

RESOURCE MOBILIZATION FOR DECENTRALIZED DEVELOPMENT

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Local Government Service Council Practices Conference

At The Best Practices Conference:

“Reconciling Decentralization with GPRS and MDBS”

Organized by:

The Institute of Local Government Studies (ILGS)

Sponsored by the District Capacity Building Project, Accra

May 8-9 2007

BACKGROUND

It is almost two decades since Ghana embarked upon decentralization programme.

A lot of water has passed under the bridge during this period. A lot of laws, policies, programmes interventions etc has materialized to operationalize specific aspects of the decentralization enterprise.

It is my considered opinion that this “Best Practices Conference”, subtitled Reconciling Decentralization with GPRS and MDDBS” must be seen within this context. For as both theory and practice inform us, decentralization is not a one stop but a continuous process which must be nurtured and continuously groomed. It is the way a country handles its decentralization programme, the way it demonstrates its commitment be it political, financial, power relations and indeed human resource support that ensures and sustains the nurturing and grooming.

I have been tasked to make a contribution to Policy Session IV of this conference which is on Resource Mobilization for Decentralized Development. In this wider context, I have been asked to opine whether control over personnel resources will be successfully transferred to District Assemblies (DAs) as prescribed by the Local Government Service Act 656 of 2003 as well as the adequacy of financial resources.

I however want to crave the indulgence of the conference organizers to broaden the scope of our understanding of resources in order to situate the discussions within the context of

some of the current policy discussions on Ghana's decentralization programme, and I intend proceeding this way.

First, I will define the general nature of organizational resources and then link these to the resources that by statute and other policy interventions are to be made available to the District Assemblies (DAs). Next I will raise some current issue relating to resource allocation to the DAs especially with reference to human resource and the work of the Local Government Service Council as envisioned by Act 656 of 2003. Finally, I will conclude by looking at the way forward.

ORGANIZATIONAL RESOURCES

Basic good management practice informs us that for any organization to perform effectively and efficiently, the following resources are required.

These are:

a. Vision and Mission

This in practice means what an organization is expected to achieve in the short, medium or long term. This is then broken down into smaller units of policies, programmes objectives, goals etc. and within the context of internationally accepted best practice in decentralized local government, there must therefore be proper role clarification and functional job allocation among the various levels of government especially between the centre and the sub-national structures.

b. Finance

Finance provides the wherewithal for organizational existence. It is the blood of organizations. Whether finance is internally generated or externally transferred, its importance in organizations can never be denied.

c. Logistics/Equipment/Infrastructure

These perhaps constitute the hardware of organization referring to such things as buildings, computers, telephones vehicles etc.

d. Human Resource

Human resource constitutes the living part of organizations. Indeed, several writers on organizations classify human resource as the most important among all other organizational resources. The knowledge, skills and experience of the pool of human resource in an organization, and the way these are configured and deployed would normally provide that organization with cutting edge policy making and implementation techniques relating to mission and vision achievement.

One must however be quick to point out that most organizations, whether private or public, do not normally have the right combinations of the above-mentioned resources.

DA RESOURCES IN GHANA

This section examines the nature of DA resources within the context of existing statutes and policies. As will be discussed later, it is important to note that in politics and administration, there are sometimes wide discrepancies between what is professed and what actually transpires on the ground. The theory could be different from the reality that is why it is important in this workshop on best practices aimed at reconciling decentralization with GPRS and MDDBS, to go beyond the rhetoric and address the reality.

a. Vision/Mission/Roles/Powers/Functions

It has become almost axiomatic to mention the numerous legislations that give DAs their functions, powers, authority and roles. The Basic Law of the country itself, that is, the Constitution of 1992 in Chapter 20, addresses these issues. Act 462 of 1993 is the parent law on local government. I do not intend boring you with the numerous other legislations. The long and the short of it all is that few exist on these matters.

b. Financial Resources

Like the practice in other systems elsewhere, DAs have been provided with sources of revenue including central government transfers, internally generated revenue as well as revenue from bilateral and multilateral donor support and technical assistance. The proposed District Development Fund is in the general direction of financial empowerment.

c. Logistics, Equipment, Infrastructure etc.

Since 1988, and with the first law on the present local government system, Provisional National Defence Council Law of 1988, PNDCL 207, various programmes have been put in place to provide logistics, equipment infrastructure etc. by government. For example, the PNDC embarked upon a special programme to resource the newly created DAs in this direction.

SOME EMERGING ISSUES

In the section below, we discuss three emerging issues that affect resource mobilization for effective decentralization in Ghana as envisaged by the theory. These are

- Powers/Roles/Functions/Authority etc.
- Human Resource
- Finance

Powers/Roles/Functions/Authority etc.

In November 1996, the then Ministry of Local Government and Rural Development, published a second edition of a book on Ghana's New Local Government System. One can conjecture that one of the reasons behind this publication was to make explicit the roles that were to be performed by the various levels of government as envisaged by the Local Government Law of 1988, PNDCL 207. It is stated on page two (2) of that document that:

- Central Government Ministries / Departments are to undertake policy planning, monitoring and evaluation of policies and programmes;

- Regions through the Regional Co-ordinating Councils and their respective Regional Planning Coordinating Units to play the important role of co-ordination, not in a regulatory manner but to ensure consistency, compatibility and coherence of district level development....
- District Assemblies to be primarily responsible for the implementation of development policies and programmes.

The above is what role classification and authority mobilization in decentralization upon which the international best practice of the subsidiary principle is anchored against.

In the case of Ghana, the practice become to be that there are too many actors and maters exercising overlapping powers. Central government agencies and functionaries still cling on to decentralized power as the African Peer Review mechanism and the Ministry of local Government Rural Development and Environment findings we have alluded to later in this study testify. Sub national authorities are still viewed by many as were appendages to an all-powerful central government. Roles are blurred and confused. GPRS 1 and 2 clearly indicate what is to be done within decentralized management to achieve national development. However, this is not being done and it is our humble view that the MDBS is not going to change this situation drastically. It rather continues a process of re-centralization which incidentally is inherent in both GPRS I, GPRS 2 and the MDBS.

Human Resource

Perhaps, coming from the Local Government Service Council, this is the particular area where the conference organizers expected me to concentrate much attention on. This is because the organizers have specifically posed the question: will control over personnel resources be successfully transferred to DAs, as prescribed by the Local Government Service Act of 2003, Act 656?

Our response is simple but loaded. However let us begin by stating categorically that the need for human resource requirements for the DAs was not involved by Act 656 of 2003.

Act 462 of 1993 stipulated that 13 Departments of Municipal Assemblies and 11 Departments of District Assemblies were to be set up to perform the functions which were hitherto performed by 22 central government agencies. The latter were to cease to exist once the new departments were established.

In line with international best practices, the DAs were to have responsibilities under PNDC L 327 for the preparation, administration and control of budgetary allocations for the departments. This obviously entailed serious implications for the structure personnel arrangements, and channels of communication of the new departments.

But the question is, why was it found necessary to make these arrangements under Act 462? It is obvious that a clear break away from the existing human resource management and control in local government by central government ministries and departments was

anticipated. The new arrangements were found necessary for a number of reasons including the following:

- To equip the DAs with the requisite bureaucratic and technocratic support and capacity,
- To avoid duplication, rivalry, unnecessary empire building and waste of scarce resources,
- To promote and sustain co-ordinated and integrated planning and implementation and ensure complementarity of services.

It was provided that staff of the DAs were to officers of the DAs. These officers were to include civil servants and public officers who were listed in the 22 departments. Therefore, for purposes of day-to-day administration, discipline, performance appraisal, technical guidance etc. these officers were to come directly under the DAs.

Act 462 further envisaged the establishment of a Local Government Service by an Act of Parliament. The objective of the Service was to create a loyal, motivated and dedicated organization of technocrats, bureaucrats and administrators to provide the manpower capacity to the local governments to translate their power and resources into a development phenomenon.

A Draft Local Government Service Bill was crafted and discussed by some of us in the early 1990s. This incorporated the establishment and functions of LGSC.

The reason for this perambulation is to indicate that way back in the 1990s, what is being talked about today was discussed. The difference now is that in 2003, a Local Government Service Act was passed.

So, coming back to the question of the conference organizers, will the Local Government Service Council (LGSC) be able to mobilize the human resource requirements for the DAs? The reverse side of the question, why was the Local Government Service Bill not passed and implemented in the 1990s is equally pertinent.

To some of us who have been part of this process since the 1990s some of the answers are about the same. It will require massive support for the LGSC to enable it discharge its responsibilities under the Act. But why so?

First, there is a general lack of commitment on the part of several actors in the system to provide meaningful and realistic backing to a new organization like the LGSC. The LGSC needs champions at the highest levels of governance and policy making. However, sometimes, one gets the impression that the LGSC operates like a beggar, moving from office to office, selling its cause. In the process, some members of the service are regarded as irritants and a nuisance. A second impression one gets is that in its attempt to implement its mandate, the LGSC is faced with real resistance to the envisaged change from both high and low places. There are interest groups who want the status quo to remain. At best, they want the LGSC to be in a permanent state of paralysis, comatose, or a permanent limbo.

That is why, as we have already averred, it would require a massive surge at all fronts for the LGSC to be able to mobilize the human resources, mentioned in the Act, for the DAs.

Finance

The thinking behind financial arrangements in PNDCL 207, chapter 20 of the 1992 Constitution and Act 462 of 1993 was that the DAs were to be made financially autonomous in order to be able to undertake their assigned functions. As is well known external and internal sources of funding have been provided. However, the key issues of fiscal decentralization and composite budgeting remain intractable to deal with in spite of the recent Treasury Realignment programme that has been embarked upon by the Controller and Accountant General's Department.

While granting that some of the DAs have not been up-and-doing in internal revenue mobilization, and that poor financial management affects the judicious use of financial resources in the DAs, it is also true that the centre still calls the big shots in public financial management in Ghana. Because role clarification is still a problem, central government agencies use still allocated huge budgetary allocations contrary to the thinking in decentralized financial management. The national budget has to be restructured along the lines of the fiscal decentralization project which was started in the 1990s. While conceding that a technical assistance programme on fiscal decentralization being supported by the US Treasury Department is currently on-going, once again a

question leap will have to be taken to address the continuing issue of central control over the bulk of financial resources.

THE WAY FORWARD AND CONCLUSION

The way forward is for all stakeholders to be honest and frank enough to admit that internationally, whether in federal or unitary systems, best practices exist in the implementation of decentralization programmes. Best practices exist in areas of role clarification, fiscal decentralization, human resource management etc. Either Ghana wants decentralization or not. That is the way some of us see it. And we are not alone on this standpoint.

The African Peer Review Mechanism (APRM) is a mutually agreed instrument which members of the African Union (AU) voluntarily acceded to as part of an African self-monitoring mechanism. A sixteen (16) member Country Review Mission comprising experts from the APRM Secretariat, partner institutions and independent consultants was fielded in Ghana from the 4 – 16 April 2005. The APRM Review Report found that ‘in general, there is the consensus that Ghana is well on course in pursuing the main objectives of the APRM. Many challenges however remain. Decentralization, among others, is listed as one of the salient overarching issues.

With respect to decentralization, the Report in part says that the institutional and legal frameworks for decentralization have made great progress since 1992.....

Nevertheless, not much effort has been put in deepening and institutionalizing decentralization in Ghana (p.xxii). (also p. 119).

“.....a fiscal and political decentralization process that is weak, demobilized, unresponsive and ineffective, thus rendering participation, accountability and transparency in social service delivery at the lower levels of government..... stakeholders generally agree that decentralization is not working as it should..... that real power. (be it administrative, political or fiscal should be delegated and extended from the centre to the decentralized structures at the regional, metropolitan municipal and district levels....”

Among the recommendations, “..... there is an urgent need for government to employ all possible means at its disposal to speed up broad based programs of decentralization. Decentralized institutions and agencies will need the appropriate capacity to implement and administer the programme so as to ensure that the decentralization programme is sustainable.”

As the background paper to this workshop (p.1) states, the Ministry of Local Government, Rural Development and Environment (MLGRDE) has recently embarked upon a major review of decentralization policy in Ghana. It has just released its Draft Comprehensive Decentralization Policy Framework.” While chronicling the many advances made in decentralization policy since 1988, the Document frankly acknowledges the challenges that remain. “Among these are pervasive legislative

overlap between central government and local government, which attenuates in reality the authority given in theory to local governments, and the failure to date to TRANSFER MEANINGFUL CONTROL (emphasis mine) over human and financial resources to the local level.'

International best practices inform us that decentralization is an arduous process. However, genuine decentralization in Ghana, to my mind, demands proper focus, meaningful commitment, more action and less rhetoric for it to succeed.