1. Introduction

UN-HABITAT, represented by its Water, Sanitation, and Infrastructure Branch, took the lead in jointly organizing the capacity development Workshop III. with the Ministry of Government Administration and Home Affairs of Korea (MOGAHA), and the Korean Institute for Public Administration (KIPA). Held from Thursday 26 to Friday 27 May 2005, the workshop was addressed by 14 speakers and five chairs from 11 countries: Brazil, India, Indonesia, Kenya, Nigeria, Philippines, South Africa, Korea, Cameroon, Pakistan, and Germany.

The main objectives were to:

i. Discuss the role of governance in achieving the MDGs for basic services

ii. Identify the role of governments, markets and civil society in providing basic services

iii. Discuss institutional framework options enhancing accountability and transparent governance for basic service delivery

iv. Identify tools for increasing access to basic services and discuss how these may be used to increase access to services for the poor.

v. Share experiences in best practices and leadership.

The workshop discussed the role of participatory and accountable governance in enabling basic service access for all. It was organized in six sessions over one and half days, and each objective was discussed by a panel of two to three speakers. What follows is a synthesized report of all the sessions and an outline of the key messages that came out of the presentations.
2. Good Governance and Meeting the MDGs in Basic Services in an Urbanizing World

Adequate basic services such as water supply, sanitation, waste disposal, urban transportation, energy, communication and education are central to promoting environmentally sustainable, healthy and liveable human settlements, particularly for the poor. The single most compelling argument for reinventing government is the failure by the traditional state to meet poor people’s need for these basic services. Notions of governance that involve the private sector and civil society fully in decision-making have evolved in part, because without the inclusion of these non-government partners, the basic services that are most essential for survival and dignity – water, shelter, sanitation, to name a few – do not reach those who need them most. Although what constitutes ‘good governance’ is context-dependent and relative, a very necessary criterion is that it serves the people, especially the poor and excluded.

Dr. Joon–yang Kim, the President of Korea Institute of Public Administration in his opening remarks, stressed that good governance marked by transparency and accountability is possible only when the civil service is well trained, and this is the major preoccupation of KIPA. However, in Korea as in most countries of the world, this process is faced with the challenges of rapid urbanisation and globalization. These twin phenomena usher in growing doubts about the ability of government to go the issue of good governance alone. About two decades ago, efficiency was the key issue in Korean government, but now, participation and shared responsibility with private sector and civil society have become the driving force for innovation. Participation and accountability are compulsory characteristics of ‘good,’ people-centred governance. When it comes to achieving global access to basic services, participation and accountability are key tools. Through participation, power and voice is shared so that basic services can be more responsive to the needs of people. Through participation, governments strive to be more relevant to the lives of people by increasing their role in service delivery in order to improve the quality of government services. Accountable governance frameworks are bound to serve its people by transparent mechanisms which give responsibilities, consequences and recourse. Together, participation and accountability are affronts to misunderstanding, corruption, private gain over public gain, inefficiency, and the greatest enemies to global access for basic services.

In her inaugural address delivered on behalf of Mrs Anna Tibaijuka, the Executive Director of UN-HABITAT, Ms. Mariam Yunusa, Senior Programme Officer in the Water, Sanitation and Infrastructure Branch gave an overview of the global challenge of increasing urbanization. By 2020, 56% of the global population will be living in cities. The developing world is experiencing the highest rate of urbanization, outpacing basic service provision, and resulting in the rampant growth of slums. While the needs are basic, the challenges are increasingly complex. Technical fixes are no longer enough. The challenges posed to urban management by these contextual issues require bold leadership, an enabling policy environment at central and local government levels, and most important of all, radical transformation in the way municipalities conduct their business, in terms of institutions and systems.
The social intricacy of human settlements means that the challenges are now more human, and hence complicated, in nature. However, the global challenges of poverty, insecurity and environmental degeneration become more manageable when seen through the prism of local governance and community involvement. When human settlements are seen as a vehicle for development, local challenges can begin to be addressed through local actions where local democratic processes provide fertile ground for innovative ways to articulate and satisfy people’s demands. UN-HABITAT has therefore worked progressively with the global system of human settlements at the local level to place them at the centre of this challenging decision making process. The formation of the United Cities and Local Authorities as a global umbrella for local authorities in May 2004 in Paris is the culmination of these efforts.

3. Institutional Frameworks

National governments have the overall responsibility to ensure that all of its citizens have access to basic services and that the services are provided in an environmentally sustainable manner. National government must take lead in implementing and applying standards for transparency and participation. In addition to setting targets, standards and clearly defining roles and procedures, due process and procedures by the national government, such as open bidding processes for procurement of basic and other services is a key tool for the maximization of resources, developing innovation, and inevitably, meeting the needs of all. Mechanisms to support transparency must apply not only to expenditures but equally to revenue. Mrs Oby Ezekwesili, the Head of Budget Monitoring and Price Intelligent Unit at the state House, Abuja Nigeria demonstrated through the due process in Nigeria how a decisive stance by the Federal Government set the pace for other levels of government to follow in prudent management and accountability for public resources. Over a period of two and a half years, the sum of US$ 1.2 billion was saved from 300 contracts that would have gone to the wrong winners. The Federal Government’s leadership in this sends an important message to other levels of government who have signed up to the process.

A consensus is forming on the need for a paradigm shift in the way that civil society participates in governance. Participation is not yet integrated as fundamental to governance processes, but remains peripheral, an “add-on” to normal business. Civil society and the private sector must be upgraded from “client” to “partner” if their full potential in achieving access to basic services is to be reaped. In a partnership model of governance, the exchange of ideas and synergies between different actors can be maximised. Professor Kuensei Kim of Sungkyunkwan University presented the findings of a study using the employment service sector in the Republic of Korea. The findings show that the Korean Government needs to move from procedure oriented governance to more network and market systems, because the principles of good urban governance are contingent in employment service delivery. This requires information sharing, consultation and partnership, the unguided consequence of which may be the advancement of private benefits at the cost of the public good.

The growing acceptance of the private sector as a governance actor has not quieted resistance to private involvement in the provision of basic services. While the debate over private sector participation in basic service delivery continues to rumble, the focus of the discourse has shifted to how to improve access to basic services through pro-poor governance frameworks, capacity building local empowerment, and improved communication between actors. Rather than concentrating on who provides the service – the answer to which is context-dependent and practical – the attention has turned to governance frameworks for improved basic service delivery. Inevitably, participation and accountability emerge as fundamental principles for pro-poor governance frameworks for access to basic services.
The shift beyond the public-private debate has enabled an expanded view of the component actors in service delivery. An example, particularly pertinent for basic service access, is the growing and integral part of the private sector that is informal. In many developing cities, the majority access water and sanitation services through small scale enterprises where they pay up to 10 times more than their piped-water neighbours. Accepting, if only as a temporary solution, the informal sector as a key actor in basic service delivery is a first step in seeing how their role in service provision might be improved for the benefit of poor communities.

In any case, it is imperative for governments to introduce new paradigms by encouraging innovative frameworks of governance particularly at the local level. Peter Eigen, the Chairman of Transparency International, advanced that it is very critical that integrity systems should be installed at the local level if the system is to operate in a participatory and transparent manner. An integrity system is a coalition of the three sectors: public, private, and civil society. Studies on the subject reveal that local “integrity systems” between public, private, and civil society can build trust between people and their governments, a fundamental prerequisite to participation. Each country should define its own integrity systems to suit local values. However, the standard is that the weak, vulnerable and poorer members of society have access to basic needs for their livelihood. Where, for instance in the case of water and sanitation, small scale providers form an integral part of the local integrity system, the poor will not easily be side-tracked, and the consequent poor health of the community cannot be easily ignored.

In his presentation on the Kibera slums, Amos Kimunya, the Minister for Land and Housing of Kenya stressed that Government recognize the poor people in the slums as full citizens with rights and so should be listened to and their opinions taken seriously in designing solutions for their own welfare. He said that integrity systems (settlement executive committees) are in place to oversee the slum upgrading process at the local level. Kibera, a slum with 750,000 people, is sitting on land belonging to government, and the challenge remains to rationalize and modernize the physical planning process, including making land available for settlement growth and development. Tools for improved transparency such as e-governance are becoming indispensable in enhancing the operations of local integrity systems.

4. Decentralization

There seems to be a growing consensus that basic services pose local challenges that are most effectively addressed at the local level. Smaller, more local constituencies tend to be more accessible, and lend themselves to greater opportunities for increased participation and dialogue. Local needs can be felt more directly and articulated into solutions. Although decentralisation is not a necessary condition for responsive, participatory governance, it tends to favour it. The trend of decentralisation in recent decades has seen responsibility for basic services devolved to the local level, bringing with it great potential for increased participation and accountability. However, although it has the potential to respond better to the needs of all citizens, it also brings challenges.
Local responsibility (devolved or not) must be accompanied by the mandate and capacity for effective and equitable implementation. Revenue generating capacity is necessary to enable local authorities to carry out basic service delivery functions equitably and effectively, yet fiscal autonomy is often the last step in decentralisation. Legal frameworks are another limitation. Brazil presents an example where decentralization has taken root and municipalities have galvanized themselves into a formidable sphere of governance able to influence federal laws. In the example given by Marlene Fernandez of the Brazilian Institute for Municipal Administration (IBAM), the Institute has the responsibility for strengthening municipal autonomy in Brazil, but that the sphere of fiscal autonomy to match the statutory responsibilities continues to be tricky. So also is the question of what to do with post-communist societies where dependence on central government continues to linger at the local level. Beyond creating a conducive government – what is the role of local government in such societies? It is required that people in power change their perception of participation, from viewing other actors as clients to accepting them as partners – this is the new approach, which has made participatory budgeting a successful initiative in Brazil.

5. Deliberate Participation

Participatory approaches foster a sense of ownership and enhance accountability and transparency in service delivery, because they help to mobilize and invest individual resources as well as the social capital of communities. However, involving the poor in a profitable and sustainable manner does require a strong and comprehensive institutional framework based on appropriate laws and regulations, as well as processes and structures complimented by capacity building initiatives aimed at offsetting the inhibitions of those social groups that have long been excluded, and the distortions in power relations that exist both at local and national levels.

Wicaksono Sarosa of the Urban and Regional Development Institute of Indonesia, posited that one way of meeting the MDGs is development of social capital through participation in basic infrastructure service delivery. In this vein, deliberate participation or “infrastructure-based community development” (to invert the phrase) has given rise to some of the most successful initiatives to increase access to basic services in Java and Djakarta in Indonesia. Just as it is challenging for governments to integrate civil society into their paradigms of governance, the poor and disenfranchised often cling to disabling expectations of the State. Participatory, community-based development initiatives can be transformative in empowering, while creating access to basic services. Rather than using community to develop infrastructure, bringing communities together to address a basic common need such as infrastructure is used to develop the community itself, while increasing the voice of the poor to demand for services. In this way, collective confidence is created for the community to meet its own needs.

Allowing the community to mobilise itself around an identified need strengthens the social capital and has severally confirmed that very often, the process is more important than the outcome. In his presentation, Richard Levin of the Department of Public Service and Administration shows how the Government of South Africa uses the Empowered Deliberative Democracy Forum (Imbizo), to engage citizens in decision making. The Imbizo is an adaptation of traditional forums at which political leaders meet with and consult communities on pressing matters and are increasingly important consultative events in the political calendar. In a hierarchy of needs, poor communities in South Africa placed basic services in the third place after economic empowerment and political inclusion, showing that participation is a critical factor in their context.
Mr Jae Moon of the Department of Public Administration alerts that meta trends in governance shows that globalization is posing new challenges to local participatory processes. Good governance as measured by performance and accountability in an environment of different sectors, levels, values, and functional areas means that decisions should be made based on possibility as well as rationality.

6. Leadership

The personality of a local leader is an important element in engendering participation. The example of slum upgrading was given from Bhopal by Mr Sathya Prakash shows that the integrity of a local leader is very important because they have reverence, as opposed to political power. Civil society leaders are key characters for transparency because they allow community to trust the process. Mayor Sally Lee of Sorsogon City in the Philippines demonstrated how innovation in health care service delivery became a rallying point for community development and social value reorientation. Once the Mayor defined the goal of the innovation to bring health services closer to the people, they willingly volunteered to embark on an initiative that brought health services closer to the people and improved sanitation facilities thereby reducing the mortality rate in the community.

In implementation, participation may be too time-consuming. However, in decision-making processes, it is essential. Once people are convinced of the advantages of the programme and know the benefits, they will support the process and contribute with every social capital at their disposal. For example, slum dwellers in Bhopal knew that through the slum upgrading program they would gain loose ‘tenure’ to their land. Resistance is the result of mistrust. The government meets with resistance when programs are introduced from the top. The bottom-up process is really essential, because by the time the program is formulated, the beneficiaries should have ownership. In this process, the quality of the leadership of the civil society is important. Leadership can be a catalyst, but it also must be guided and be subjected to the norms of good governance. When leaders of NGOs stay in position a long time, they develop “founderitis,” because of the power structure they have created. Care is required in supporting the right type of leadership.

7. Capacity Development

Decentralisation of responsibility to the lowest, most suitable level requires that the capacity exists to support it. Decentralization, in itself, is not sufficient, unless it is accompanied with capacity strengthening of related institutions. Training to local governance actors that is impact-oriented, on-going, affordable, and sustainable is needed. Beyond the building of technical capacity for service provision, the capacity to be participatory and accountable is critical at the local level. While the proximity of local government to beneficiaries of basic services lends it vast potential for expanded participation and transparency, local government remains subject to corruption. Training must therefore also address the need for capacity to govern transparently.
In the new governance frameworks, sensitisation and skills development must not only address governments, but other relevant actors. As services like water and sanitation are increasingly privatised or outsourced, the awareness of these institutions to the needs and plight of poor participants needs to be raised. Community-based organizations, for instance, may also be trained in ways to communicate with governments and utilities with the aim of improving the strength and effectiveness of their voice for service provision.

UN-Habitat has been successful in the development of tools to build capacity for local governance on themes such as local leadership, transparency, conflict resolution, participatory planning, and financial management. John Hogan, a Programme Officer with the Training and Capacity Branch of UN-HABITAT describes how successful skills development leverages resources for change, is linked to national programmes, is well disseminated, and has spin-off effects.

Cities that adopt the reforms are offered training assistance from the national level to help them with implementation. Among lessons learned on building capacity are that the citizens are better served and the number of services provided increase; local authorities gain ownership and sustainability of the program is guaranteed; synergy and collaboration increase and the impacts are more visible. It is also evident that that training of trainers promotes up scaling of services delivery. Linking training to ongoing regulatory and legislative reforms, and using existing local / national training institutions assist to promote and fund the training, which helps to ensure sustainability.

Capacity building has enormous potential to transform institutions, but not all problems can be addressed by training courses. Capacity must be accompanied by the necessary structural change. The Due Process reforms introduced by the Federal Government of Nigeria are being adopted by states and local authorities on a voluntary basis. The change will be slow but certain when the process is adopted as the standard for conduct of public service.

8. Resource Mobilisation

The capital demands for meeting the millennium development targets are substantial and the debate so far has tended to focus heavily on sources for financing. However, social capital is abundant, but has largely been under-utilized. Without excusing public institutions of their responsibilities, the capacity for communities to exploit their own resources in acquiring access to services must be developed, not only as a means to an end, but also for empowerment, sustainability and social development. Best practices demonstrating the effectiveness of community efforts in providing basic services were presented by several speakers from Cameroon, Pakistan, and India. Each of the examples show that with little help and support with information and enabling, the people get a lot done on their own. The Anjuman Samaji Behbood (ASB), approach from Faisalabad in Pakistan is founded in the notion that people must contribute to their own development initiatives. Through community efforts, 80 communities including 8,976 households now enjoy in-house latrines, sewerage lines, and collectors. Seventy percent of these were self-financed, managed, and maintained by the community, while government is left to contend with only the construction of trunk lines and treatment plants, representing only 30% of the cost of providing access to the sewerage system.
In addition to building infrastructure, the methodology used has increased ownership, sense of community, empowerment, organization, and labour skills. Community initiatives need to be respected, accepted and supported by professionals and government. But as illustrated, it is often the case that there is a net resource flow from the poor citizens, to benefit the better off. If nothing else, elected government has a responsibility to create an environment that is supportive to community initiatives.

A strong government can facilitate infrastructure based community initiatives by creating a conducive environment which demonstrates good governance and following up with its own support for larger infrastructure projects. In India, for example, Mr. BN Puri, the Adviser on Transport for the Government of India, proposed that urban transport has macro-economic and non-economic objectives and where responsibilities are spelt out in a defined partnership, an optimal inter-modal mix is key to reducing the major externalities associated with urban transport and their negative effects of communities. An analysis of public transport sector in India shows that more is lost on road accidents than is spent on providing the service. Likewise more is lost in terms of health and productivity than spent on water and sanitation service provision. Government should internalise the high cost implications of poor living environments as a compelling basis for enhanced investment in provision of basic services.

9. Information

For participation to be meaningful, real, ongoing efforts must be made to enable access to information and the decision making process. Updated and disseminated information systems create public awareness and effective feedback systems between the people and government and help to internalise the externalities of globalisation. As born out by the Nigerian due process, the availability of common public information empowers citizens to pressure governance actors to be accountable. Transparency is the enemy of corruption, which thrives in secrecy. The open sharing of information creates trust and facilitates consensus-building on collective concerns and priority action. Updated information systems like municipal data including GIS maps to which citizens have ready access are an essential part of transparency. National and local authorities must keep up to date data for planning and investment.

Mr. Nazir Wattoo of the ASB in Faisalabad argues that the absence of documented existing physical, and social infrastructure maps is the major cause of inappropriate projects, corruption, inflated costs, and severe problems of operation and maintenance. In the absence of adequate information, all planning is done on an ad-hoc basic. In Yaoundé, Cameroon, Pauline Biyong presented a participatory study on sanitation issues in communities located within the lower basin of the Mingoa, which helped raise collective awareness about key health issues, and by distilling the source of problems, point the way towards action. In this case, information collection empowered the community to meet their own basic service needs. The Due Process in Nigeria is successful, because it is accompanied by publication of the budgets showing the sums that are allocated to each level and for each function, thus demystifying the revenues accrued to every government agency.
The municipality of Khandwa, India, increased the effectiveness of public services enormously by modernizing its administration of records. By computerizing its records and issuing birth and death certificates, updating property and tax registers and simplifying payment, municipal revenue jumped from 2.32 to 5.92 Crores in 3 years. The increased revenue allowed the Khandwa Municipal Corporation to invest in the extension of water and sanitation services. Much of the success was attributed to the strong information campaign, which enabled residents to envisage and appreciate the eventual benefits of the programme.

10. Best Practices

A sample of best practices which demonstrate the above principles of transparency and accountability were presented by Vincent Kitio, a Programme Officer of UN-HABITAT. The agency defines best practices as “initiatives which have made outstanding contributions to improving quality of life in cities and communities.” More specifically, best practices are actions which: have a demonstrable and tangible impact on improving the people’s quality of life; are the result of effective partnerships between the public, private and civic sectors of the society; and are socially, culturally, economically, and environmentally sustainable. Additional considerations include: leadership and community empowerment; gender equality and social inclusion; and innovation within the local context and transferability. Four best practices which illustrate these principles in various mixes were presented:

- Revitalization of two rivers in Chengdu, China
- Liveable Regional Strategic Plan for the Greater Vancouver Region, Canada
- Integrated Programme for Social Inclusion in Santo Andre, Brazil; and

The common lessons from the above practices are that: the process is more important than the outcome; community-based processes are holistic and inclusive; the process and not the solution is transferable. Other key elements that lead to the success of the project are: the leadership commitment, clear vision and good governance. In Canada, China, and Brazil, the formulation of a shared vision guided the development of the initiative. The use of social capital to provide social services and create wealth was clearly illustrated in the Benin case.

While presenting key motors that are propelling the modernization of Germany at the national level, Marga Proehl of the German Federal Ministry of Interior identified modern management strategies, the streamlining of bureaucracy, and e-government. The set goal of local governance is to achieve indicators of quality of life which allow monitoring, comparison, and common learning processes at all times.

10. International Cooperation

Human settlement systems provide the framework for systematic service delivery for poverty alleviation and economic development. So local authorities who deal directly with the associated daily challenges should be empowered to drive development and globalisation through local plans and local action. The voice of cities and settlements as represented, for example, through the United Cities and Local Authorities, should be given global listening through all international forums concerned.