

**Peacebuilding Commission
Working Group on Lessons Learned**

Background Note
Local Governance and Decentralization in Post-War Contexts
13 December 2007

Introduction

It is readily recognized that rebuilding institutions of governance is a high priority in post-conflict contexts. Indeed, external actors tend to privilege support to central government institutions as part of a larger peacebuilding and state building agenda. Yet in many post conflict contexts it is equally important to pay early attention to local governance because that is often the point of entry for people in a society to interact with the state and receive services and support from the state. Decentralization of governance may also facilitate greater participation of communities, including those that have been traditionally underrepresented, and increase ownership in peace consolidation processes.

There is a rich body of literature on local governance and decentralization in conventional development settings which provide important insights about the challenges of promoting good governance at the local level. These are further exacerbated in post conflict contexts, as shown for example in Burundi and Sierra Leone which are currently under consideration by the Peacebuilding Commission. The challenges as well as opportunities that arise in the implementation of decentralization efforts in post-conflict settings are highlighted in this paper and further explored in the Working Group on Lessons Learned meeting, drawing on comparative country case studies.

Overview of Local Governance and Decentralization

Local governance and decentralization can significantly improve the welfare of people at the local level, enhance human development, and contribute to deepening democracy. To enable the government to engage with, represent and be responsive to its citizens, people and institutions must be adequately empowered at all levels of society.

UNDP defines local governance as comprising “a set of institutions, mechanisms and processes, through which citizens and their groups can articulate their interests and needs, mediate their differences and exercise their rights and obligations at the local level.” The building blocks of good local governance include citizen participation, partnerships among key actors at the local level, capacity of local actors across all sectors, multiple flows of information, institutions of accountability, and a pro-poor orientation.¹

Decentralization refers to “the restructuring of authority so that there is a system of co-responsibility between institutions of governance at the central, regional and local levels according to the principle of subsidiarity. Decentralization relates to the role of, and the

¹ UN Development Programme. “Decentralised Governance for Development: A Combined Practice Note on Decentralisation, Local Governance, and Urban/Rural Development.” April 2004.

relationship between central and sub-national institutions, whether they are public, private or civic.”² Decentralization can relate to the distribution of authority and responsibility in political, fiscal, administrative, and divestment matters.³ Each of these types of decentralization has its own challenges and responses that can be further explored. However, for all of them, it is important to ensure that adequate mechanisms of engagement between the central and local government are in place, that there is an appropriate division of responsibilities and authority between them, and that there exists at all levels of the government the capacity and mechanisms to deliver services and disburse funds as well as engage with the public.

Implications in a Post-Conflict Setting

In post-war situations, local governance and decentralization efforts, while not a panacea, are critical because often central governing structures are weak or remain contested. In the aftermath of conflict, people rely heavily on local structures to provide basic services and goods while looking to these structures as their first point of political engagement and empowerment in the post-conflict environment. However, these structures are also often at the frontlines of fighting between warring sides and may be destroyed during conflict. The success of local structures in the long run depends on the central state structures, investments in capacity development and institutional strengthening, accountability mechanisms, and how well central authorities can facilitate the sharing of resources and power.

Indeed, the consolidation of peace in the long term depends heavily on how administrative, political, and fiscal responsibilities are shared between national and sub-national levels and how well efforts to share them are implemented. The initial peace settlement and the commitment of all parties to the agreement, including the international community, are seen to play a critical role in determining how well state and local institutions interact and share power. The design of decentralization efforts is also important. But often challenges to the success of these efforts arise in the implementation of terms of the agreement and the creation of conditions on the ground for those efforts to take effect.

Key Challenges

Some key challenges to implementing local governance and decentralization efforts in post-conflict settings include:

- **The potential that the reallocation of power and authority will generate, reignite, or intensify pre-existing or budding power struggles that can lead to further conflict.** This can also create or exacerbate difficulties in integration and cooperation between different groups or parties that may have been at war with one another. Such a scenario may more likely exist in mediated peace settlements or in the absence of a comprehensive peace agreement and it can mean that the

² Ibid.

³ See definitions in the annex.

central government's influence in areas of the country may be weak.

- **Ensuring that externally initiated programs of decentralization be carefully designed and take into account historical and cultural issues as well as public perceptions of who owns and leads the efforts.** In some settings, there may be a poor culture of participation and experience with power-sharing and representational empowerment. Furthermore, taking into account existing institutions and traditional community-based structures in a situation while also ensuring broad and equitable participation across all parts of society are important challenges.
- **The potential for the infusion of new resources to generate conflict or renew and exacerbate existing tensions.** This can create problems of corruption and abuse of power by elites, which then require instituting adequate accountability mechanisms.
- **Ensuring that the concerns of the poor, especially women and children, are taken into account at all levels.** As such, attention should be paid to making sure that local elites and leaders do not capture power and exercise authority over marginalized groups. An additional challenge is to ensure that local awareness of needs and preferences are known and taken into account at national decision-making levels and that local officials have the authority and resources to respond to those needs.

Issues for PBC Consideration

In the implementation of local governance and decentralization efforts, the policies and approaches of the international community must be made appropriate for the specific post-war setting and the cultural and historical context of the country. And while each setting is unique, a few issues should be considered. International efforts to support local governance and decentralization in post-conflict settings are critical to the success of peace consolidation, and investments should be made in capacity development and institutional strengthening, including with a view to longer timelines. Often the pace of reforms is determined by considerations of the international community, including organizational demands, the need to reduce costs and avoid open-ended commitments and the perception that peace dividends come from rapid and immediate results. However, for governance and decentralization processes to succeed and be sustainable, a longer term horizon for implementation of these efforts is required due to the social and development processes that need to take hold.

This is why participation is not only a goal of decentralization and efforts to strengthen local governance but participation should also be taken on as an approach to the implementation of these efforts. Accountability mechanisms for the implementation of these efforts, particularly in the oversight of the use of resources, should also be put into place, with a view to making them specific to the culture and capacities in place. As such, attention should be paid to ensuring that the voices of the poor, in particular, that of

women, are represented. Adequate provision of basic services by both the central and local government, with a suitable distribution of responsibilities to each, is important to build confidence among the local populations as well as within the international community and can serve as a solid foundation for further institutional strengthening.

Indeed, depending on where the country is in its peacebuilding efforts, the international community can find various entry points for its decentralized governance efforts. In the immediate aftermath of conflict, post-conflict efforts could promote effective participatory mechanisms and, as a starting point, mobilize people around the provision of common basic services and humanitarian needs such as water, sanitation, waste disposal, jobs, shelter and land ownership, etc. In medium term post-conflict situations, it would be helpful to focus on creating an enabling framework at the national level to support decentralized governance, promoting participation and community-led development, and developing local capacity at the individual, institutional, and systemic levels for local development and social reintegration.⁴

In this regard, some key questions for the Peacebuilding Commission to consider include:

- What is the role of the PBC in supporting local government? How can it best support central governments in facilitating and implementing decentralization efforts?
- Who are the partners of the international community in local governance and decentralization efforts? How can they be supported?
- What is the role of civil society organizations and the private sector?

⁴ UNDP and Chr. Michelson Institute, Bergman Seminars. "Governance in Post-Conflict Situations." May 2004.

Annex

The four main types of decentralization are:*

1. **Political decentralization** – which transfers political power and authority to sub-national levels such as elected village councils and state level bodies. Where such transfer is made to a local level of public authority that is autonomous and fully independent from the devolving authority, **devolution** takes place.
2. **Fiscal decentralization** – where some level of resource reallocation is made to allow local government to function properly, with arrangements for resource allocation usually negotiated between local and central authorities.
3. **Administrative decentralization** – involves the transfer of decision making authority, resources and responsibilities for the delivery of selected public services from the central government to other lower levels of government, agencies, and field offices of central government line agencies. There are two basic types. **Deconcentration** is the transfer of authority and responsibility from one level of the central government to another with the local unit accountable to the central government ministry or agency which has been decentralized. **Delegation**, on the other hand, is the redistribution of authority and responsibility to local units of government or *agencies that are not always necessarily, branches or local offices of the delegating authority*, with the bulk of accountability still vertical and to the delegating central unit.
4. **Divestment or market decentralization** – which transfers public functions from government to voluntary, private, or non-governmental institutions through contracting out partial service provision or administration functions, deregulation or full privatization.

* Work, Robertson/UNDP/BDP. *The Role of Participation and Partnerships in Decentralised Governance: A Brief Synthesis of Policy Lessons and Recommendations of Nine Case Studies on Service Delivery for the Poor*, 2002, pp. 3-4. <http://www.undp.org/governance/marrakechcdrom/concepts/Work%20Role%20of%20Participation.pdf>