Sixth meeting of the Anti-Corruption Community of Practice in the Arab Region

Session 3: Challenges and Opportunities of Preventing Corruption at the Local Level: Comparative Experiences in Anti-Corruption and Local Governance Reforms

"The Latin American Experience"

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1. Background

A Snapshot of the Latin American and Caribbean Region and Local Governance & Transparency

Regional Bureau & BDP/BCPR (NY)

UNDP Regional Service Centre & UN Agencies Regional Offices (Panama)

Key Actors:

- 24 Country Offices
- Other UNDP Practice Areas
- UNICEF, UNCDF, UN-Habitat, UNODC, ECLAC
- ART Initiative
- Over 30 Bilateral and Multi-Lateral donors
- FLACMA
- Research and Academic Institutions
- NGOs and CSOs

A Snapshot of LAC

- Nearly 600 million (Over 70% urban), diverse and with disparities
- Populations: Brazil 200 million (5,500 Municipalities) vs. 50,000 (0 Municipalities) Saint Kitts y Nevis
- All countries are MICs, except Haiti
- Past decade, improvement in HD and economic

Inequality and corruption constitute a major public policy challenge.

A Snapshot of LAC (2)

- 4 Federations, 16 Unitarian, + 14 unique and diverse models in the Caribbean
- Nearly 17,000 Municipalities / Over 350 intermediate units)
- Mega cities vs. average population of 40,000

- Different LG and Decentralization Models
  - Brazil, México, Colombia, Chile- **Trend Setters**
  - Peru, El Salvador, Costa Rica, Honduras, Uruguay, Jamaica, Cuba, Trinidad and Tobago, Barbados- **Exploring Innovations**
  - Bolivia, Ecuador, Venezuela- **Major Ongoing Reforms**
  - Guatemala, Panama, Nicaragua, Paraguay, Dominican Republic, Surinam, Guyana - **Status quo in favor of centralization**
  - Small Caribbean Islands- **for now little necessity for LG**

Main Trends for Local Governance in LAC

- **1980** starting point
- Every single country in the region has experienced **LG reforms**, although at different pace, degree and level of institutionalization
- **Diverse** experience and history in terms of decentralization processes

- Pendulum cycle of **support** and of **retraction** (**1980-1990**, **1990-2000**, **2000-2008**, **2008-?**)
- Constant **tensions** between national and sub-national
- More **sub-national elections**, and more **competitive**
- There is **no full "decentralization/devolution,"** but degrees of deconcentration and/or delegation

Administrative Decentralization Index for Latin America, based on # of Competencies Assigned to Sub-National Governments & on % of GDP Expenditures by Sub-National Governments, UN-Habitat/ROLAC 2012
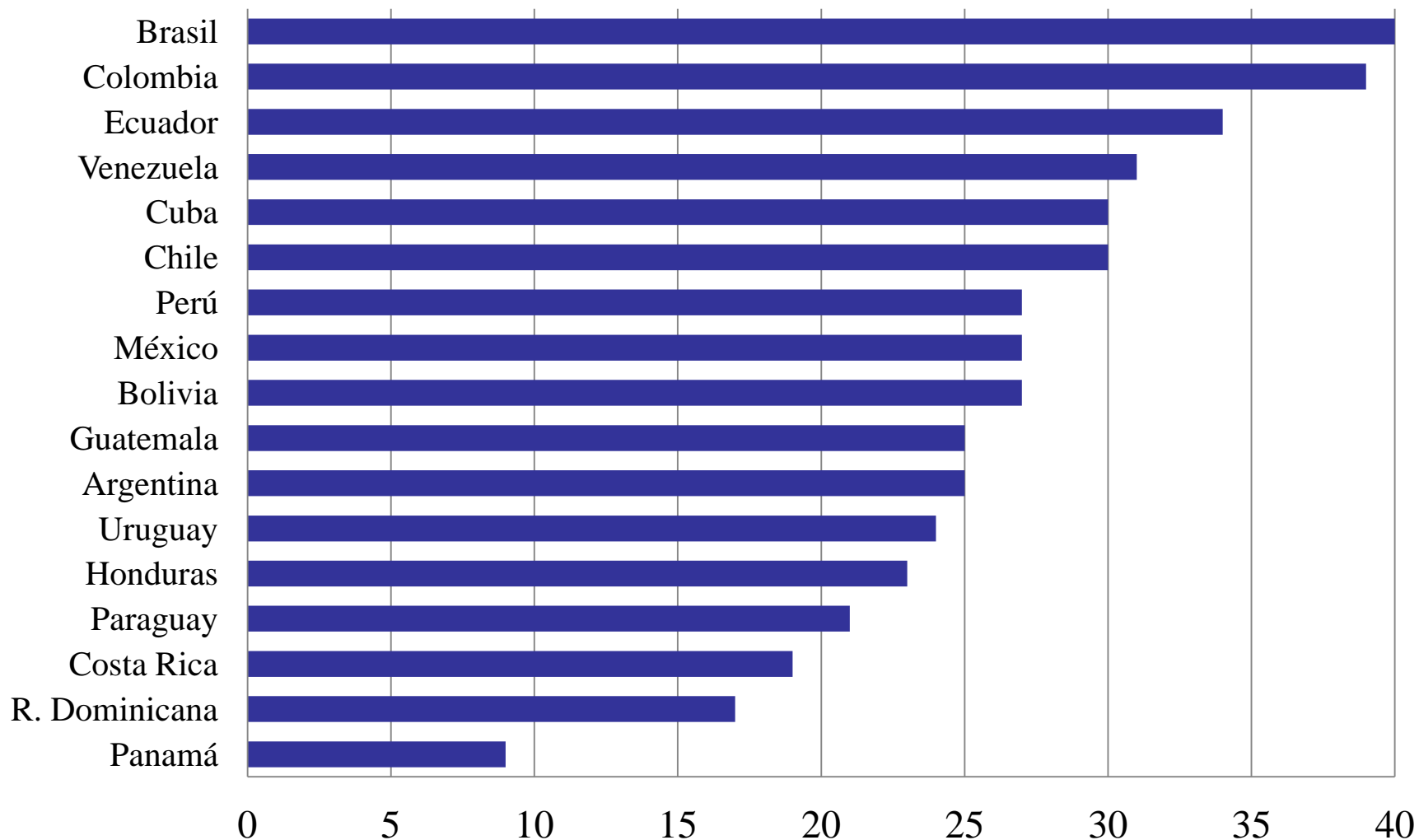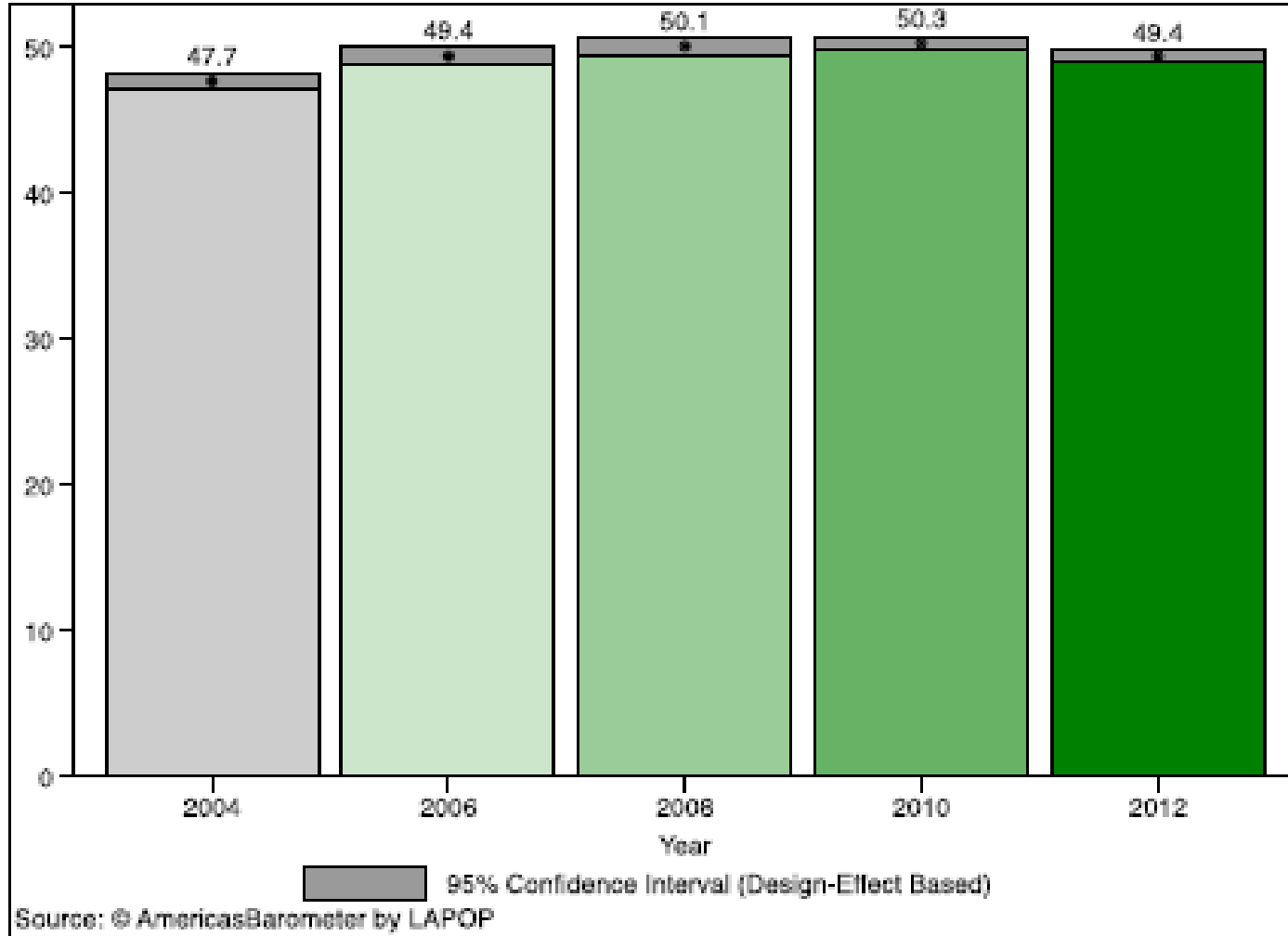
Population below 18 Year with % of Unsatisfied Basic Needs (ECLAC, 2010)
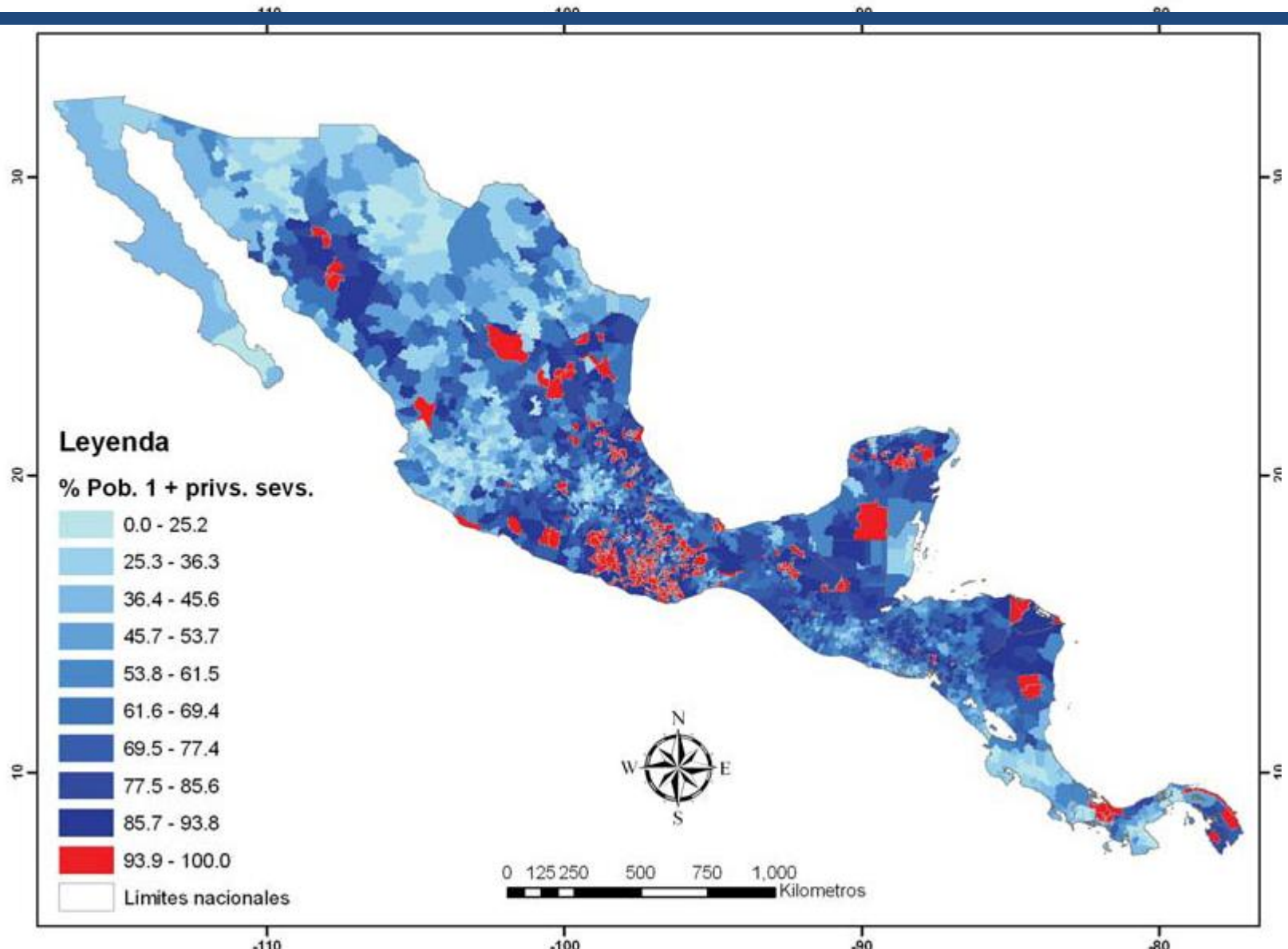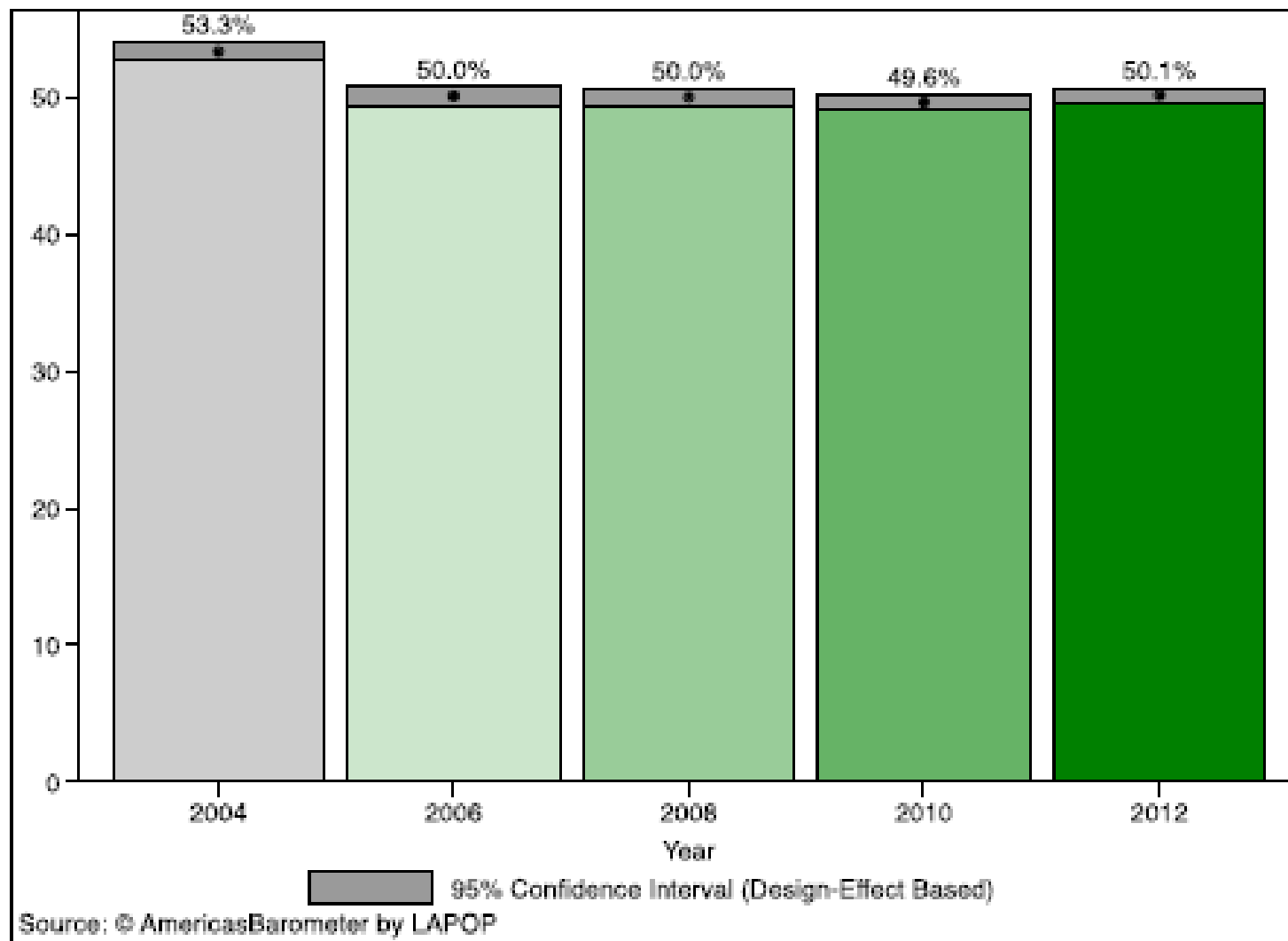
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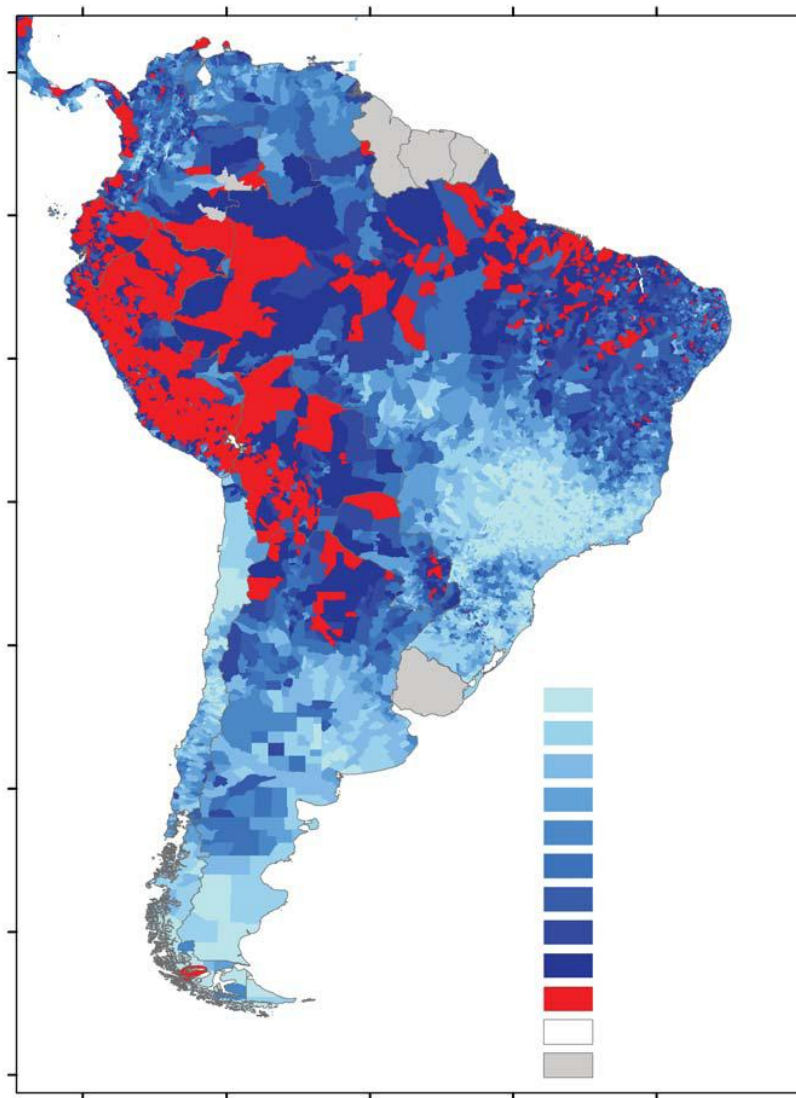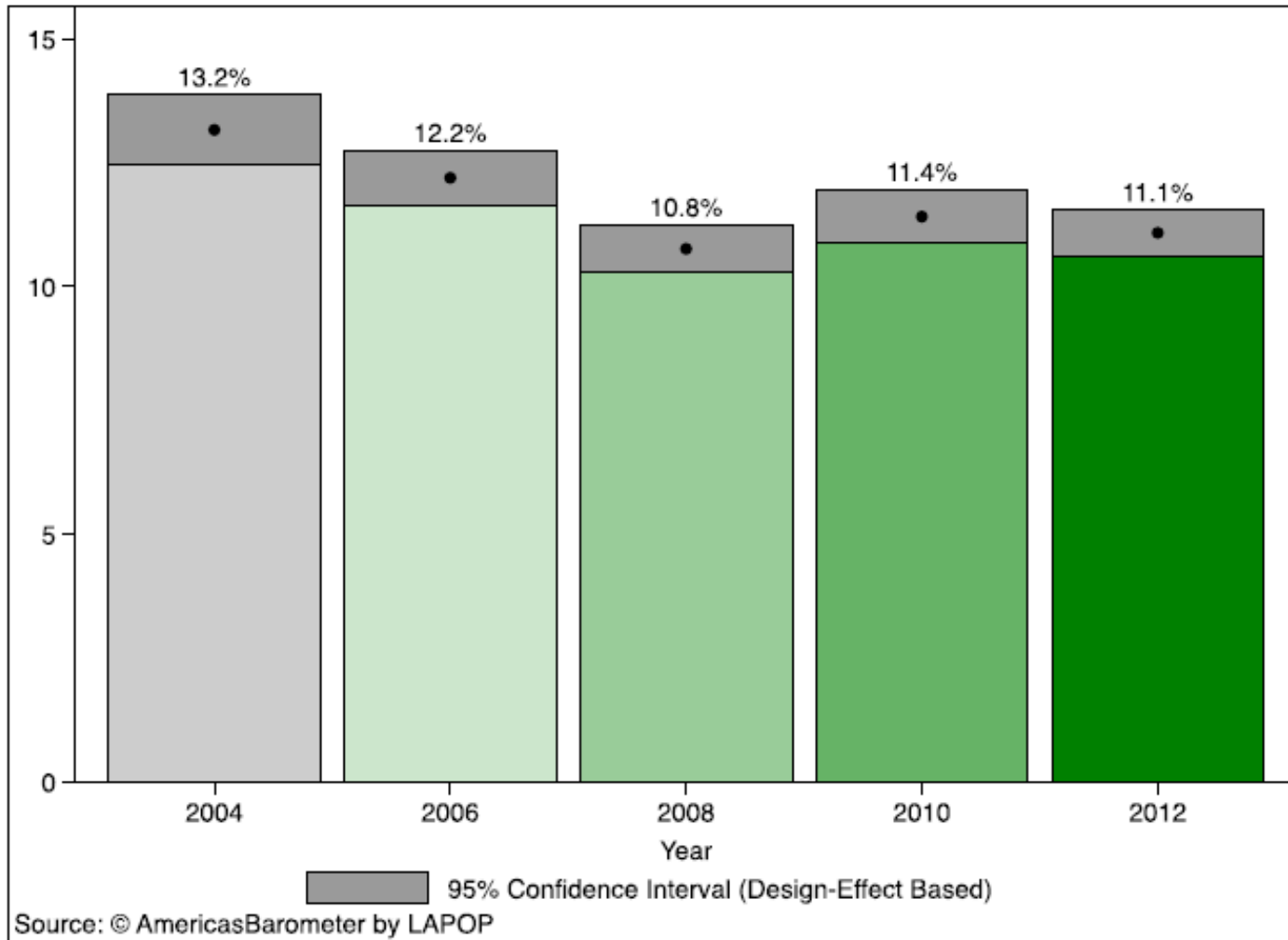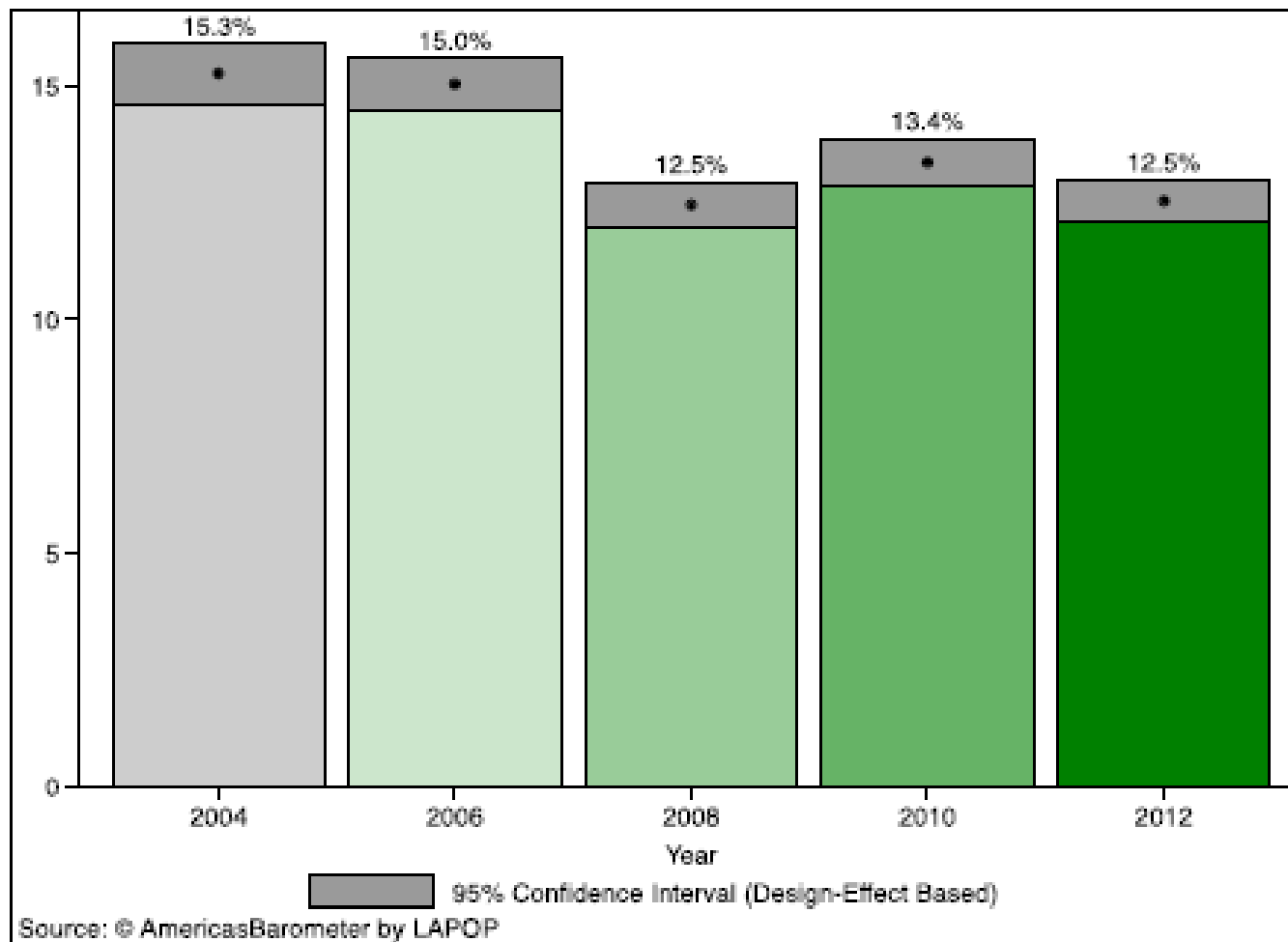
Citizen Satisfaction with Municipal Services, LAPOP 2012

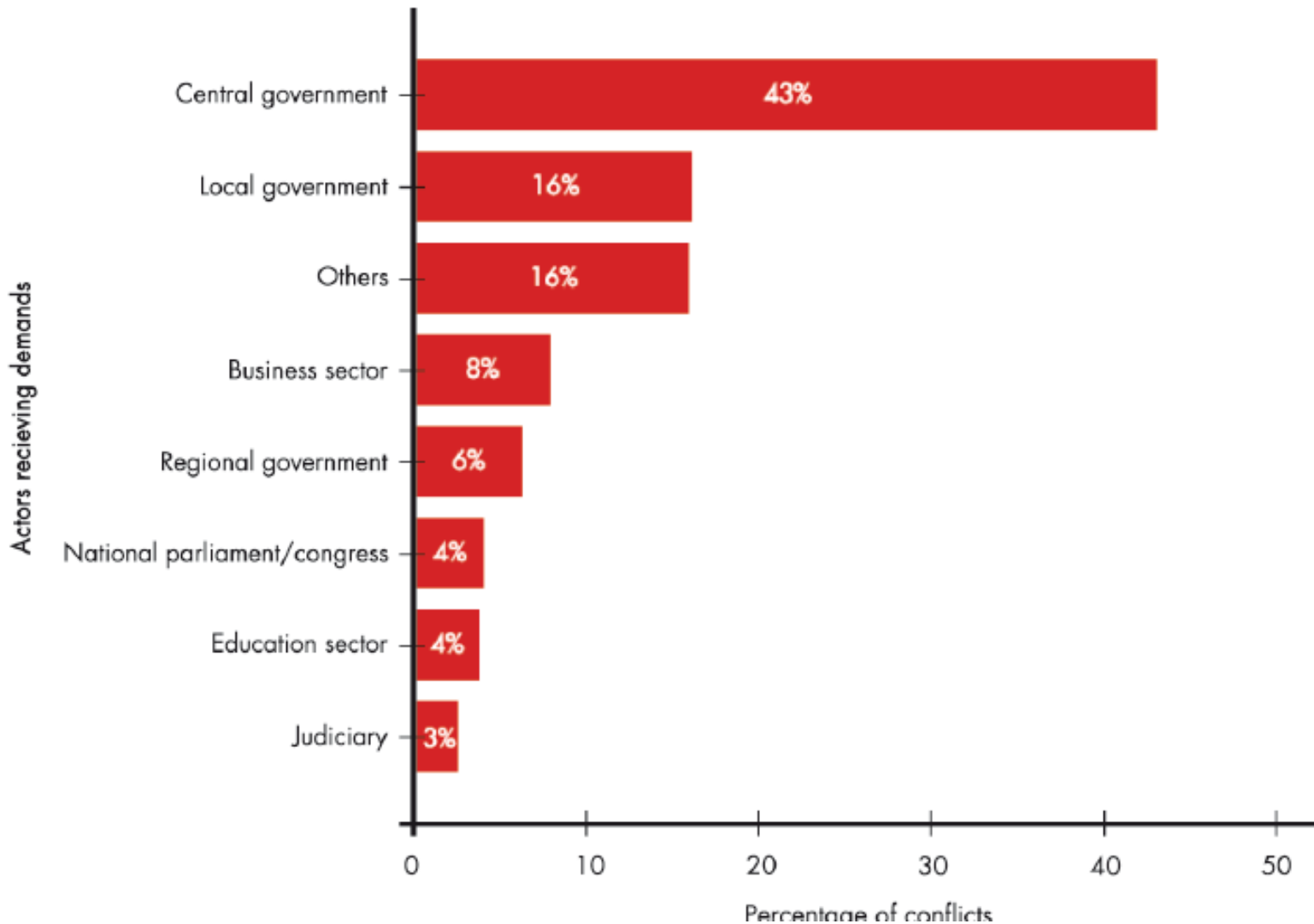# Trust of Local Governments Over Time, LAPOP 2012

Source: © AmericasBarometer by LAPOP

Average Citizen Participation in Municipal Sessions, LAPOP 2012

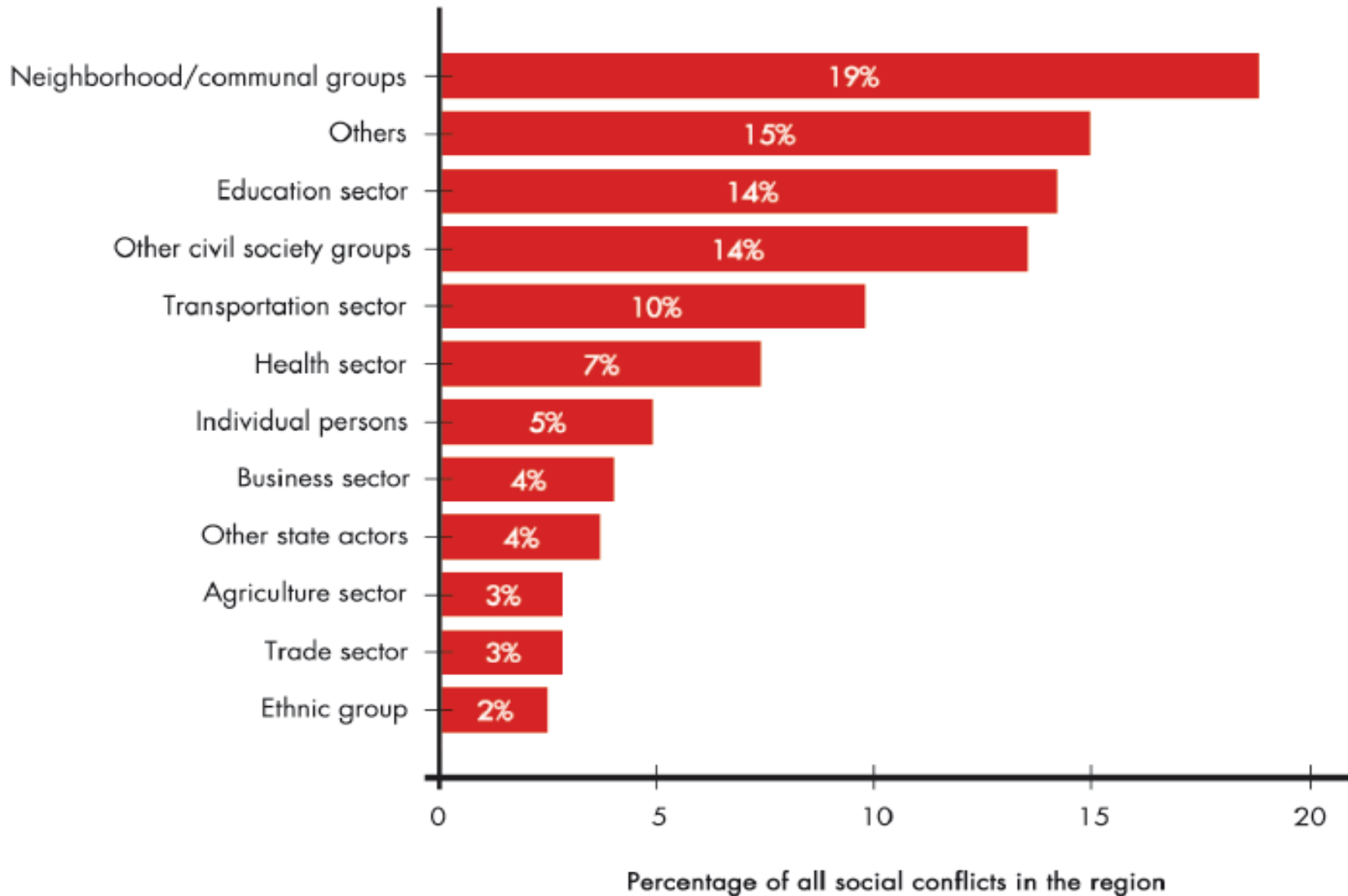Source: © AmericasBarometer by LAPOP

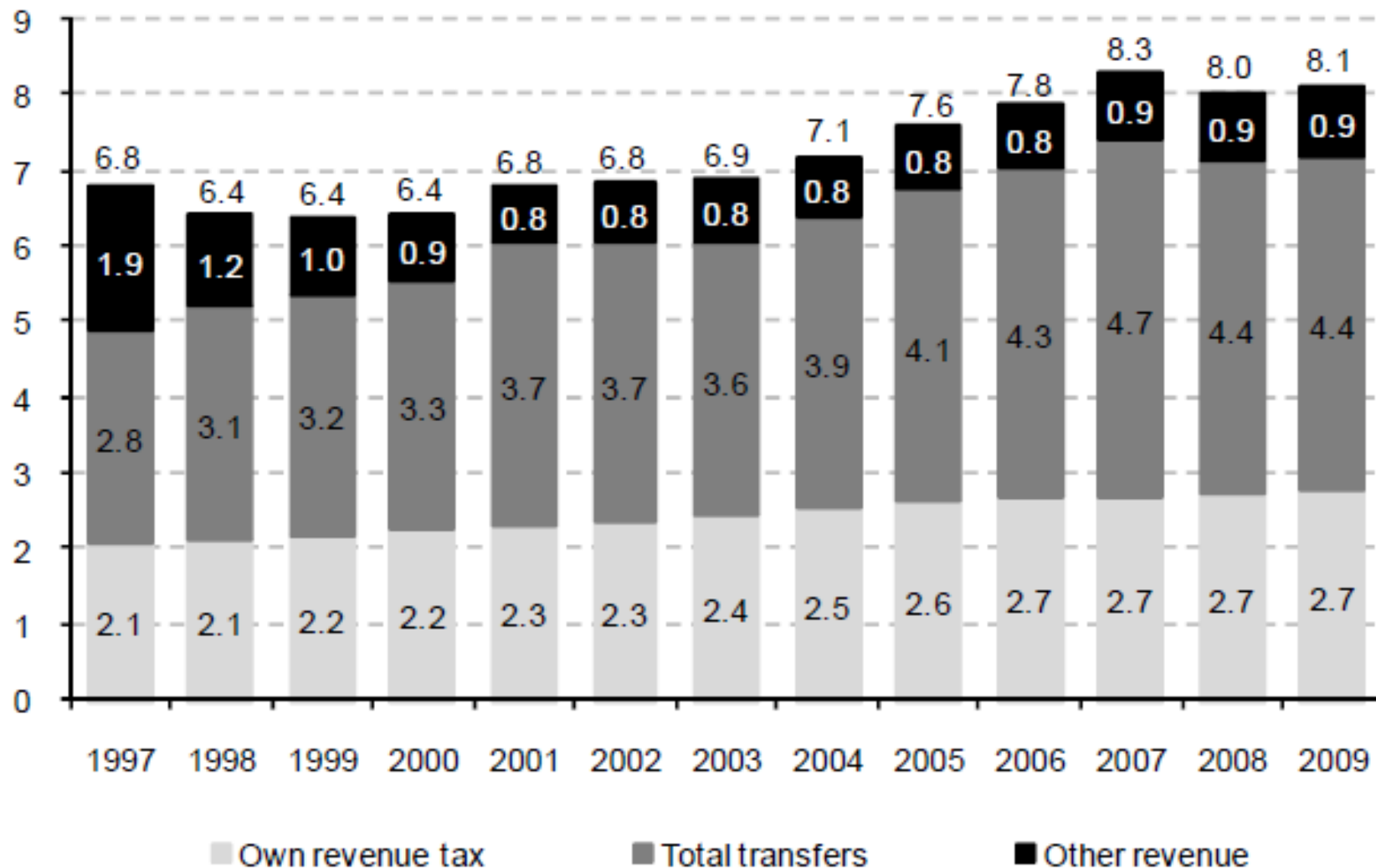# Demand on Local Governments Over Time, LAPOP 2012

Demands to Government in Potential Conflictive Situations, PAPEP 2012

# Demands on Governments are Diversifying, many reflecting Localization of Issues, PAPEP 2012

Percentage of all social conflicts in the region

Category	Percentage
Neighborhood/communal groups	19%
Others	15%
Education sector	14%
Other civil society groups	14%
Transportation sector	10%
Health sector	7%
Individual persons	5%
Business sector	4%
Other state actors	4%
Agriculture sector	3%
Trade sector	3%
Ethnic group	2%

Latin America: Average Structure of Sub-National Income, ECLAC 2011

Latin America Structure of Tax Revenues by Level of Government, ECLAC 2011
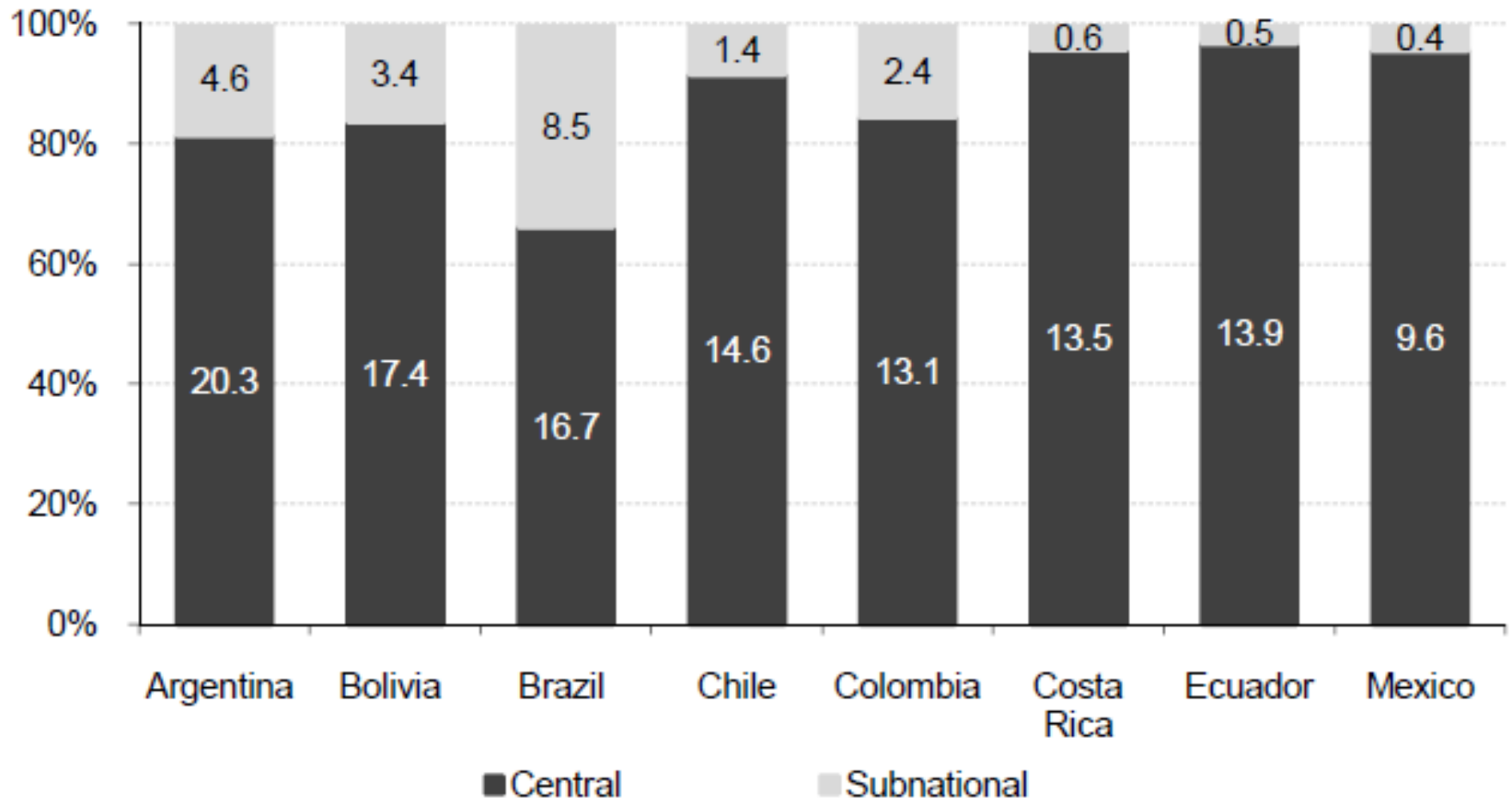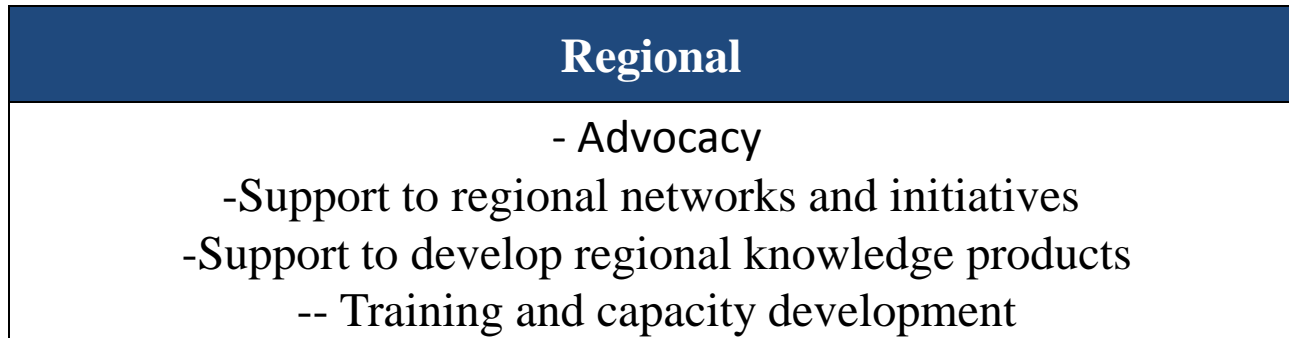
2. Major Initiatives and Approaches

LAC Context for LG & Transparency

- Busy field lots of actors and competing interests
- The "C" and "D" words are politically sensitive
- UNDP depends on government demand and resources to promote topics.
- Strategy: Focus on pilot initiatives + advocacy + evidence = (upscale and policy dialogue)
- Use of regional projects/initiatives (SIGOB, PROLOGO, TRAALOG).

Synergies and Articulation (Global, Regional and Country Office)

Advisory/policy services

Up scaling & Policy Dialogue

Global

-Global knowledge products and tools
- Global Community of Practice
-Global leadership, advocacy, partnerships and cooperation

Regional

- Advocacy
-Support to regional networks and initiatives
-Support to develop regional knowledge products
-- Training and capacity development

Country

- Support DG (cross-sector) portfolios
-Joint scoping missions, assessments, project design
-Support capacity development and national strategies

TRAALOG

Regional Initiative

Transparency and Accountability in Local Governments (TRAALOG)

- Offers technical advice and assistance to UNDP COs in LAC, and specially, targets support to ongoing initiatives and/or new initiatives that focus their attention on transparency, accountability and anti-corruption at the sub-national level (municipalities, counties, provinces, departments, states).
- Supported by DGTTF, PACDE, and by the UNDP Spanish Trust Fund.

TRAALOG for What?

Advisory Services and Technical Support for:

- ✓ Assessments

- ✓ Program/Project Design & Evaluation

- ✓ Presentation and Exploratory Missions

- ✓ Identification of Experts

- ✓ Designing and implementation of Workshops

- ✓ Incorporation of transparency and local governance topics into (UNDAFs)

Knowledge products and tools:

- ✓ Systematization of good practices and experiences

- ✓ Development and adaptation of tools.

Operational Considerations in TRAALOG and Relevance to Sectoral Programming

- Demand Driven
- Incentivizing CO leadership and strategies
- Facilitating sector governance at all levels, local-intermediate-central
- Factoring in other donor programs
- Encouraging knowledge products with regional & global value
- Targeting small initiatives at the local level that can be scaled up through policy support, development and systematization of knowledge products and tools, capacity development and partnerships.

Some TRAALOG Initiatives

- **UNDP-Colombia**: Municipal Ethics Management System and the systematization of best practices in transparency and accountability in local governments in Colombia.

- **UNDP-Mexico:** systematization of access to information laws at the local level.

- **UNDP-El Salvador:** Support the Central American Forum for Transparency, and the Thematic Round Table Discussion on Violence Prevention, Anti-Corruption and Transparency at the Municipal Level.

- **UNDP-Dominican Republic:** Support youth groups in an initiative to develop and implement a communication strategy on anti-corruption in the municipality of El Cercado.

Some Tools Produced by the TRAALOG Initiatives

- **Social Audit** Practical Guide and Training
- **Access to Information** Practical Guide and Training
- **UN-REDD** Anti-Corruption Methodology for Local Governments
- Methodology to identify vulnerabilities in **health systems.**
- Tools to measure **political and administrative capacities** in sub-national governments (including transparency).
- Tools to promote **Public Ethic Systems.**
- Tools to analyze **accountability in the water sector.**
- **Tailored-made** capacity building (youth, women indigenous)

Examples from Country Programming

- <u>Accountability, Transparency and Integrity in Public Administration</u>, mostly with Central Government entities (**Argentina, Jamaica, Chile**) some with sub-national governments (**Colombia, Mexico,** in particular project "Quality of government, accountability in Mexican federal entities."

- <u>Public Financial Management</u> working mainly with Central entities with implications for LGs (**Brazil PROGER and Fiscal Modernization, Mexico IPRO, Colombia Tax Office, Guatemala General Accounting Office**).

- <u>CSO participation</u> (youth, indigenous, women) and strengthening capacities.

Examples from Country Programming (2)

• <u>Institutional Development of Specific Government Ministries and Agencies</u> (Defence, Foreign Affairs and social security entities), other project more relevant to LGs (**Brazil** SEPLAN/Amazonas, **Paraguay** Land Registry), Venezuela Statistical Office, and **Mexico**/SIGOB)

• <u>E-government / Information and Communication Technologies (ICTs)</u> (Peru and El Salvador) others more relevant (**Argentina, Brazil, Mexico**)

• <u>Sectoral (some focused on LGs)</u> water, health (**Colombia, Mexico, Chile, Brazil, Costa Rica**).

3. Challenges

Key General Governance Challenges for Latin America

Economic Growth=More Resources

(-distribution + -accountability)?

Human Development Growth= more opportunities

(-Changing demands in terms of health, education, jobs)

Macro Policies

- Enhancing equity
- Enabling voice and participation
- Managing demographic change
- Rising Middle Class (more educated)
- *Glocalization*
- Articulation or Multi-level governance

Other Challenges

- On-going effort to move to decentralized decision making, revenue generation and spending authority to sub-national governments (political/administrative/institutional).

- Lack of normative frameworks and/or enforcement that can orient more effectively the scope and depth of decentralization processes (political/administrative/institutional).

- Systemic approach to promoting and institutionalizing transparency and accountability (political/administrative/institutional).

Other Challenges (2)

- Gaining consensus for sub-national government **civil service laws reforms**.

- Broadening efforts to improve sub-national government capacities, especially for transparent and efficient financial management (**SIAFs**).

- Developing the capacities of sub-national governments and citizens to facilitate engagement and **citizen participation** in the decision making process.

- Increasing local taxing authority and **tax collections.**

Advocacy and Knowledge Sharing

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