

Reconciling Decentralization with GPRS and MDBS: Challenges, Best Practices and Opportunities

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Outline

- 1) GPRS and MDBS: Compatible with or contradictory to decentralization?
- 2) Challenges to decentralization: The MLGRDE Draft Comprehensive Decentralization Policy Framework
- 3) Decentralization best practices
- 4) Deepening and strengthening decentralization in Ghana

GPRS Supports Decentralization

- GPRS I and II both emphasize decentralization:
 - GPRS I: 23 decentralization targets (Section 9.2.2)
 - GPRS II: 11 decentralization strategies (Appendix IIC)

GPRS Supports Decentralization (cont.)

- Major decentralization measures mandated by GPRS process:
 - National Decentralization Action Plan
 - Local Government Service Act
 - Composite Budgeting
 - District Planning and M&E Systems

GPRS Contradicts Decentralization

- Other GPRS targets mandate action by sectoral Ministries at local level, marginalizing MMDAs, e.g. GPRS II:
 - Education: MOES lead role, MMDAs one of 13 collaborating agencies
 - Health: MOH lead role, MMDAs one of 8 collaborating agencies
 - HIV/AIDS: no prescribed role for MMDAs, although the National AIDS strategy has considerable focus on district-level strategies and actions

GPRS Contradicts Decentralization (cont.)

- National planning framework has unintended centralizing effect, with emphasis upon control and upward accountability:
 - District MTDP Guidelines and District M&E Guidelines
- Gender mainstreaming a responsibility of central sectoral Ministries

MDBS and Decentralization

- MDBS designed to increase financial flows to local level through more rationalized budgeting; to date, this has not happened
- Furthermore, DACF (and proposed DDF) also have unintended centralizing effect due to upward accountability and reporting requirements

Decentralization, GPRS and MDBS: Conclusion

- Decentralization an objective within GPRS, with real results
 - e.g. MLGRDE Draft Comprehensive Decentralization Policy Framework a result of GPRS process
- At the same time, GPRS and MDBS have an inherent centralizing tendency that challenges in practice the policy commitment to decentralization

Challenges to Decentralization

- MLGRDE Policy Framework frankly acknowledges key challenges:
 - Incomplete transfer of financial and human resources to MMDAs
 - Continuing legislative overlap
 - Ambiguous role for regional level
 - Upwards, not downwards, accountability
 - Non-viable sub-structures

Challenges to Decentralization (cont.)

- As a result of these challenges:
 - Desired outcome objectives of decentralization (increased participation, greater accountability, increased effectiveness of service delivery) not yet achieved
 - Policy process still dominated by centre
 - Central government makes policy for and about local government

Challenges to Decentralization: Conclusion

- The legal basis for decentralization policy framework is strong (1988 reforms, 1992 Constitution, 1993 LG Act, 2003 LGS Act, etc.) but so far implementation is lagging
- MLGRDE document identifies many challenges to decentralization and proposes solutions, but it does not discuss potential conflicts with GPRS/MDBS
 - These conflicts must be recognized and debated for decentralization to succeed

Decentralization Best Practices

- Four themes in building capacity for sustained decentralization
 - District & Sub-District Development Capacity
 - Deepening the mandate of MMDAs by aligning sector practices with MMDA oversight
 - Innovations in resource allocation
 - The “Missing Middle”: recognizing and enhancing the coordinating role of the region

Best Practices: District & Sub-District Development

- Danish Support to District Assemblies in Volta and Upper West Region – one of the first initiatives involving direct engagement with districts, allocating funding to districts and sub-districts and promoting downward accountability
- MLGRDE and GTZ support to District Planning, Poverty Reduction and Civil Society Support in parts of Brong Ahafo Region -- promoted district planning jurisdiction as well as downward accountability, while integrating gender dimensions and HIV/AIDS capacity in districts

Best Practices: Aligning Sector Practices with MMDA Oversight

- Under CIDA-funded DISCAP, KfW-EVORAP, Water sector as exemplar: statutory mandates clear; but still need to define roles, coordinate activities, build capacity
- Danida-funded Transport Sector Support is enabling the harmonization of proposed Works Departments under the MMDAs
- Participatory M&E enhances accountability downwards
- DISCAP demonstrates that gender mainstreaming at district level improves performance
- DWAP allows districts to respond to local needs

Best Practices: Decentralized Resource Allocation

- CIDA-funded DWAP allows MMDAs to respond to local needs and provides pilot for DDF
 - This is work in progress, as much still needs to be done

Best Practices: Enhancing the Coordination Role of the Region

- Danish Support to District Assemblies –Volta & Upper West Region
- CIDA Support under DISCAP emphasized Regional level as key intermediary -- RPCU visioning, RPCU/DPCU coordination, donor harmonization, RPCU capacity building
- Strategic regional political leadership: Mole Series
- UNDP and GoG support to Central Region – building capacity for strategic planning and private-sector development -- CEDECOM

Best Practices: Conclusion

- Even within the current context, it is possible to enhance decentralization and achieve improved results
- As decentralization policy is fully implemented, these and other best practices will continue to provide useful lessons and models

Deepening & Strengthening Decentralization

- Policy proposals from MLGRDE a good start:
 - Harmonization of legislation
 - Increase democratic accountability of DAs
 - Finance: DDF/FOAT, composite budgeting
 - Implementation of LGS Act
 - Clarify and enhance regional role

Deepening & Strengthening (cont.)

- Additional proposals in light of centralizing potential of GPRS/MDBS:
 - Extend DWAP country-wide; consider “RWAP”
 - Increase democratic accountability of regional level
 - Provide for district/regional participation in national development planning and in decentralization policy process

Deepening & Strengthening: Conclusion

- GPRS & MDBS have a centralizing impact that must be recognized and addressed
- Rest of conference examines this theme in four sessions:
 - Planning and Institutional Arrangements
 - Decentralized Management of Water
 - Institutionalizing Gender Mainstreaming
 - Resource Mobilization for Decentralized Development