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Public administration and the topic of the Annual Ministerial Review of high-level segment of ECOSOC: Strengthening efforts to eradicate poverty and hunger, including through the global partnership for development

Executive Summary

This paper solicits the views of the Committee of Experts on Public Administration (CEPA) on areas that require greater responsiveness from and improvements in governance and public administrations in strengthening efforts to eradicate poverty and hunger. Those components of good governance and public administration most critical to realizing the MDGs in general are a coherent framework for pro-poor policies; efficient, effective and ethical civil service and public sector personnel; decentralization and delivery of services; transparency and accountability for public resource allocation and use; the rule of law; human rights; the involvement of civil society and aid coordination.

The Committee's recommendations will be circulated at the Economic and Social Council (ECOSOC) high-level session in 2007, during the Annual Ministerial Review (AMR). The AMR of the progress on achieving the MDGs will focus on Goal 1, strengthening efforts to eradicate poverty and hunger, including through the global partnership for development.

1. This paper solicits the views of the Committee of Experts on Public Administration (CEPA) on areas that require greater responsiveness from and improvements in governance and public administrations in strengthening efforts to eradicate poverty and hunger. The Committee's recommendations will be circulated at the Economic and Social Council (ECOSOC) high-level session in 2007, during the Annual Ministerial Review (AMR). The AMR of the progress on achieving the MDGs will focus on Goal 1, strengthening efforts to eradicate poverty and hunger, including through the global partnership for development.
2. In eradicating poverty and hunger, root causes as well as symptoms have to be tackled. This means that issues of governance should be addressed in addition to poverty reduction policies and programmes. Governance reforms are cross-cutting issues in eradicating poverty and hunger. Good governance, the effective and equitable exercise of power and management of public resources within a society, is essential to achieving the overall UN Development Agenda, including the MDGs. Those components of good governance and public administration most critical to realizing the MDGs are a coherent framework for pro-poor policies; efficient, effective and ethical civil service and public sector personnel; decentralization and delivery of services; transparency and accountability for public resource allocation and use; the rule of law; human rights; the involvement of civil society and aid coordination.
3. When faced with time-bound targets, such as halving the proportion of people who live on less than one dollar a day and those who suffer from hunger by 2015, there is always the temptation to rush in with short to medium term actions. These may include stepping up the distribution of existing urban feeding programmes and social services, the introduction of new subsidies to farmers and rural services, building new roads or irrigation systems, public works programmes to create employment, or simple distribution of income supplements to the poor. However, the realization soon sets in that demands far outstrip existing public resources. Then, these programmes have to be carefully targeted, sequenced and prioritized to achieve wanted results. Difficult political and technical choices have to be made by a country and its leaders, involving decisions about exercising power and allocating scarce resources.
4. Experience to date bears out this observation. With eight years remaining, many regions of the world are off track in achieving the international commitments made in 2000. The main reasons for falling behind are that, in many developing countries, there has been insufficient economic growth to finance poverty-reduction programmes or concentrated economic growth with unequal income distribution. To address these problems, developmental goals of target countries should stress economic growth with social equity. The processes and structures involved in arriving at such a consensus involve the aforementioned components of good governance.

5. First, a coherent framework for pro-poor policies should be in place. All citizens, especially the poor and marginalized, should be able to participate and have a say in developing strategies to eliminate poverty and hunger by 2015. Once such a political consensus has been achieved, proper consultation of targeted citizens, experts and public programme managers is required to set realistic targets, draw up strategic plans, design delivery strategies, implement the social programmes and monitor their performance. Proper sequencing of activities such as legislative approval, resource mobilization, procurement of necessary goods and services and raising public awareness as well as realistic considerations of obstacles such as lack of public infrastructure and skilled human resources in rural areas need to be included in developing policies. Proper monitoring of progress towards achieving the MDGs requires data collection and evaluation. Capacity-building in data collection and statistical analysis may be needed for undertaking these activities effectively.
6. Second, professional, efficient and ethical civil servants and other public sector personnel should implement those policies by employing modern management practices, deploying the latest technical innovations and working closely with targeted segments of society. Incentives need to be designed to motivate civil servants and public sector personnel, and training or capacity development programmes should be organized to enhance performance. Key ministries may consider special recognition programmes, fast tracking career opportunities or additional allowances to attract top talent from within civil services, especially to remote areas. Temporary assignments of experts, such as health professionals, scientists, gender specialists and rural development specialists can be considered from the private sector, overseas, or among expatriates. Special public works programmes can also be deployed within target populations to train and deliver services themselves to achieve the MDGs.
7. Third, one of the challenges of governance and public administration is to decentralize the delivery of key public services to reach the poor most expeditiously. Usually, the decentralization can only take place once the optimal roles of the central and local governments have been defined, taking into account the constitutional horizontal separation of powers, financial constraints and any historic or regional peculiarities. Complementarity and mutual reinforcement, not competition, between the two levels should prevail in order to achieve the most efficient service delivery. The roles of central and local governments must be clearly articulated in carrying out the multitude of developmental tasks, so that scarce public resources are rationally allocated and the overall development of a country rather than specific regions is best achieved.
8. Fourth, procedures to enhance transparency and accountability in mobilizing, allocating and spending or investing domestic or external resources should be introduced or greatly improved. The challenge in mobilizing domestic resources in developing countries is that the tax base is low and a large part of the economy (up to 80% in some Sub-Saharan African countries) is run in the informal sector.

In addition, the administration of revenue collection can be poor or prone to corruption. Therefore, the taxation model needs to be adapted for collecting revenues from the informal sector and increase transparency and accountability. Another challenge is safeguarding public revenues arising from extractive industries from diversion for private purposes. Many countries have mineral resources, including oil, and their management is a critical issue. Often, revenues from the exploitation of the mineral wealth are off-budget and managed by a small minority, without any transparency or public accountability. Foreign firms which benefit from very generous conditions in the exploitation collude in limiting information about revenues generated. However, a few transparency initiatives exist at the international level, including the Extractive Industries Transparency Initiative (EITI) and the Kimberley process for diamonds. Public consultations and “people budgeting” in the budgeting process, as in Porto Alegre in Brazil, have also allowed for greater transparency and accountability in allocating resources. External audits by independent supreme audit institutions as well as social audits have also introduced greater transparency and accountability in the expenditure of resources.

9. Fifth, the rule of law ensures not only the physical and psychological safety of the inhabitants of a country but also provides a predictable commercial and social environment for the enforcement of property rights, contractual obligations and consumer protection. The presence of effective and well-functioning regulatory regimes in critical economic and social sectors encourages investment and cuts down economic transaction costs for investors and protects the poor from fraud and substandard goods and services. The access to timely justice through affordable legal services allow for quick settlements of disputes, unwarranted litigation or prosecution and other legal abuses that are often experienced by the poor and disenfranchised populations.
10. Sixth, the MDGs implicitly imply a concern for human rights, rights to have basic needs met such as for food, education, health and decent work, among others. The respect for human rights -- particularly of women, the indigenous, the elderly, the handicapped and other marginalized groups of people – is an important component of good governance. In practical terms, properly observing the human rights of the poor and other vulnerable segments of society can contribute greatly to meeting their needs and to eliminating poverty and hunger. These traditionally underserved social groups need to be empowered to shape their futures through political, social and economic participation. They need to be heard in shaping public policies, designing public programmes and evaluating public services.
11. Seventh, involving civil society organizations (CSOs) in delivering services is a concern for not only developing countries but also countries in economic transition. There are several aspects to harmonious and effective coordination between public administration and civil society for delivering services and engagement for poverty reduction. Though both transaction costs and service quality may improve, the processes for decentralization and community

involvement are below expectations. Some aspects of the legislative framework, which may be remnants of earlier economic systems, may not be conducive to CSOs delivering services. Moreover, CSOs may be seen as competing for scarce public resources for poverty reduction. In addition, the principles of engagement of CSOs should be further discussed and operationalized in countries without such experience. Ministries that are often charged with these responsibilities are neither adequately equipped nor readily accepted by CSOs as fair or disinterested partners. Lastly, many CSOs were spawned at a time when the public sector was under pressure to restructure and to be contained. Hence, they are often looked upon as predatory, seeking to benefit from the deterioration of the public sector.

12. Finally, despite the recent good record in mobilizing additional Official Development Assistance (ODA) for the MDGs, the coordination of that effort is still rudimentary.¹ Public administrations should better coordinate between Poverty Reduction Strategy Initiatives, which are short term, with the longer-term requirements for the MDGs. To date, administrative capacities of ministries concerned are either fragmented or lopsided in the coordination. National governments should lead coordination efforts, which the international community has fully endorsed. The principle of being "nationally-led" or "country-owned" needs to be further developed and made operational. Public administrations have the challenge of determining who should lead the coordination while simultaneously carrying out operational activities for poverty reduction. A related but different problem is harmonization of efforts for coordinating project formulation and implementation in developing countries. To date, the Rome and Paris (OECD) initiatives are working with a pilot scheme of selected developing countries to ensure that the donor community coordinates their systems when partnering with national entities in project implementation.
13. In conclusion, the progress in eliminating poverty and hunger and the other MDGs during the past seven years is uneven. To meet the targets set in the social sectors, interventions by all sectors of society have to be increased. However, such an increase requires the careful mobilization and deployment of additional resources. Given the short timeframe left, countries cannot risk uncoordinated policies, haphazardly run programmes or unneeded or unwanted services that can add up to waste, costly mistakes or leakages. Good governance is a cross-cutting process in ensuring more informed decision-making, through improved transparency and accountability, and better implementation through participation and ownership by targeted groups.

¹ Official Development Assistance (ODA) has increased annually from about US \$50 billion at the turn of the millennium to about US \$70 billion currently. This is an encouraging increase and in line with the proposal put forward by Financing for Development Conference, Monterrey, 2002. In no small measure is the acceptance by a number of countries to increase the ODA to 0.7 per cent of GDP, as agreed by the international community. However, the ODA of 0.7 per cent was only formally endorsed by all countries in 2005, and many of these countries will not achieve that well into the second decade of the present millennium.

