

## **The Hague Academy Trainings on Decentralization and Local Development in Bangladesh**

In the framework of the joint UNDP-UNCDF Upazila Governance Project (UZGP) and Union Parishad Governance Project (UPGP), three batches of trainings on financial decentralization and local development, conducted by the Hague Academy for Local Governance, took place in Cox's Bazar, Bangladesh, to increase the awareness of central and local government officials, as well as UN staff, on the importance of gradually but steadily moving towards decentralization for ensuring a more equitable and sustainable development in the country.



The trainings strongly highlighted that sustainable development should be achieved at local level and that government services should be provided at the lowest government level since the local government can provide those services in an efficient manner in accordance with the principle of subsidiarity.

The trainings emphasized that if properly implemented, decentralization can indeed improve the efficiency of public service delivery.

### **UPGP and UZGP projects in brief**

UZGP and UPGP are part of the joint UNDP/ UNCDF programmatic support to the Government of Bangladesh for Local Governance Strengthening and Reforms. The support is in line with the United Nations Development Assistance Framework (UNDAF), which states that by 2016 all Bangladeshis, including vulnerable groups, will be better represented and participate more in the democratic processes and that local government institutions will be more responsive and equipped to deliver better public services.



Both UZGP and UPGP are nationally implemented (NIM) projects by the Local Government Division of the Ministry of Local Government, Rural Development and Cooperatives. UNDP and UNCDF are the technical partners while the projects are financially supported by the European Union (EU), the Swiss Agency for Development and Cooperation and DANIDA.

UZGP and UPGP are interlinked through shared outputs and utilize each other's work in the field. Both projects have a heavy focus on capacity development and institutional strengthening of Local Government Institutions (LGIs), especially for fiscal decentralization.

### **Decentralization and Local Development Trainings**

The three batches of trainings targeted the central and local government officials as well as UN staff in order to provide them with tools to address the challenges they are facing in Bangladesh in implementing the decentralization policies.

The trainings had the following objectives:

- providing participants with conceptual framework to better understand the scope of the UPGP and UZGP projects;
- providing useful inputs to the different categories of participants: -government officials to understand the importance of decentralization; -UN staff on how to properly implement the activities of the projects;
- providing UN Staff with ideas for formulation and designing of new projects.

### **Current challenges of decentralization in Bangladesh**

At the moment in Bangladesh, despite the existence of a legal framework promoting decentralization in the Constitution, the Upazila Act and Union Parishad Act of 2009, only a few processes have been put in place and the system still remains mostly centralized.

The central government is almost fully in charge of sectors such as construction of local roads, community health clinics, government primary schools, vulnerable groups feeding and agriculture development services.

Moreover in Bangladesh, the LGIs have many functions assigned to them by the central government but not the matching-autonomy to deliver these functions.



For example, both UZP and UP have to perform different functions to provide good services to the citizens but, very often, are not provided with the necessary human and capital resources by the central government to properly implement their mandate.

### **Trainings' contribution to UPGP and UZGP projects**

The goal of the UNDP/UNCDF projects is to empower the LGIs. In that context, the trainings gave very useful insights on how to empower UZPs and UPs in an efficient way by recognizing their own political leadership, the possibility of appointing own officials/staff, adopting and implementing their own budget and deciding the provision and the definition of some of the policies and regulations related to the garbage collection, university education and primary education, health, infrastructure among others.

The trainings underlined that local revenues should be an important part of a well-functioning intergovernmental fiscal system both for economic and accountability reasons; however intergovernmental grants, as the ones provided in the projects, are an important and permanent feature of any sound system of intergovernmental fiscal relations.

To ensure that this type of grants are effective, it is necessary to determine the exact objectives of the transfer as well as its size, the number of conditions to be met and the implementation procedures of the grants. Apart from fiscal decentralization, political and administrative decentralizations are needed

as well, together with ensuring the capacity building for the LGIs at individual, institutional and societal levels.

### Participants' feedback



Some of the government officials expressed their doubts on the readiness of UZPs and UPs in Bangladesh to play a more relevant role in the decentralization process and the trainer, Dr Boex explained that, while it may seem premature, it is necessary to let them start by establishing appropriate accountability mechanisms. This would allow a gradual evolution towards better systems and accountable local governments.

Most of the participants agreed that the current system cannot be destroyed but should be properly reformed.

Dr Mobassher Monem, one of the most prominent decentralization and local development experts in Bangladesh, recognized the complexity of the decentralization process, but underlined the need of it as the LGIs, despite the insufficient resources available, have significantly contributed to achieve the Millennium Development Goals (MDGs), demonstrating an important level of maturity they reached in Bangladesh.

In summary, the trainings highlighted the below principles to pursue decentralization:

- Need to spend more at the local level to deliver services “at the doorstep of the people” (the current public expenditure in Bangladesh is 24%), thus, proper budgetary deconcentration to the Upazila level should be implemented, led by the Ministry of Finance;
- Need to ensure electoral accountability at local level (eliminate the MPs role at UZP level and directly elect the UZP Council);
- Need to provide UZP with own core operating staff and budget;
- Need to ensure the transparency of the decentralization process;
- Need to establish a proper system of check and balances holding the local governments responsible;
- It takes decades to build fully operational local governments units that have strong service delivery capabilities, as it requires a change in the mindset of the people.