



Session 4.2

Overall synthesis and prospective analysis on changes required in EC approaches to decentralisation and local governance

EC Advanced seminar on Decentralisation and Local Governance
DEVCO D2/ECDPM
July 2012



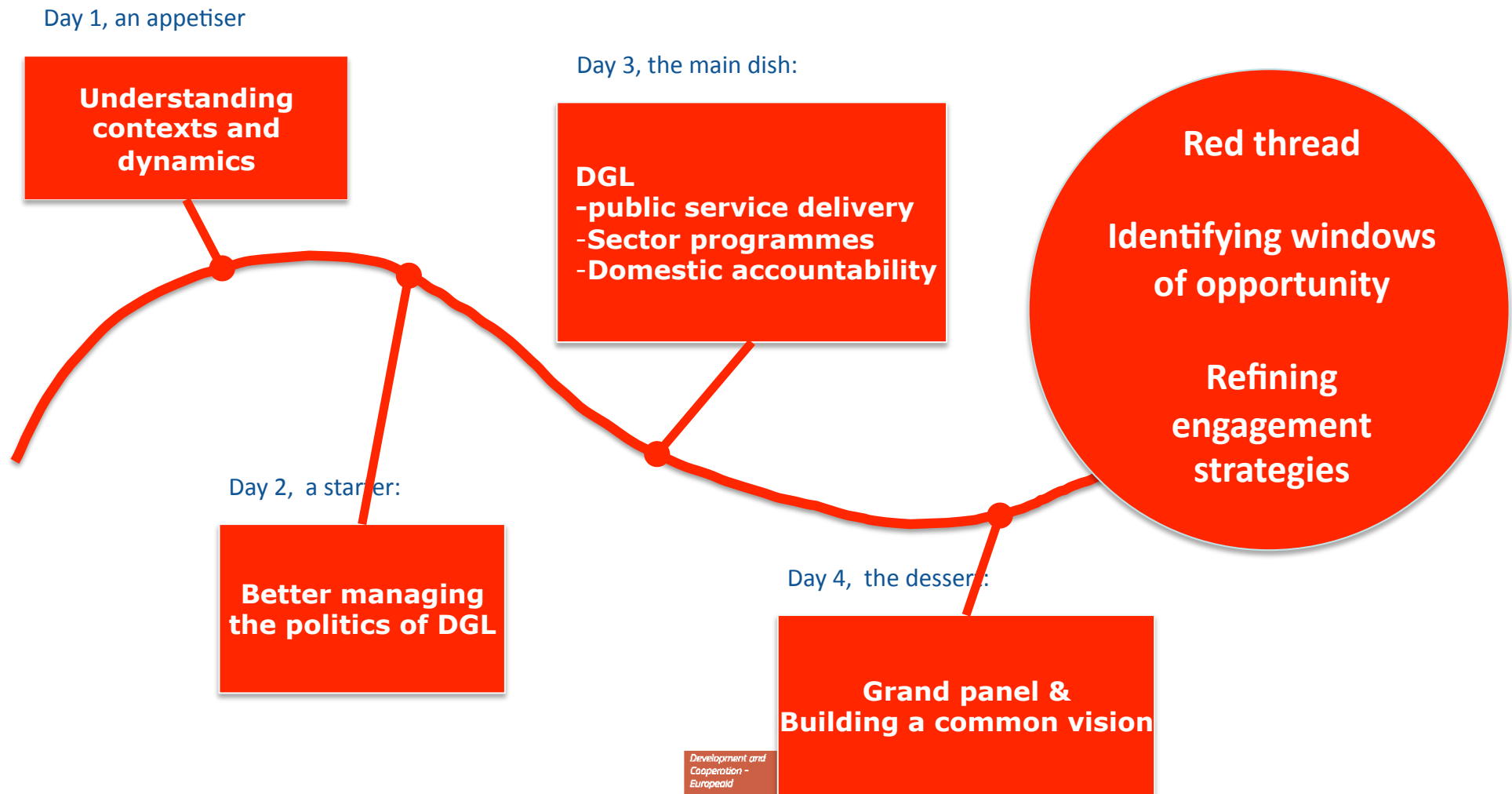
- 40 participants from 25 countries and from different walks of life spend 3.5 days of their lives discussing the issue of decentralisation and local governance...

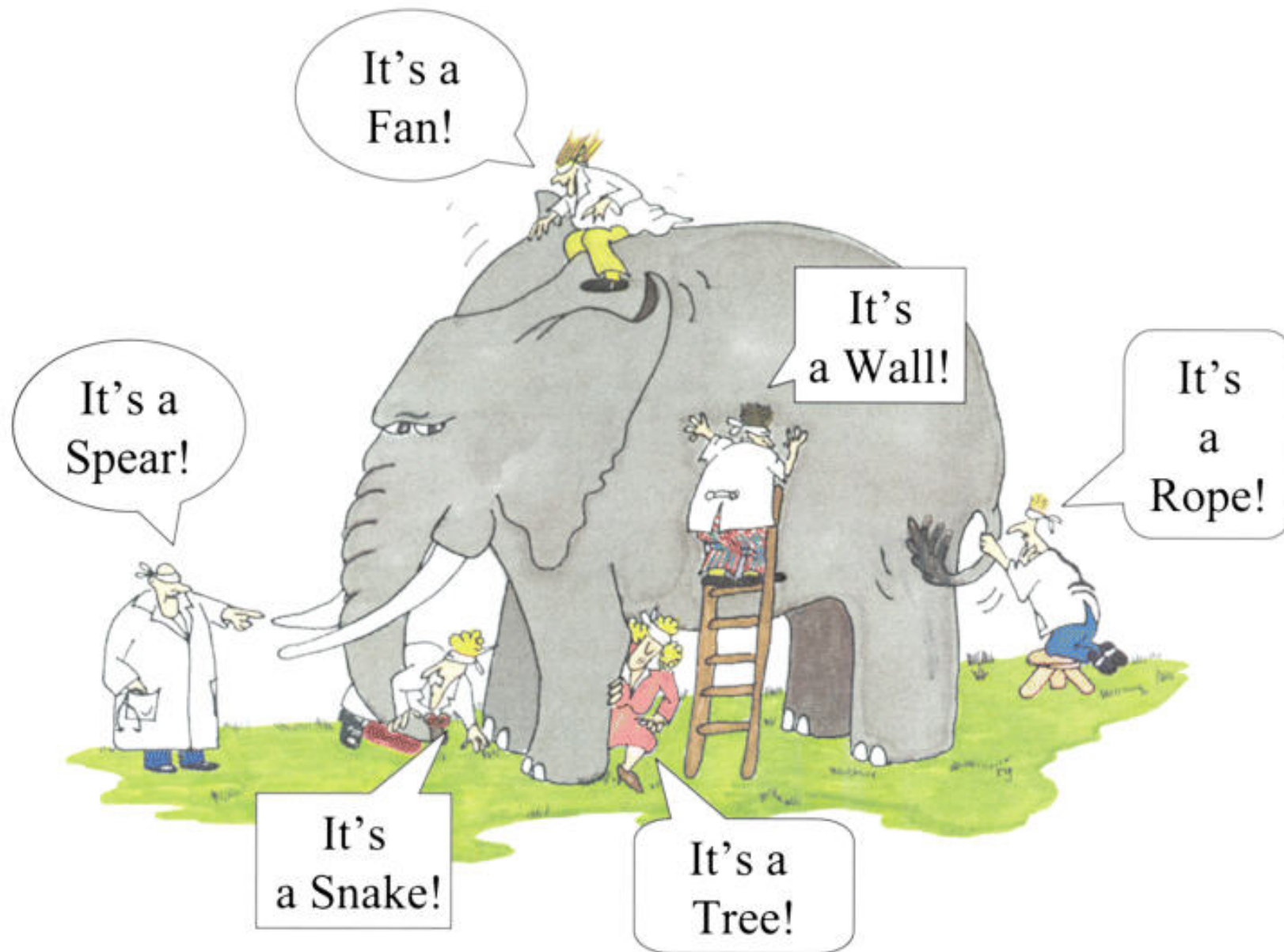


We had defined for ourselves a rather exciting agenda:

- Existential question: what does EU do in decentralisation in post-Busan/Agenda for Change period? (paradigm shift)
- Understand what works, what does not work and why in EU support to DLG
- Feed into EC policy (forthcoming EU communication)
- Identify needs for operational guidance
- Create a community of practitioners
- Co-produce knowledge

The red thread of the seminar





What is decentralisation...?



No shortage of confusion... but at least we agree what decentralisation should NOT be

- ① Decentralisation is not good or bad, it is about how a state is designed and organised.
- ② Decentralization can never be a religion
- ③ The question is not whether we should support it or not. The question is why?
- ④ It is not something that we can confine to the 'good governance' agenda
- ⑤ It is not something that should be discussed primarily from an aid modality perspective



LOGFRAME VISUAL



***Free yourself from aid
modality: what do you
want to do?***

*When you only have a
hammer, everything
looks like a nail*

4 CORE MESSAGES



Message 1: a change of **PERSPECTIVE** is needed

1. Decentralisation is a fundamentally a political process
2. Decentralisation is about state building/reform
3. Decentralisation is a multi-level process of institutional (re-)construction
4. Decentralisation can help to build new societal compromises (social contracts) based on endogenous funding
5. Decentralisation as a system
6. MAKE THEM MOVE ONE BY ONE

Decentralisation is driven by vested interests

- Decentralisation is driven by political motives, not by developmental goals
- Strong men's desire to legitimate power and provide a legitimate basis (but no will to pursue fiscal and administrative reform)
- Elites' access to and control of productive resources at local level, a way to gain votes....
- Often promoted by DPs... either in the form of a conditionality or by direct intervention.



Message 2: EU can ~~(should)~~ meaningfully engage in hostile environments and decentralisation arenas

1. Fight for a new social contract is ongoing and external agencies can provide strategic support to domestic change actors
2. Development cooperation based on needs as shown major limits in terms of results
3. Huge challenges of institutional development and active citizenship
4. Question of legitimacy, effectiveness and credibility **MAKE THEM MOVE**



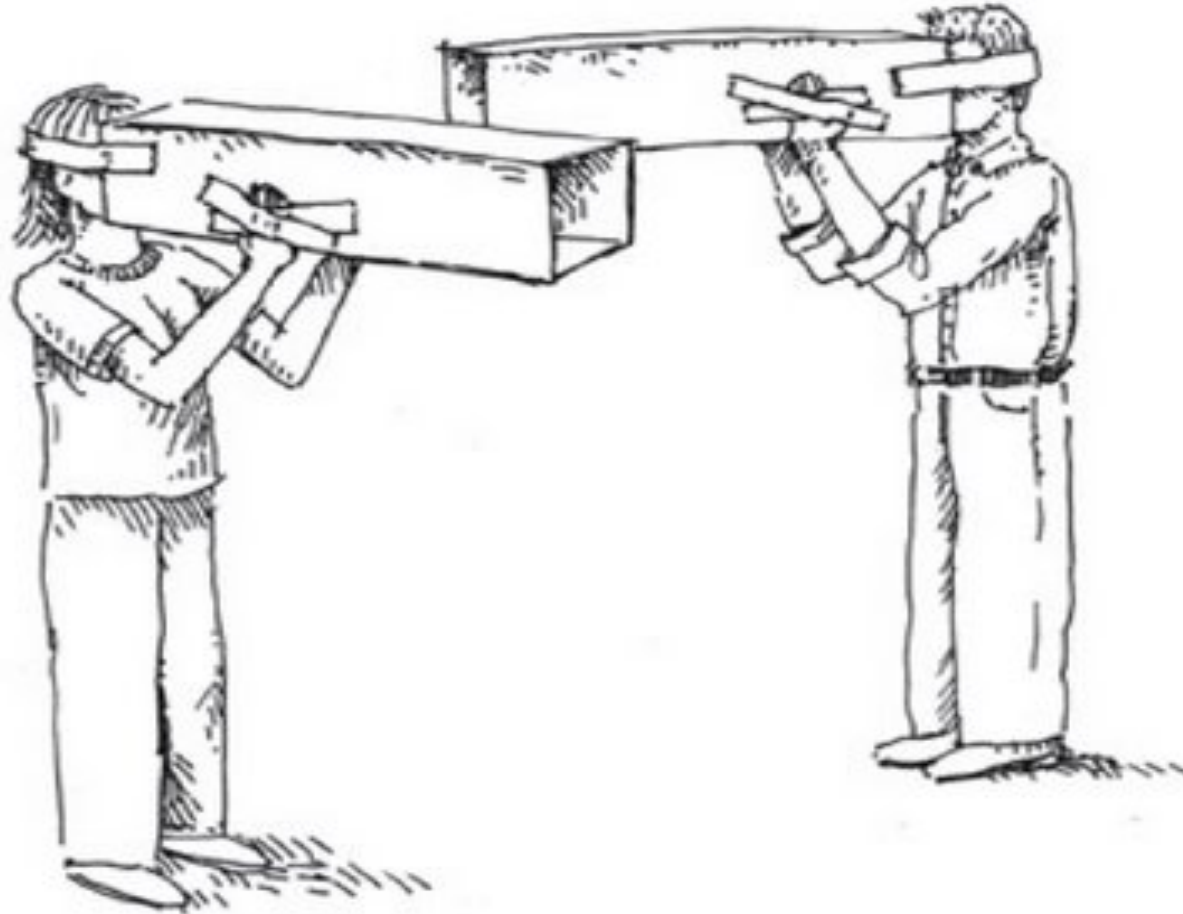
Message 3: be prepared to revise outdated strategies and approaches

**Normative, formalistic
approach**

THE BELIEVERS
**Decentralisation as an
end**

**Factual, analytical
approach**

THE PRAGMATIC
**Decentralisation as an
instrument**

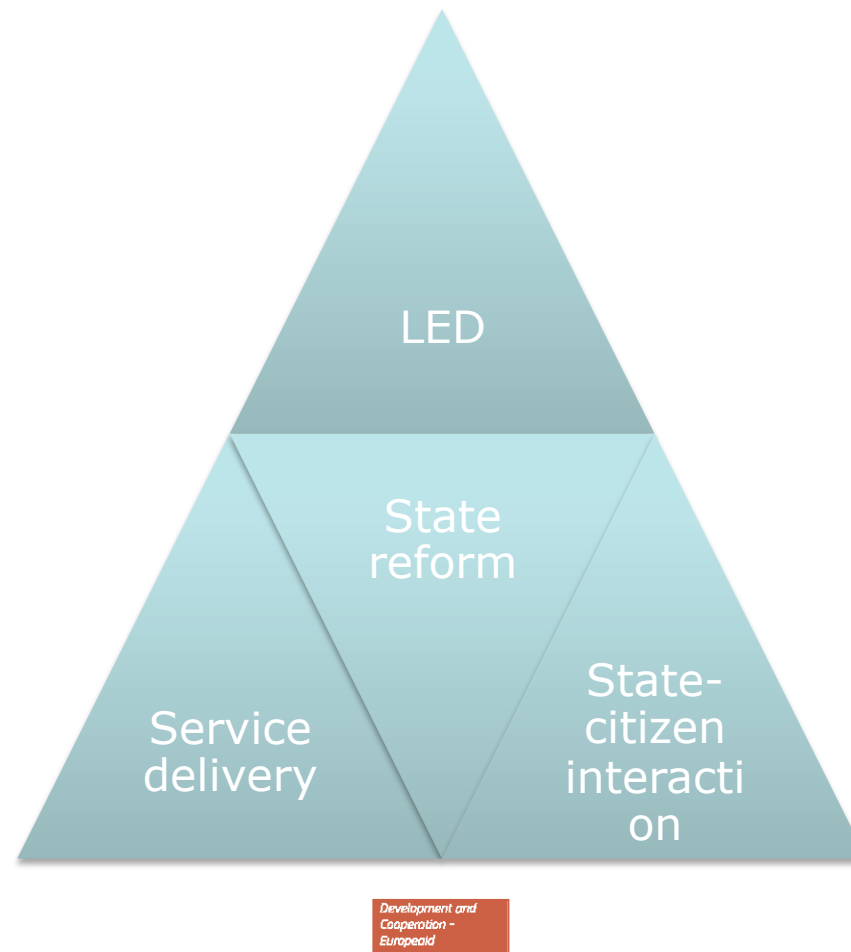


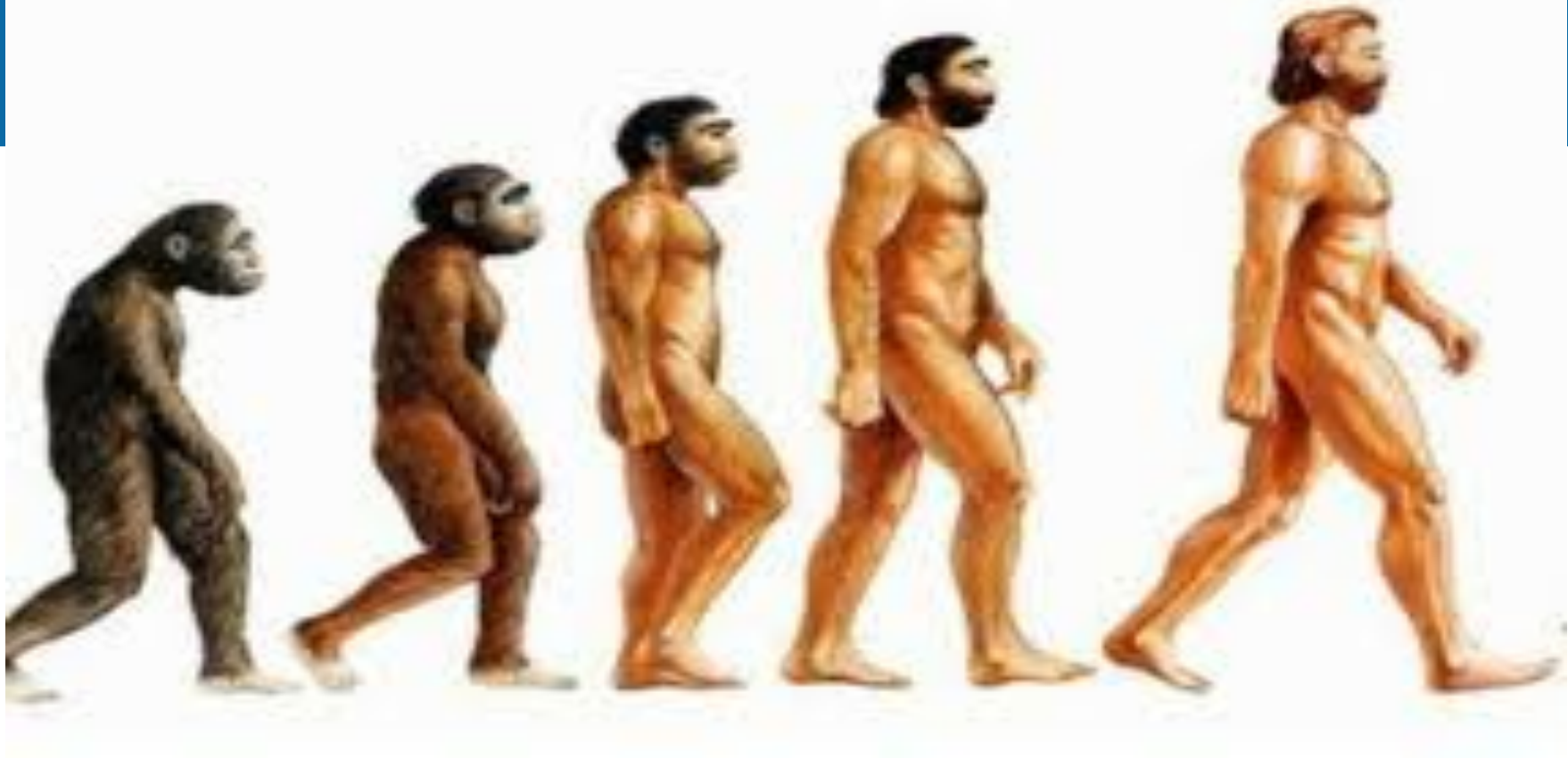
Let's abandon the rhetoric and face the reality: what is the added value of decentralisation?

The Poverty vs. Growth and wealth creation paradigm



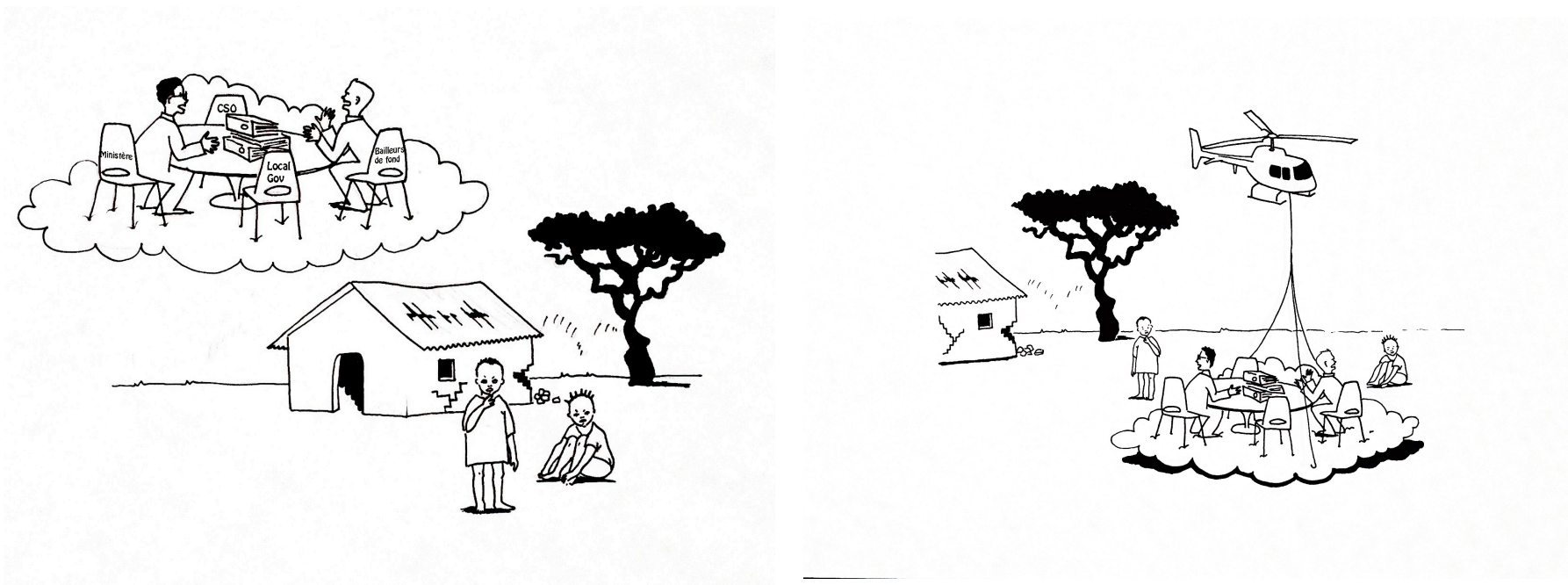
Look at all relevant entry points into decentralisation (TRACTION)



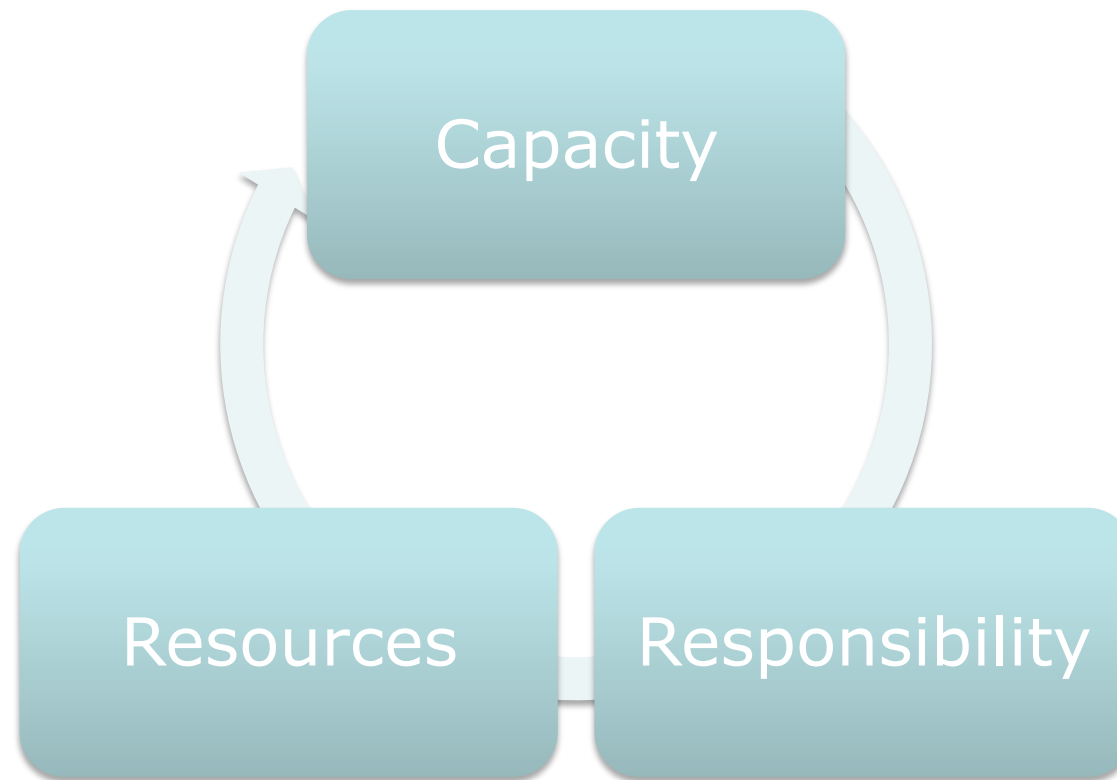


Decentralisation is not a linear process, but a long term historical process determined by religion, ethnicity, geography... etc.

Remain connected with the local level perspective



Where does the cycle start?





Message 4: EU needs to properly equip itself to enter into decentralisation arena

1. New knowledge (PEA and other tools)
2. Clarify vision and objectives
3. Support LONG TERM transformation processes rather than projects
4. Be prepared to play new roles
5. Put political-policy dialogue at the centre
6. Review your organisational and procedural architecture to ensure consistency
7. Change of culture (risk aversion)
8. Be consistent in your political/development stance

Key principles for smart support

- ① Start from context: the reality as it is, not as it should be
- ② Define your vision and political will, then choose the aid modality accordingly
- ③ Review levels of ambition, be realistic
- ④ Adopt a long-term perspective, incremental approach
- ⑤ Adjust when initial plan is not working or when traction opportunities arise
- ⑥ Be creative



It is possible to apply these principles!

Lessons from Ghana and Madagascar

- ✓ Facilitate multi-actors dialogue to gain traction
- ✓ Build consensus around necessity of reform!
- ✓ Identify champions of reform; build alliances
- ✓ Don't bypass local authorities even if they are weak
- ✓ LG in driving seat, give them the money, let them learn by doing
- ✓ Trial and error approach – turf risk analysis, risk tolerance, risk management.
- ✓ Money is not enough, address issues at the political level, use ideas to gain leverage

Donors have a different rhythm

- ✓ Results oriented agenda
- ✓ Show value for money
- ✓ Programming cycles
- ✓ Focus on short term outputs, instead of outcomes (and impact)
- ✓ Plant a flag, show attribution
- ✓ Go quicker than the process

RISK of DOING HARM TO FRAGILE, ENDOGENOUS PROCESSES

Cooperation and dialogue at the top of the iceberg may be easier, but is it meaningful?

Are we ready for complexity?

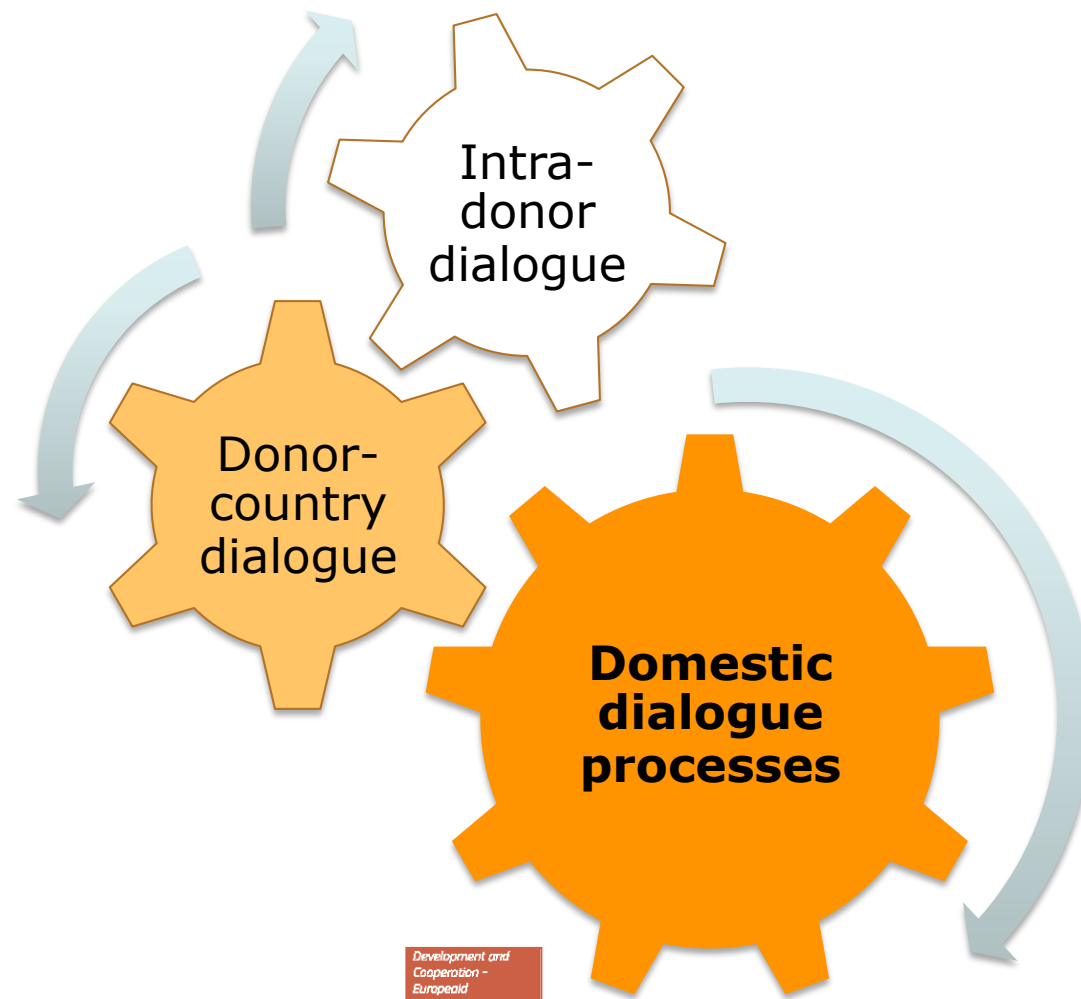


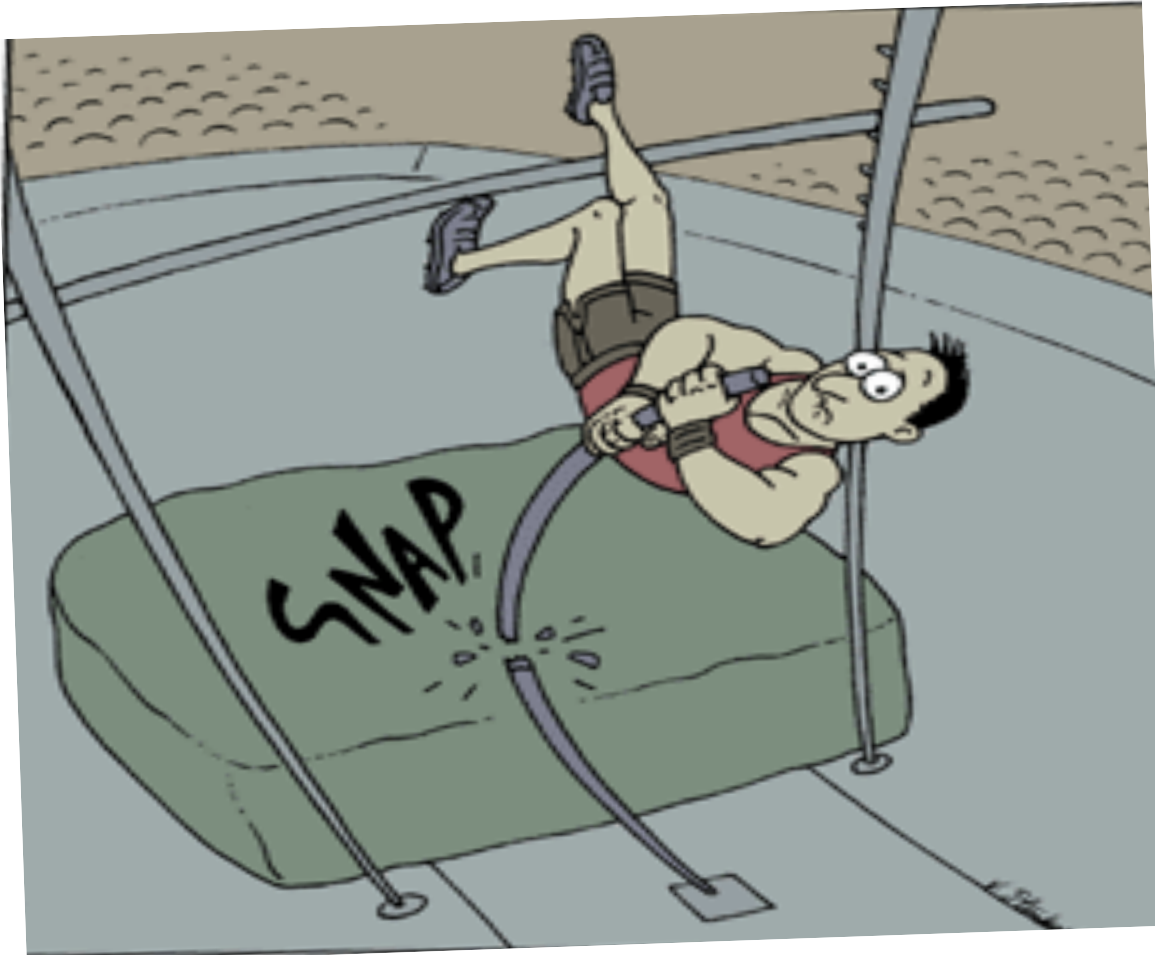
Are you ready to provide the right incentives for state building?





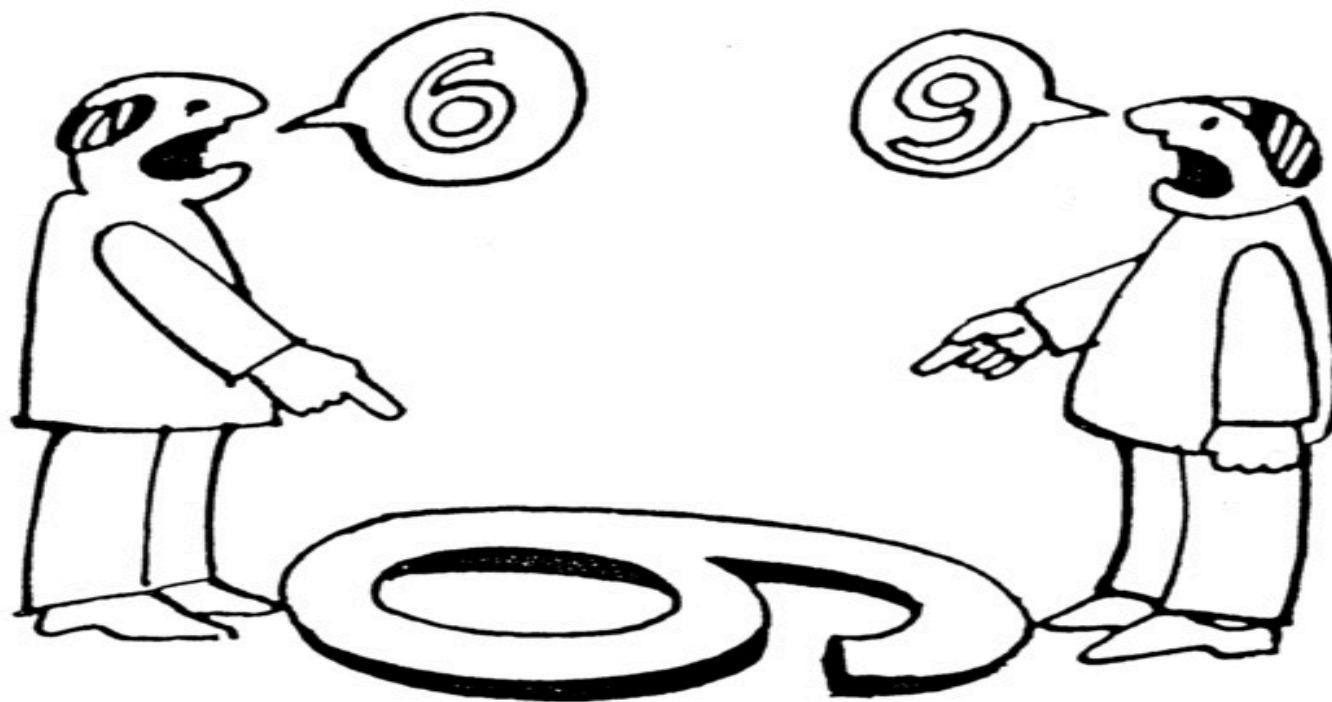
Are you ready to put domestic dialogue processes at the center?





Are we ready to take risks?

**Are we ready for a more effective,
political, visible, coherent EU
external action – and to coordinate
policy/political dialogue?**





Are we ready for a seduction operation?