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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28-29 June 2013
Beirut, Lebanon
1. Background
A Snapshot of the Latin American and Caribbean Region and Local Governance & Transparency

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 growth, but…

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

- 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/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)
Population below 18 Year with % of Unsatisfied Basic Needs (ECLAC, 2010)
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

- Central government: 43%
- Local government: 16%
- Others: 16%
- Business sector: 8%
- Regional government: 6%
- National parliament/congress: 4%
- Education sector: 4%
- Judiciary: 3%
Demands on Governments are Diversifying, many reflecting Localization of Issues, PAPEP 2012

Percentage of all social conflicts in the region
Latin America: Average Structure of Sub-National Income, ECLAC 2011

The graph illustrates the average structure of sub-national income in Latin America from 1997 to 2009. The income is categorized into three components:

- Own revenue tax
- Total transfers
- Other revenue

Each year, the graph shows the proportion of each component, with specific values indicated for the years 1997 to 2009.
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)

### 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
• 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

- Accountability, Transparency and Integrity in Public Administration, 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.”

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

- CSO participation (youth, indigenous, women) and strengthening capacities.
Examples from Country Programming (2)

• Institutional Development of Specific Government Ministries and Agencies (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)

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

• Sectoral (some focused on LGs) 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.
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Local Governance and Decentralization represent a fundamental building block for a broader and improved democratic governance framework to improve public policy, the decision-making process, accountability, and human development. Moreover, local governance can be a process of intermediation that touches more directly almost all aspects of daily life. From UNDP’s perspective, local governance involves empowering actors and institutions at the sub-national levels. Considerable support continues to be needed both at the central and local levels to ensure that decentralization and local government reform are translated into sustainable local development results, which contribute to the achievement of the MDGs.

To achieve this goal, the LAC Regional Center supports the establishment of an enabling policy, legislative and institutional environment to enhance local governance and decentralization, as well as to develop and strengthen the capacity of all the relevant local actors.

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