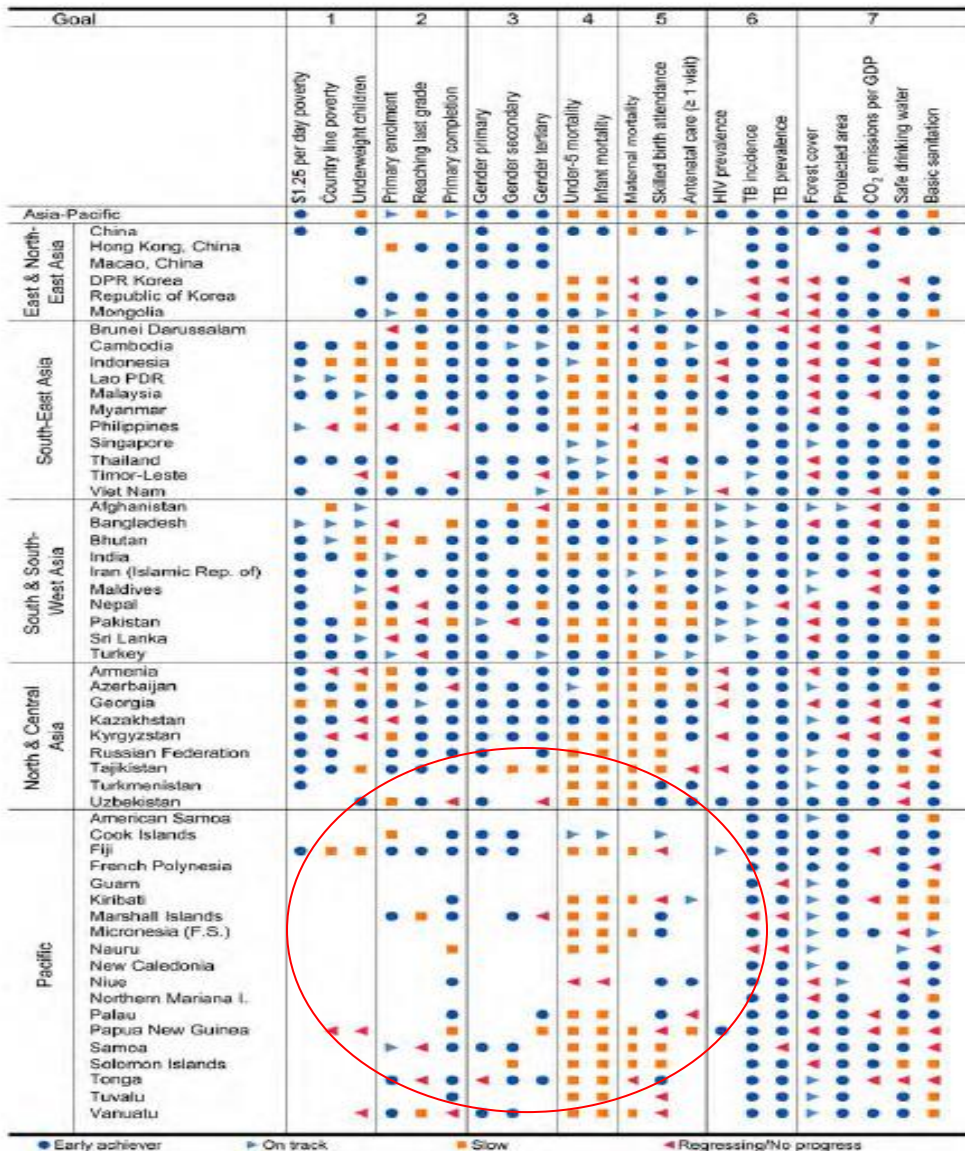
Greatest success: **Income poverty**; Greatest deficits: **Daily life**

Country groups on- and off-track for the MDGs

Many of the deficits need local body action, but have been only partly engaged



Asia-Pacific economies on- and off-track for the MDGs



Identical indicators help comparisons across countries

But data also shows the differentiated challenges; need for decentralized tracking

Data gaps and disaggregation remain a serious concern – especially for the most disadvantaged

Source: ESCAP, ADB, and UNDP. 2015. *Asia-Pacific Aspirations: Perspectives for a Post-2015 Development Agenda*. Manila.

MYTH Vs FACT



MYTH: The MDGs are to be achieved by each country

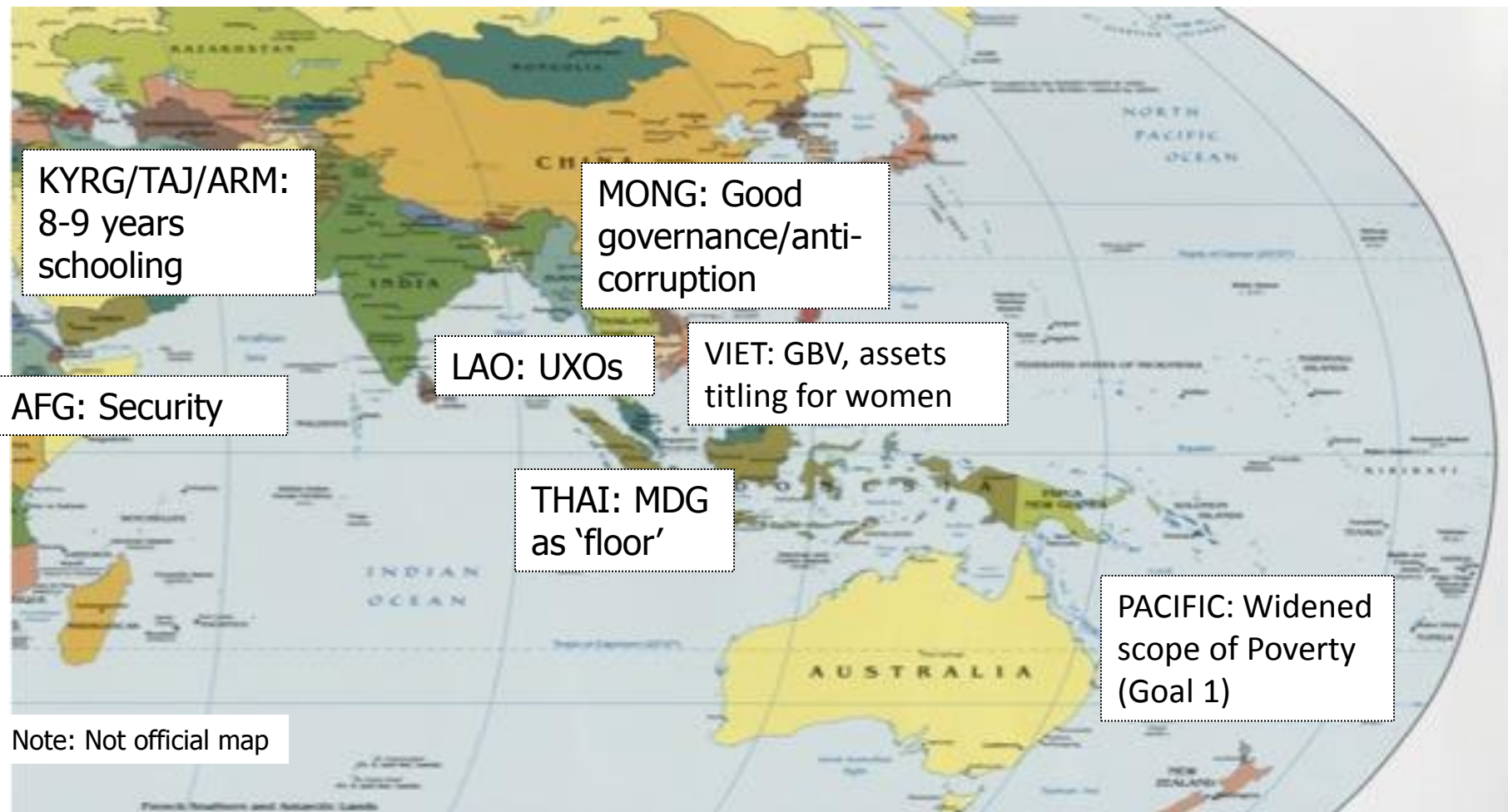
FACT: The targets are actually global, based on global average trends

Customization in most AP countries

OUTLINE

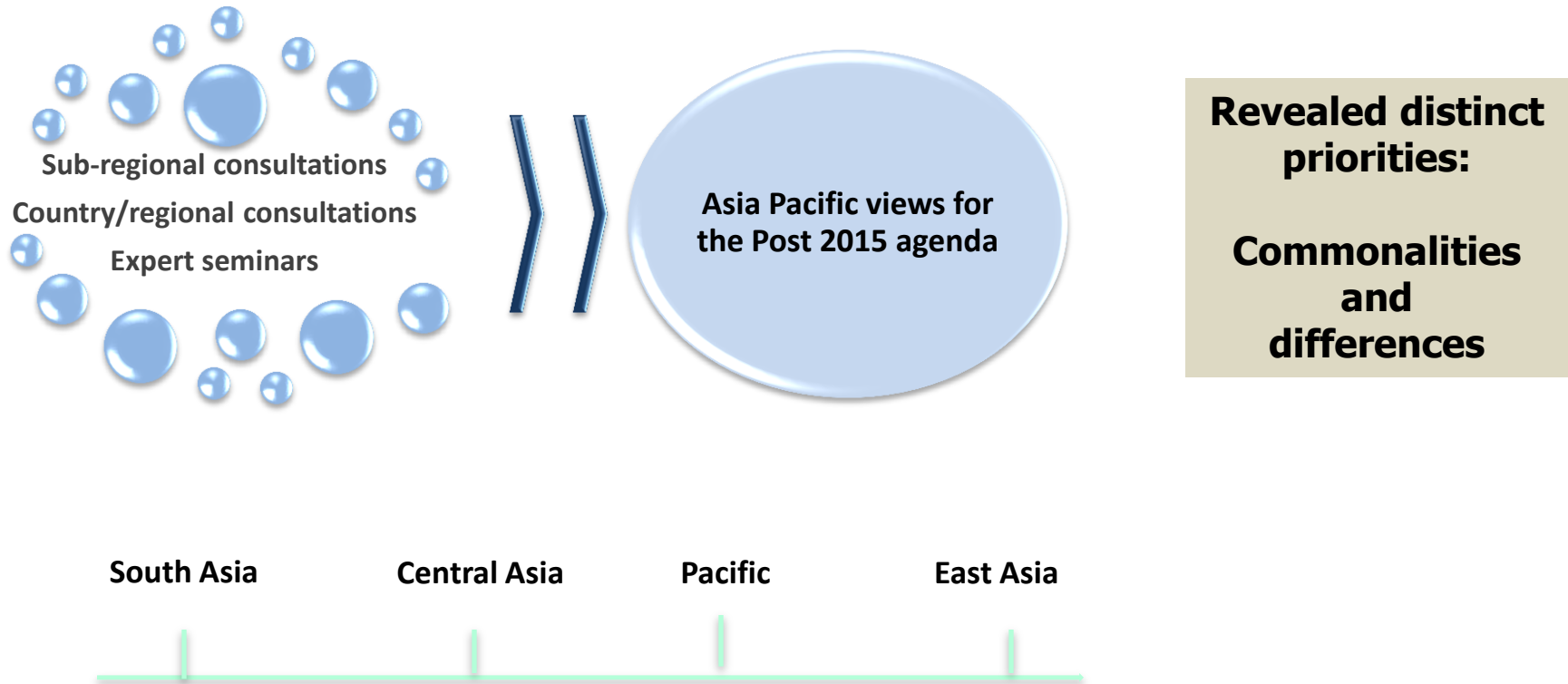
- The international development goals
- **Adopt or adapt?**
 - Localize, customize
- Future prospects

Adoption versus Adaptation of global goals in AP



ADB DMCs adapted the global goals to specific contexts to reflect local conditions: Added a new Goal, supplemented targets, and modified indicators.

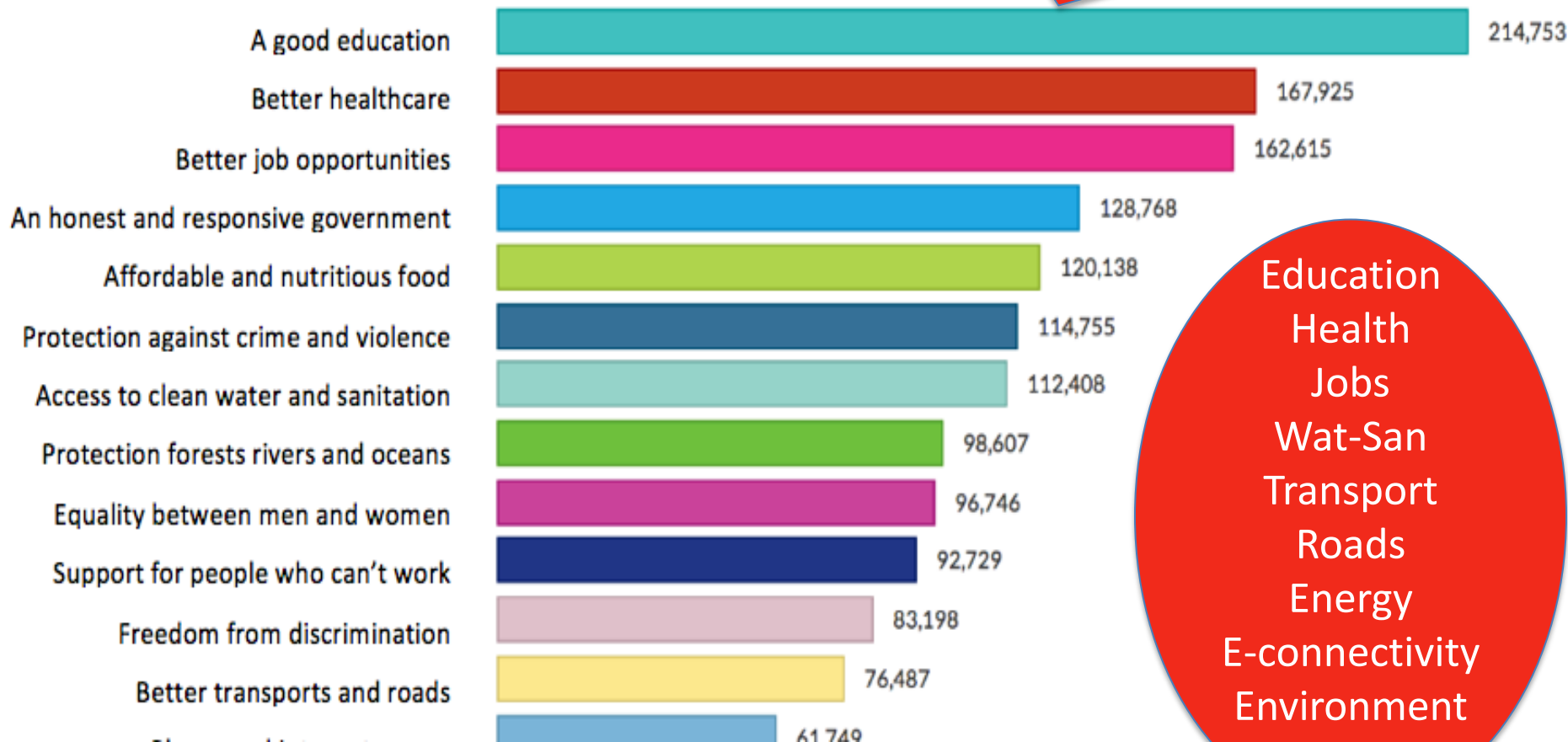
For the SDGs too...participatory consultations among decision makers and those who can influence decision makers...



ADB, ESCAP and UNDP partnership

My World Survey: Asia and Pacific Results

Shared concerns; differences in prioritization



Education
Health
Jobs
Wat-San
Transport
Roads
Energy
E-connectivity
Environment

Priorities from the region harnessed...

EXPERTS

Sub-regional Consultations

EXPERT SURVEY

- **Quality education for all**
- **Eradicate income poverty**
- **Accountable and responsive government**
- **Universal health care**
- **Universal access to safe water and sanitation**

PEOPLE

My World Survey

Asia

Oceania

- **Better health care**
- **A good education**
- **Better job opportunities**
- **Honest and responsive government**
- **Affordable and nutritious food**

- **Protecting forests, rivers and oceans**
- **Clean water and sanitation**
- **Affordable and nutritious food**
- **A good education**
- **Action on climate change**

DHAKA DELHI KARACHI MANILA MUMBAI SHANGHAI JAKARTA



- Asia has 1/2 the world's mega cities; majority of the world's most populous cities; and the smallest ones
- **Highly climate exposed**

Urban underestimates => Going off the radar => Incomplete policies

- Asia's cities much denser on avg: 6,500/sq km (4,000 in Europe)
- Too much focus on metros despite rural-urban continuum; ignoring cities with poorer conditions
- Increase in urban population: (a) **human mobility**; (b) **natural increase**; (c) **reclassification of rural settlements**; (d) ***de facto* urban but classified as rural**
- Example: India's "**statutory**" town vs "**census**" town
 - Statutory urban pop grew at 32% but urban settlements by 54% as per 2011 census; number of census towns by 180%

Tendency to underestimate deprivation

Mobile residents and multidimensional deprivation leads to underestimates
Low wages from informal work, uncertain work, poor working conditions; mismatch between skills and market opportunities

Higher monetization; little in-kind support or cushion, rents, food, nutrition, affected by volatile prices => \$1.25 is severe destitution

Extremes wealth & poverty side-by-side - highly visible gaps
Demographics - global mobility of able youth, single-sex migration, ageing

Fewer social networks, higher exposure to risks and shocks
Slums – poor services and infra
Insecure tenure or legal identity – vulnerable to eviction, violence, crime



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Empowered lives.
Resilient nations

Asia-Pacific Aspirations

Perspectives for a Post-2015 Development Agenda

Asia-Pacific Regional MDGs Report 2012/13



Asia and Pacific Perspec- tives

Asia Pacific perspectives consistent with the global SDGs ... but with nuances

AP's 12 Goals areas, results oriented

17 SDGs combine results, principles, processes

POST-2015 DEVELOPMENT AGENDA: 12 TRANSFORMATIONAL GOALS FOR ASIA & THE PACIFIC

The experience with the MDGs can now serve as the basis for an even more vigorous effort in the decades ahead, ensuring that development is not just rapid but more sustainable and fully inclusive. The post-2015 goals should set a transformative agenda for Asia and the Pacific including the following goal areas:

The image shows a grid of 17 Sustainable Development Goals (SDGs) icons. A red circle highlights goals 13 (Climate Action), 14 (Life Below Water), and 15 (Life on Land). A purple arrow points from goal 10 (Reduced Inequalities) to goal 13.

View some “goals” differently...

1. Development results (e.g. poverty, education, jobs) vs “principles and processes” (e.g. inequalities, consumption)
2. One environment Goal vs three; energy separated – renewable

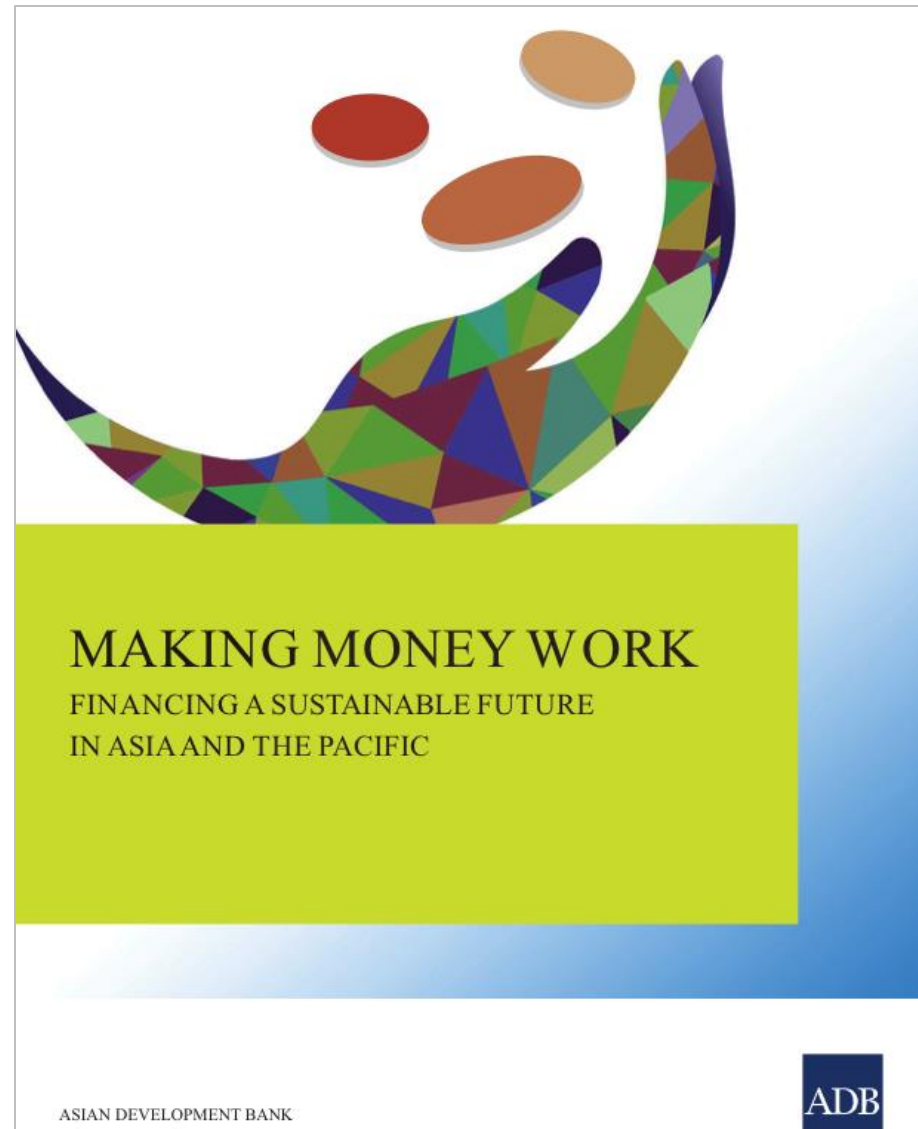
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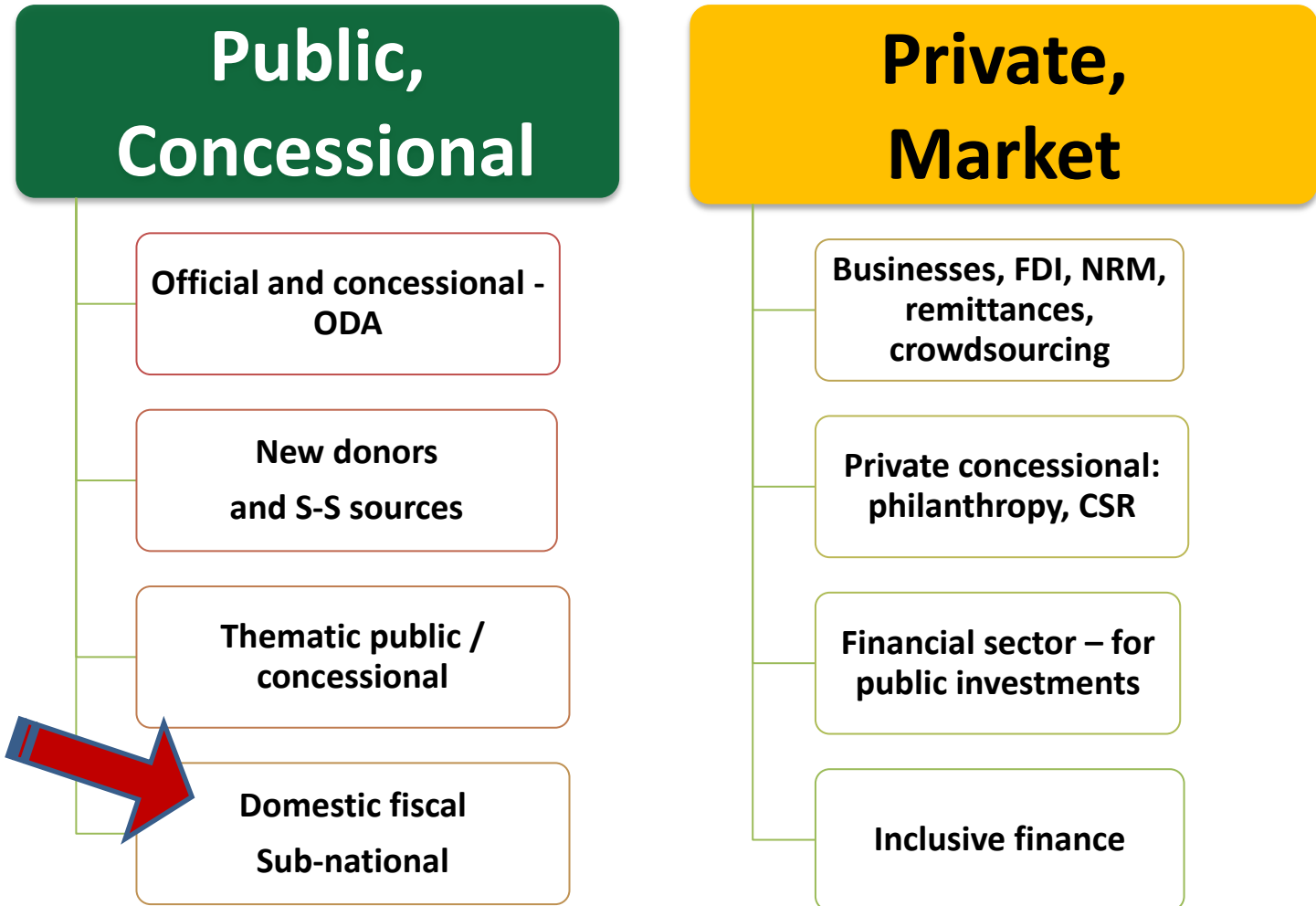
AREAS FOR ACTION

- **SDG customization important**
 - **Localize Goals and Targets in at least two ways**
 - Global to national (MDGs provide several precedents in Asia)
 - National to local (clean water, rather than piped water)
- **Indicators**
 - Supplementary indicators for local conditions and nuances (arsenic in water; logging; women's safety; transport)
 - Proxies may be needed based on data un-availability
- **Capacities:** Project development; project management; accessing financial markets; PPPs, contract negotiation; accrual accounting
- **Cities present challenges but also the best opportunities**

WHERE IS THE MONEY FOR SDGs?

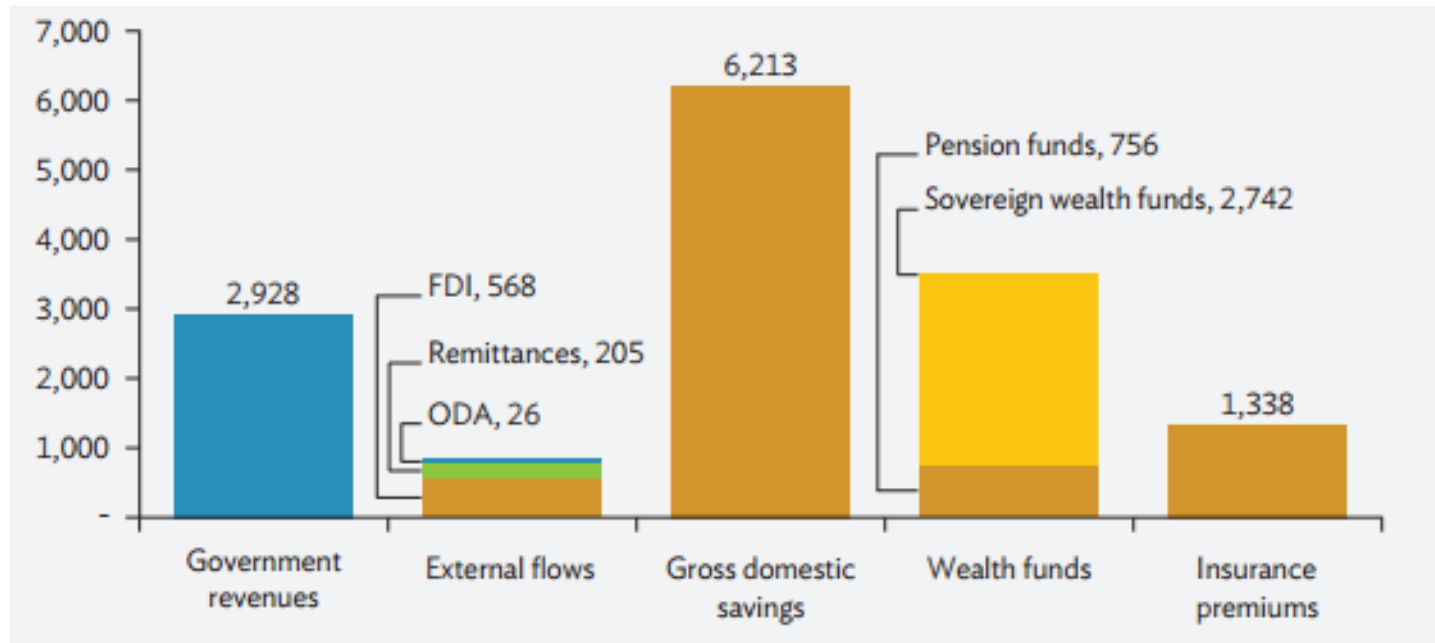


OPTIONS



It is not shortage of funds, but of finance

\$ b,
annual



- Asia is a region of savers, but invests elsewhere
- Bulk of funds are in private hands, dispersed
- Long term funds – yet to be unlocked
- Domestic fiscal resources – greater potential
- Plugging leaks > ODA

MOVE FROM FUNDS TO FINANCE: CONSIDER NATIONAL PLUS LOCAL LEVEL

- Devolution; own source revenues: taxes and non-taxes
- Better revenue admin: expenditure, contracts, prioritization, leakages
- Better collection: Technology
- Boost size of local economy: SMEs, services, more revenue inflows
- Nurture market options for municipal investments (Municipal bonds in Vietnam)
- Bring together public and private: Lower costs, risks and leverage public funds to draw in private monies
- Tailor PPP frameworks for local investment needs – sanitation, education, safeguards, sound risk management and delivery of verifiable sustainable returns

Cities present challenges, but also entry points for change

Potential force for the good

- In addition to injecting funds, equally important is increasing the attractiveness of development investments, becoming magnets to attract more money
 - Cities can be, both, sources of funds and destinations for pulling in money from varied sources
- Cities are centers of
 - growth, trade, economic leadership
 - political debate, decision-making and leadership
 - Ideas, knowledge hubs, creativity

But poor management may do more harm than good.



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Thank you for listening



Look forward to comments and questions

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