

**UNITED NATIONS COMMITTEE OF EXPERTS ON PUBLIC
ADMINISTRATION**

**Eleventh Session, 16-20 April 2012
United Nations Headquarters, New York**

**Local Public Governance and Administration for Results
Agenda Item 3: Intergovernmental governance and regimes governance.**

***Local Governance in Public Governance: the need for an urgent improvement
Presented by Jean Pierre Elong Mbassi
Secretary General, UCLG Africa***

1. One year ago, the world waked up chocked by the revolt of the Tunisians against a regime which most politicians and experts in politics around the world were describing as a stable regime servicing its people. Why did a young guy had to burn himself out in order to attract attention on his condition as a street vendor in a secondary city of Tunisia, with no hope to earn a living if he could not get the certificate needed to exert his profession? This takes us to the heart of an issue that is rather misunderstood so far: most of decisions impacting the day to day living conditions of the people or the growth and competitiveness of businesses are taken at the local level of governance and depend on the way local governance is exerted by local political leaders and local administrations. The first image and relation that a citizen has with public authorities is that of his local authority. The first step to building trust with government is through the confidence people have in their local authorities, the public authorities closest to them. One might say I am stating the obvious, but what is surprising is that this obvious seems not to have inspired reflections and actions pertaining to the improvement of public governance and to building confidence between people and their public institutions; hence the importance of this eleventh session of the United Nations Committee of Experts on Public Administration focusing on local public governance.
2. The former UN Secretary General, Mr. Kofi Annan, rightly stated that at least 70% of the MDGs fall under the responsibility of local authorities, therefore there is no way the MDGs can be met if local governments are not part and parcel in their implementation. The most recent global debate on climate change in Copenhagen in 2009 showed how the consciousness about the unavoidable role of local governments in addressing global agendas is still very low, despite shared acceptance that no solution to climate change will ever be sustainable outside the strong implication of the local level of public governance. Despite such evidence, discussions are still underway in order to know if this time around at the Rio+20 conference local authorities will have a say in the coming negotiations.

3. In order to raise awareness on the need to have a better appreciation of the role they are playing in the running of the affairs of the world, local authorities from all over the world decided to form a single organization called the United Cities and Local Governments (UCLG). The UCLG founding congress took place in Paris in 2004, and established the seven sections of our organization, namely, the North America section (Noram), the Latin America section (Flacma), the Asia Pacific section (Aspac), the Eurasian section (Eurasia), the Middle East section (Mewa), the European section (CEMR), the Africa section (UCLG Africa), the Metropolitan section which regroups all the major cities and regions of the world. Each section is lead by a vice president and has a regional secretariat. The President of UCLG at the world level is the Mayor of Istanbul, Mr Kadir Topbas for a 3 year term in office starting from November 2010. The world secretariat is established in the city of Barcelona, Spain, and the world secretary general, on behalf of which I am addressing you today, is Mr. Josep Roig, from Spain. Those of you who are interested to know more about our organization can refer to UCLG website: www.cities-localgovernments.org
4. The UCLG has set up a global observatory on local governance (GOLD) which publishes on a three year basis a global report on local governance issues. The first release of the GOLD Report was on the state of decentralization policies around the world (GOLD I, 1997). The second released addressed the state of local government finance (GOLD II, 2010). The third released to be published in 2013 will focus on the governance of basic services (GOLD III). Both GOLD I and GOLD II reports acknowledged the fact that most countries of the world are implementing decentralization reforms leading to the definition of sub-national territorial authorities in order to enhance efficiency and cost-effectiveness in service delivery to the people, and to improve public governance and accountability. But the political will in favor of decentralization is often impeded by reluctance by national administrations to release the constitutional and legal powers recognized by law to the other spheres of governments, alleging lack of human capacity, lack of financial resources, or simply lack of readiness. Yet experience shows that by applying the concept of multi-level governance national governments can benefit from local governments capacities to anticipate demands and challenges, and from their ability to plan for more precise and integrated contextualized responses. Multi-level and intergovernmental arrangements are from now on one of the key innovations in public administration and attention should be paid on the way this issue is being addressed in different countries.
5. Lessons drawn from experience highlight the need for effective and fair arrangements and negotiations between national and local governments on the clarification of the competences recognized to each sphere of

governments, with a clear identification of those responsibilities that are exclusive to a given sphere of government, and those which are shared between the different spheres, in which case efforts should be made to define the level of responsibilities of each sphere of government (regulation, planning, financing, implementation, functioning and maintenance of the service...). Clarification should also be defined on the sharing of financial and fiscal resources between all levels of government, in particular the rules that govern financial transfers, grants and redistributed resources, especially for equalization purposes. These negotiations should lead to the definition of transparent rule-based transfer systems that reduce spatial disparities. They should help explicit conditional grants that are necessary to ensure application of national standards in the provision of important services such as education and health, water and sanitation, energy provision, roads and transports services. These negotiations should be conducted having in mind as much as possible, the subsidiarity principle, and guided by the values of local autonomy and self government.

6. In order for the aforementioned arrangements and negotiations to be results oriented, one needs to make a conceptual distinction between services and infrastructure, and also between the expectations and needs of the people and the means to meet these needs¹. For example mobility is the need, roads and streets are the infrastructure, transport means (bicycle, motorbikes taxis, bus system, subway) are the services; drinking water is the need, production plants and piped networks are the infrastructure, water supply (through taps, kiosks...) is the service; home and street lightning is the need, electricity power plants and grid are the infrastructure, power supply is the service; knowledge and skills are the need, schools are the infrastructure, teaching is the service; hygiene is a need, sanitation options are the infrastructure, getting rid of liquid waste and excreta is the service; communication is the need, networks are the infrastructure, mobile phones or the Internet are the service.
7. Some services are capita-intensive (transport, electricity); others are labor-intensive (education, health, safety). Some are marketable (like water of communication), others are essentially non marketable (streets, drainage of storm water). These differences imply different degrees of technologies sophistication, different financing and costing systems and different management modes. One can easily see why this conceptual effort is necessary for intergovernmental arrangements to take consideration of interventions of all types of different stakeholders, including the private sector.

¹ This presentation is borrowed from the background document produced by UN Habitat to the 4th session of the African Ministerial Conference on Housing and Urban Development held in Nairobi, Kenya, on 20-23 March 2012

8. On financial arrangements, subsidies should generally go to the funding of infrastructure, whereas user fees could be charged to marketable services for the funding of operation and maintenance costs, and be solicited for end user cross-subsidies mechanisms (in which higher income groups pay more to allow low income groups access the service). Financing of the different segments of service delivery usually combines national subsidies with user fees, and local government taxation. But most of the time, on the ground at local level, the rich areas tend to capture the bulk of the resources put in place for service delivery. For example in Africa, water in slums still costs on average USD 5 per cubic meter compared to USD 0.5 in rich areas, ten times more. This shows the necessity to have more decentralized, territorial and disaggregated approach to service delivery, beyond sector approach to service delivery which is followed at the national level.
9. At UCLG we pledge that extension of services should be linked directly to taxation and cost recovery. We argue that property values being increased through partly or full subsidized service provision, it is possible to capture part of such increases through adequate taxation and to use this income to sustain extension and improvement of quality service provision to all. But this means also that local governments should be empowered in terms of taxation powers, revenue collection, access to financial market, and into public private partnership. It is important to understand that the renewal of local authorities mandates are more and more linked to the way they are seen by their constituencies as performing or not in service delivery. Any overlap in the definition of competences and capacities of local governments would send a wrong message to the people that might hamper the true evaluation of the capacities of local authorities. This is also why one should push for the adoption of tools that can assist in the framing of intergovernmental cooperation arrangements, the good example in Africa being the Integrated Development Planning mechanism (IDP) put in place in the Republic of South Africa, aiming at clarifying and organizing through intergovernmental dialogues, the cooperation arrangements between the three spheres of governments (municipal, provincial, national) and covering a whole range of domains, from financial to technical assistance, from water basin and natural resources management to the provision of services and local economic development schemes.
10. The UCLG has advocated over the past years for the inclusion of a strong local dimension in the work of the United Nations and has been invited to join an Advisory Task Force for the President of the General Assembly. Through the United Nations Advisory Committee of Local Authorities (UNACLA) set up by the Governing Council of UN Habitat, the UCLG was instrumental in the adoption in 2007 of the International Guidelines on Decentralization as a common legislative basis applicable in all countries of the world; and in 2009

of the International Guidelines on Access to Basic Services for All defining universal principles of good policies for service delivery at local level as well as the blueprint for further national action. Agreed policy directions of these Guidelines include: citizen participation, decentralization and strengthening of local authorities, promotion of local democracy, mechanisms for delegating powers and responsibilities to the other spheres of governments by central governments, development of financial and human capacity of all stakeholders, partnership among four key groups of actors (central government and national administration, local authorities, service providers, civil society organizations).

11. In the same vein, the UCLG would appreciate to collaborating with the United Nations Department of Economic and Social Affairs (DESA) and the United Nations Committee of Experts on Public Administration (CEPA) on the performances of local administration and capacity building for results-oriented local governance. We are strongly interested in any cooperation and assistance from these bodies for the setting up and functioning of the African Local Government Academy which creation was a request of the African local authorities gathered at the 5th Africities Summit in Marrakech, Morocco, in December 2009, and which feasibility study has just ended. An international seminar leading to the creation of the Academy should take place between now and end of September 2012 latest, and we extend the invitation to attend to these bodies. Our plan is to have the Academy presented to the African local authorities at the occasion of the 6th edition of the Africities Summit scheduled in Dakar, Senegal, from 4 to 8 December 2012, and to get the Academy up and running at the first quarter of the year 2013 latest.
12. This presentation would not do justice to the depth of the topic we are discussing today if we don't take into consideration that in some regions of the world like Africa, decentralization policies have opened the door to more complex systems of local governance, because to solve their problems, local people can mobilize either modern state local authorities or customary traditional powers. This complexity is one of the difficulties that territorial governance is facing, because most of the time the State is too young to have gotten a footprint recognized by everybody as the reference in the management of his day to day activities and in his search for security. In such situation the involvement of tradition authorities in the governance becomes a requirement if the concern is to reconcile the unity of the nation with the diversity of communities living inside the boundaries of the national territory. Few countries have conducted reflections on this very delicate issue, and you hardly count a handful number of countries that have accommodated traditional authorities in their governance systems, despite their inescapable influence on many activities that are at the core of the concerns of local people (land management, conflicts arbitration and resolutions, natural resources

management, custodians of local values and culture...). The Africa section of UCLG is therefore interested in putting the reflections on the role of traditional rulers in government on the agenda of the work of CEPA so that local governance becomes truly inclusive and responsive to the expectations of African people willing to reconcile traditions and modernity in their search for progress.

New York, 16 April 2012