

# Locally Owned Knowledge = Inclusive Growth (LoOKING)

## LoOKING — Assessing the situation today for better governance tomorrow

Local governments want local solutions to improve their management and the quality of services they provide to their people. Analyzing their obstacles and opportunities is an important step. UNCDF offers a tool and process that local authorities can use to gather valuable insight into how they work and take action to improve governance. It is called the Locally Owned Knowledge = Inclusive Growth (LoOKING).

Based on diagnostic and analysis, LoOKING identifies the inefficiencies and the potential of the local entity in economic, financial and organizational terms. Next, this evidence is used in a process to develop realistic, local solutions to strengthen local management and governance. The process produces an agreed plan of action — a local pact — aimed at improving the delivery of basic services.

### Engaging communities in a performance-based process

The LoOKING approach is participatory and inclusive, seeking to empower local actors and foster local and national ownership of the process and its results. In many ways, local participation is central to a process that takes a close look at current performance and seeks to improve results in the future:

- LoOKING is a tool and a process for [assessing the functioning of the local authority](#) that is shared by all actors, local and national;
- LoOKING [measures the performance of the local authority](#) and its evolution on three levels: economic, fiscal and organizational;
- LoOKING [establishes a rating system to compare the communities](#) among themselves and over time;
- LoOKING [engages the local authority and its partners](#) (social, institutional and private) in a real, dynamic, capacity-building process of self-management;
- LoOKING [enables the local authority to improve its own revenue](#) and the spending practices for the purpose of providing sustainable services to its citizens, with the aim of strengthening the capacity of local government to invest in quality basic services;
- LoOKING [promotes local citizenship](#) by providing relevant information on the local authority and enacting mechanisms to foster dialogue between the different actors of local development, and in particular between the local authority, government, financial actors and the citizenry.

### Providing a rigorous and realistic approach

A step-by-step process promotes investment in local development.

#### Step 1: Global Audit

This comprehensive audit evaluates the functioning of the local authority in its economic, fiscal and organizational components.

#### Step 2: Local Conference

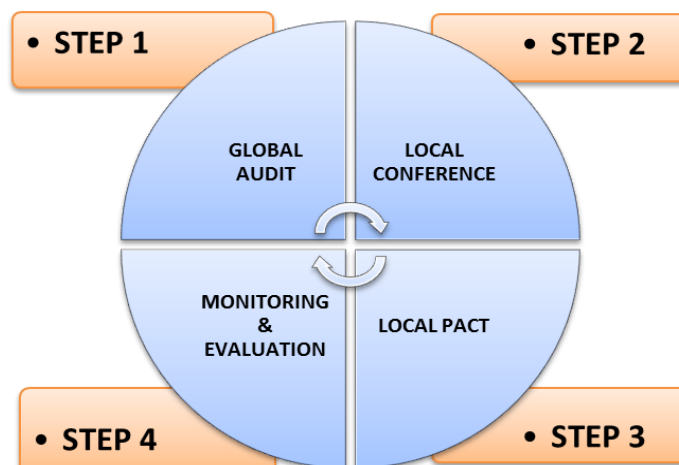
This event validates the audit and engages local actors in identifying directions for development and improvement of dynamics between a territory and its institutions.

#### Step 3: Local Pact

All stakeholders sign a contract that is grounded in results-based management.

#### Step 4: Monitoring and Evaluation

A scorecard tracks the investment programme and the performance of the local authority, including the identification and roles of responsible actors.



# Locally Owned Knowledge = Inclusive Growth (LoOKING)



## Contributing unique benefits to local governments

- LoOKING is **an instrument of political dialogue**. By underlining malfunctions resulting from the existing policy and legislative framework, it provides an objective basis for policy dialogue.
- As **a tool for monitoring organizational and financial performance**, LoOKING develops a system for evaluating the performance of local authorities through a scoring model and comparisons. It also promotes the establishment of a financial transfer system tied to performance.
- It is **an instrument for targeting sustainable actions**. LoOKING engages the local authority in a local agreement or 'pact' containing concrete actions that are achievable over a period of three years. This process also promotes public-public and public-private partnership by the means of a collaborative approach and shared risk-taking.
- LoOKING **helps to link elements of the investment process**. It strengthens the linkages between planning instruments and development finance. It also promotes equity in the investing process by allocating funds on the basis of performance, which contributes to greater sustainability.

LoOKING is the most complete instrument for adopting a holistic approach and for focusing on the essential aspects of the functioning of the local authority – encompassing economics, finance, and organizational dimensions of governance and management.

An analysis that rated 40 local authority assessment instruments ranked LoOKING fourth (4th) among those instruments, confirming its good standing. While other instruments measure the performance of communities, this tool and process offers more.

The tool was designed by local development technicians at UNCDF to be quickly appropriated by rural and semi-urban small and medium size entities. Its distinction stems from its ability to adapt to the environment of local governments in least developed countries (LDCs) and to support their development.

For more information, please visit <http://uncdf.org/en/LoOKING>

## ABOUT UNCDF



UNCDF is the UN's capital investment agency for the world's 49 least developed countries. It creates new opportunities for poor people and their communities by increasing access to microfinance and investment capital. UNCDF focuses on Africa and the poorest countries of Asia, with a special commitment to countries emerging from conflict or crisis. It provides seed capital – grants and loans – and technical support to help microfinance institutions reach more poor households and small businesses, and local governments finance the capital investments – water systems, feeder roads, schools, irrigation schemes – that will improve poor peoples' lives. UNCDF programmes help to empower women, and are designed to catalyze larger capital flows from the private sector, national governments and development partners, for maximum impact toward the Millennium Development Goals. For more information, visit <http://www.uncdf.org/>.

Copyright © UN Capital Development Fund 2013

All rights reserved

Printed by means of environmentally-compatible technology on recycled paper. Printed on 100% FSC recycled paper with vegetable inks – ISO 14001 certified