

# **What Role for Local Authorities in Decentralised Cooperation under the Convention of Lomé?**

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## Summary

The European Commission (EC) intends to make decentralised cooperation a major component of future relations between the European Union (EU) and countries in Africa, the Caribbean and the Pacific (ACP). In this article, the author criticizes the fact that the EU use of the concept of decentralised cooperation treats local governments as if they are non-governmental organisations. To do so is erroneous because of fundamental, constitutional reasons (it undermines the ability of government to govern) and because of field experience (the expansion of NGO activity has certain negative side-effects). The author argues that the role of government as ‘dramatist’ of development should be recognised and that, when local government is too weak to play this role, priority should be given to institutional strengthening. Two examples of successful decentralised development cooperation involving local government are described. The article concludes with recommendations to strengthen the role of local government in decentralised cooperation.

## The Importance of Local Authorities

In its mandate to negotiate a new convention with the ACP countries, the European Commission states its intention to make decentralised cooperation a major component of EC-ACP relations. The Commission proposes to extend the partnership beyond government and its agencies to encompass a wide range of non-governmental actors. Further, it intends to involve the non-state actors in a process of consultation and dialogue.

After the failure of central government to deliver ‘value for (development aid) money’ this intention of the EU is welcome. Decentralised cooperation stands a much better chance of reaching the poor than the old programmes. It may also restore the public’s confidence in development aid, because the continuous trickle of press reports of bureaucratic wastage, corruption, megalomaniac projects, and unrealistic planning has eroded popular support for development cooperation.

In 1989, under Lomé IV the EU made a start with decentralised cooperation, which is not to be confused with the French concept with the same name. Under Lomé ‘decentralised’ refers to parties other than central government proposing and implementing development activities with EU funding. In the French concept ‘decentralised cooperation’ refers to operations resulting from twinning arrangements or cooperation agreements between local and regional authorities such as regions, departments or municipalities (Bossuyt, 1994: 2).

After five years, a researcher with great sympathy for decentralised cooperation noted that “putting the concept into practice has proven difficult, and the results of decentralised cooperation under Lomé IV have, so far, been dismal.” In his analysis of the problems he concluded “... a dramatist is still needed to determine and clarify the roles of the different actors in the decentralised cooperation play” (Bossuyt, 1994: 2).

To overcome the problems with decentralised cooperation, the EC commissioned a report entitled ‘Decentralised cooperation: A new European approach at the service of participatory development’. It is impressive and it has been translated into several EU languages.

Unfortunately the study fails to give a clear definition of ‘decentralised cooperation’. In an attempt to define the concept, it states (stress as in original):

“As conceived by the European Commission, the objective of decentralised cooperation is, first and foremost, to **ensure ‘better’ development**, by taking greater account of the needs and priorities expressed by the population; it thus aims to **enhance the role and place of civil society** in the development process. It consists on the one hand in **bringing together and ensuring the**

**collaboration at different intervention levels of the potential economic and social actors** North and South. On the other, it consists in **eliciting the active and determining participation of direct beneficiaries in decision-making** and in the different stages of the actions that concern them” (Douxchamps, 1996: 4).

These beautifully sounding, but conceptually very vague phrases are one of the reasons for the above-mentioned dismal results from EU-sponsored decentralised cooperation. (another is that the EU apparatus is much too complex to deal with the great variety in and great number of grassroots organisations).

In this article, I argue that democratic local government should be given a central place in ‘decentralised cooperation’. Only then can decentralised cooperation have the ‘dramatist’ that is now so direly missed. In countries where local government is too weak, programmes should aim to strengthen this layer of government. I will conclude with two examples where local government has been given the dramatist role and where the results have been highly successful.

## **Government and Non-government**

In every society there is a fundamental difference between government and non-government. Governmental structures are nationally integrated and permanent. Government defines a common good, balances priorities and provides an enabling environment. ‘Good’ government is democratic, accountable, transparent and respects the rule of law. When government (national or local) fails in its core tasks, parallel structures will arise or chaos will result.

That non-governmental organisations (NGOs) can score high on some aspects and governments may score low on others is not an argument to be vague about the differences. Similarly, the recent trend towards privatisation is not an argument to blur distinctions. Privatisation has shown that government can successfully delegate the provision of services to the private sector. It has also shown that government must be very clear about the conditions of privatisation if it is to benefit the population.

Apart from fundamental questions regarding the roles and responsibilities of the different actors, a growing body of experience shows that NGOs are not immune from the typical ailments of government, such as corruption, bureaucracy, and favouritism etc. The strong position of NGOs vis-à-vis government has in many situations led to an imbalanced situation. By offering higher salaries, NGOs are draining government of its best people. Strong (foreign-backed) NGOs sometimes withdraw from local or national planning (e.g. zoning) by government. Sometimes the power of civil society to stimulate demands from the population is not matched by strengthening of government capacities to meet these demands.

In general, it is no exaggeration to say that the multitude of NGOs has complicated policy-making significantly. This problem is worsened when NGOs choose to work in isolation, focusing exclusively on a particular target group, and to resist cooperation with others.

The former Dutch Minister for Development Cooperation, Jan Pronk, was one of the first to point out the danger of uncritical support to NGOs. In 1984 he said: “The corruption of NGOs will be the political game in the years ahead - and it is already being played today ... NGOs have created a large bureaucracy, employment is at stake, and contracts in developing countries are at stake. It will become impossible for them to criticise governments for decreasing the quality of the overall aid programme. NGOs will lose in the years ahead ... they will be corrupted in the process, because they will receive enough money for their own projects but the rest of the aid programme will suffer.” (Quoted in Smillie and Helmich, 1994: 45.)

However, one should not reject the good with the bad. Development NGOs often play a vanguard role in innovative social policy, they inspire and mobilise people for a common goal and provide visionary leadership for a community. Ideally, central government, local government, NGOs and the private sector all work together, mutually challenging, inspiring, and complementing each other. Furthermore, in situations where government is repressive or has its hands bound by sensitive political situations, NGOs can do extremely important humanitarian or human rights work.

## **Local Government**

In the same period that the NGO community has been losing their status as 'favourite partners', local governments have been gaining recognition as agents of development. Intergovernmental conferences like the United Nations Conference on Environment and Development in 1992, the 'Social Summit' in 1995, and the United Nations Conference on Human Settlements in 1996 called for increased participation of local government (and NGOs) in environmental issues ('Local Agenda 21'), as well as social and habitat issues. Institutions like the World Bank, the United Nations Development Programme, the United Nations Conference for Human Settlements, the United Nations Capital Development Fund and several bilateral donors have included decentralisation and the strengthening of local government as policy priorities.

And, it is clear that some progress is being made. Below two examples are given of successful projects where local authorities have taken on the role of dramatist within a framework of decentralised cooperation.

## **Success Stories**

### **District Rural Development Programme in Tanzania**

The Netherlands supports twelve districts in Tanzania: Nine directly through the embassy and three through the Netherlands Development Organisation (SNV). The District Rural Development Programme (DRDP) has three phases, each lasting five years. In the first phase, specific attention is given to strengthening the administrative capacities of the District Councils, integration of the programme into existing institutional arrangements and the implementation of starter activities in the productive sectors. In the second phase, the social sectors are included. In the third phase, the emphasis is more on strengthening (financial) management capacities in order to increase local ownership of the programme.

The cost of the programme for the nine embassy-supported districts is approximately ECU 10 million per year. Roughly half is for capital expenditure and half is for technical and administrative support. The average number of inhabitants of a district is 400.000. Thus, the per capita development budget is approximately ECU 1, which is four times larger than the district development budget without the DRDP.

Planning of the programme at district level is as follows. At the start of every phase, a district makes a five-year plan using object orientated participatory planning techniques that involve local communities. The plan has to be approved by the embassy and the Netherlands Ministry of Development Cooperation. Each year, an annual plan is submitted by the district together with an action plan (per activity, defining the contributions of each partner) following the format prescribed by the National Planning Commission.

The Netherlands gives financial support and technical support (including capacity building by means of on the job training). The financial responsibility for the programme rests with two persons – an expatriate coordinator representing the donor, and the District Executive Director, representing the District Council. Funds are made available each quarter on the basis of progress reports which must be approved by the District Executive Director and the coordinator. Non-compliance with the reporting obligations holds up the transfer of funds. The set-up in some of the more advanced districts was changed in 1996 where the financial control tasks of the expatriate development advisor were taken over by an independent national financial controller.

In 1995, the Netherlands government expressed its interest in integrating the DRDP in national government structures. The institution identified for this task was the Local Government Loans Board, a Central Government institution working on behalf of local government. Handing over the administration of the programme was deemed to be untimely, because the Loans Board was too weak. However, the Tanzanian Local Government Reform Agenda has strengthening the Loans Board, thus creating possibilities to hand the programme over in the near future (Hertogs and Kilembe, 1995).

The Irish government has implemented a similar approach in its support to districts in Tanzania. In total, some 30 (out of 110) districts in Tanzania receive support from donors, although not all work through the councils. Similar programmes have been set up in other developing countries. The Ugandan and Bolivian programmes have especially attracted international attention due to the bold measures of central government in favour of local government. (Kasumba, 1997).

The district rural development programmes are successful because they provide a territorially integrated approach to development with a great number of small-scale projects that reach the poor. The participatory approach makes sure that choices reflect local priorities and not donor preferences. Furthermore the training of local government and the in-country exchange of experiences among districts leads to institution building. In general, the district programmes increase the knowledge, power and status of district government and thus aids the process of decentralisation.

The district programmes do not allow for short-cuts, however: The development process can only go as fast or as slow as the council is able to handle. This is aggravated by the fact that the job positions are defined in terms of the official grade of the district. The poorer the district, the lower the salaries and the lower the qualifications of staff. The fact that civil servants in a DRDP district handle larger development budgets and have more responsibilities is not taken into account in the staffing policy. In addition, in Tanzania the Local Government Service Commission frequently transfers higher civil servants to other districts, leading to a drain of expertise from the programme.

A weakness in the programme is that the districts tend to be selected on the basis of donor criteria. Also, until now there is no mechanism to disseminate the experiences outside of the participating districts. The associations of local authorities could play an important role in this. A strong point is that when a programme leads to economic development, the tax base increases. This, in combination with the institutional capacity to raise taxes effectively, can make the programme sustainable.

### **3D Local Government Programme in Eastern and Southern Africa**

Another example of successful decentralised development cooperation is the 3D Local Government programme financed by the DG VIII of the European Commission. In this programme, **Decentralisation, democratisation** and sustainable **development** are promoted in Botswana, Namibia, Uganda and Malawi by means of cooperation between local authorities and associations of local authorities in the four African countries, the UK, the Netherlands and Denmark.

The African local authorities receive help from their European colleagues in making a policy plan that reflects the needs and aspirations of their civil society. From this policy plan, projects are developed. Periodically the associations of local authorities of each of the four countries organise meetings where local government professionals executing the projects can share their experiences. Occasionally, these experiences are exchanged internationally, facilitated by the Africa Section of the International Union of Local Authorities (IULA). The associations (national and regional, African and European) are also responsible for disseminating good practices to other local authorities.

To provide a more concrete idea of the activities developed in this programme, we will look at a project executed through a link between Mbale in Uganda and Kensington and Chelsea in the United Kingdom. The municipal council of Mbale noted that the (donor-led) programmes designed to help micro-enterprise with credit facilities and training only reached small and middle enterprises. Therefore, the Kensington and Chelsea borough council asked the North Kensington City Challenge Company, a municipal agency working in the slum quarters of Greater London, to help Mbale to set up a small-enterprise agency. The council of Mbale convinced the private sector, including medium and large enterprise that they would benefit from a more efficiently functioning informal sector and enlisted their active support to establish and run the small-enterprise agency.

At present, the council and the small-enterprise agency play an important role in coordinating the different donor programmes, which are now starting to reach the poorest sectors as well. The fact that municipality, private enterprise and NGOs are working together has led to a notable increase in investment and employment in Mbale.

The great strength of the 3D programme, and particularly of the Kensington and Chelsea - Mbale link, is that not only democratic local government and urban management have been strengthened, but that local government, NGOs and the private sector have been stimulated to cooperate. Through this municipal international cooperation, local authorities in the South have access to the practical advice of their colleagues in the North and through them to global resources of knowledge and funding channels.

Institutional strengthening has been achieved at both local and national levels – the capacity of the national associations of local authorities was strengthened alongside those of the local councils. The activities of the regional associations have stimulated regional integration. On the European side, the programme leads to greater involvement by civil society in development and to the exchange of experience among the European actors.

Unlike the district rural development programme, the programme is small-scale. There is also a risk that cooperation may stop when funding ends.

## Conclusion

It seems that the tide is with local government in development cooperation. In most developing countries where decentralisation programmes have been launched, participatory development has become the new philosophy of the most important donors. 'Linking for development' by local authorities and communities in Europe is a fast growing phenomenon and donor NGOs are realising that by-passing local government in the South is harmful. They are thus developing programmes specifically targeted at or in cooperation with local government.

As ECDPM has pointed out, the EU's decentralisation programmes should link up to the ongoing processes of political decentralisation in ACP countries. "Otherwise there is a risk that the EU supports a myriad of stand-alone development initiatives at the local level, while neglecting the much more fundamental task of building local governance systems and promoting collaboration between the different local actors" (ECDPM, 1997).

However, European local authorities have not been communicating effectively at European level. In the words of the European Commission: "...the climate for a more sustained dialogue with potential non-governmental cooperation partners in Europe should also be created. The NGO's Liaison Committee, for example plays an important role from this point of view with regard to cooperation between NGOs and EU institutions. There is no similar platform for dialogue with European local authorities, although they have a strong presence in the international arena and are heavily involved in development aid. Local authorities, which are fully involved in intra-Community policies, have paradoxically been undervalued in external policies. This has led the European Regions to call for the principle of subsidiarity to be applied in their favour to European development cooperation policy." (European Commission, 1996: 19).

The representatives of local government in Europe and the ACP countries should therefore be invited to give their opinions in the process of negotiating the new Lomé Convention and in the design of programmes aimed at strengthening governance and service provision at local level.

Furthermore, they should be invited to help design programmes to enhance the exchange of experiences between local authorities, both North-South and South-South, and to design programmes which improve public support for development cooperation.

Provided that the European Union is able to manage such programmes efficiently, this new model could well prove to be a new paradigm for development cooperation.

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