



Position Paper

**International Conference on Decentralization, Local
Governance and Service Delivery: Sharing Experience
and Sustaining Progress in Urban Iraq, 8-9 May 2011,
Amman**

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FOR A BETTER URBAN FUTURE

International Conference on decentralization, local governance and service delivery: Sharing experience and sustaining progress in urban Iraq.

Background:

Decentralization has been gaining increasing attention as a means of improving the provision of public goods and services as reforming public-service delivery has moved to the forefront of the current policy agenda. For many years, local governments have been recognized as key actors in economic and social development of any society and also as starting point for democratic expression. The local authorities are representative, legitimate and efficient in steering local urban development.

In developing countries, governments have experimented with different forms of decentralization to bring service delivery closer to the people. National governments are increasingly sharing the responsibility for service provision with the local governments in a variety of public arrangements that aim to increase the accountability and responsiveness of service delivery. It has been widely observed that the decentralized service delivery results in quicker gains than with centralized system.

In Iraq:

The experience of decentralized governance in Iraq is minimal. Only since 2003, has the Republic of Iraq has embarked upon structural reforms when it adopted a federal system made up of federal-led authorities: (i) a federal region, the Kurdistan region comprising of three governorates and (ii) 15 governorates outside of region of structure, comprising the capital Baghdad and 14 governorates constituted of 251 municipalities. The 2005 Constitution advanced the reform process by establishing a model of decentralized political and administrative government through devolution of authority to the governorates (provinces). In March 2008, the Provincial Powers Law defined the roles and responsibilities of both the elected local bodies and the associated administrative units at Governorate, district and sub-district levels. This Law indeed provides a strong basis for the empowerment of local governments. But it does not provide a comprehensive insight to establish an effective and efficient decentralized system in the country.

At both the political and administrative levels, the law directs towards greater decentralization which represents a profound transformation from the way government decision making process operated under the previous totalitarian regime. While on the other hand, the law failed to delegate sufficient power to the local councils, despite a consecrated devolution of power through the Constitution and the Provincial Powers Act. Under the given circumstances, the challenges therefore lie at the heart of the development of the new local governance system in Iraq.

The conference

Participants:

Key participants are the representatives of Iraq Local Government Association from Iraq.

Languages:

The conference will be conducted in Arabic and English with simultaneous translation.

Venue:

Amman, Jordan **8 and 9 May 2011** with a field trip to Istanbul, Turkey **11 -12 May**.

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For further background, click [here](#).

Background

Rebuilding governance in Iraq

For fragile and post-conflict states, rebuilding governance is key step toward stabilization, reconstruction and transition to socioeconomic recovery and growth.

The World Bank Institute noted in 2008 that matters like devolution of service delivery authority at the local level and an inter-governmental fiscal transfer policy (oil resources) were yet to be addressed. Federal resistance to fiscal decentralization has been evident ever since Coalition Provisional Authority orders 71 and 95 were passed. The pressure will grow if the provinces feel frustrated by the federal governments continued resistance to decentralization.

In-spite of many challenges, the consolidation of the decentralization process continues. For the first time in 2006, the ministry of finance, created a budget transfer process to allocate 15-20 percent of the central capital investment budget to the provinces and the Kurdistan Regional Government for their discretionary use. Performance in budget execution by the provinces has been mixed, but generally they

Factors influencing the development of effective decentralized local governance system in Iraq:

- resistance to increased decision-making authority at the local level amongst central ministries
- ethnic and sectarian divides have plunged the country in an internal civil strife
- lack of initiative at the local level. A disempowered citizenry and limited or nonexistent opportunities for local initiatives and local empowerment
- limited political will to consider alternative forms of service delivery through local administrations
- absence of local government systems to establish revenue collections, budgeting and planning
- limited financial autonomy to local governments
- weak connection between monitoring of service delivery and government capacity to deliver
- absence of systematic and institutionalized approach to local participatory planning process

managed the job well and it should therefore be considered as a progressive initiative (Brinkerhoff and Johnson 2009). Similarly in the same year, provincial councils from all 18 provinces formed a national association known as the Local Government Association, to identify the issues of common interest and lobby the central government and the council of ministers to address the same. Interestingly, the performance of the provincial councils is rated better than the national government particularly in writing and approving key legislations (RTI International 2008). In each of the provinces, the preparation process of Provincial Development Strategy involved widespread participation of non-state actors (including district and sub-district council members) which also reduced the conflict over resources as win-win solutions were identified (Brinkerhoff and Johnson 2009). Council meetings across all the provinces are open to the public while in several of the provinces the meetings are even regularly televised. The situation had further evolved and a new Minister of State for Provincial Affairs was appointed.

The successful conduct of provincial elections in 2009 has been important in contributing to a degree of stabilization. As service delivery deficits have remained significant, there is a strong dissatisfaction with the national government which ultimately also reaches to the local government. It is thus realized that in the immediate post conflict period of reconstruction (like in Iraq), citizens are most concerned with the security and effectiveness functions of governance. Safety and services are two areas where administrative deconcentration can have the most direct impacts. The Iraq experience in terms of political participation is encouraging. As indicated, the provincial governments are found competent in engaging citizens and dealing with political issues within and between the jurisdictions and achieve significant governance outcomes. While in terms of central-local relation, the Iraq situation is still volatile as political players vie for influence and battle for power (Azfar et al., 2001). The decentralization approach in Iraq therefore summarized as beginning with deconcentration¹ in the short term while creating the building blocks to institute more devolved form of governance in the long run (Brinkerhoff and Johnson 2009).

Clarity is not achieved by a mere act of legislation or a constitutional demarcation of functions between tiers of government. The developing world is full of such documents, and they are routinely ignored or violated. The recent trend of national economies is urban and the cities are found as the principal engine of development. Yet cities do not deliver on the promises of a better quality of life to the extent that they could. Despite the relatively high incomes of urban populations, the quality of urban services in major cities is poor. The deficiencies in urban

Some glimpses of 'urban sector' situation in Iraq:

- outdated system of urban planning and management causing unplanned expansions
- national housing shortage of 1.5 m units
- existing city master plans are obsolete hence does not provide any direction to future development
- highly centralized decision making system
- municipal staff have not received any skill development training in last two decades
- elected municipal councils have no legislative or executive powers. No clear division of responsibilities between municipalities and governorates
- Local Governmentss have virtually no sources of revenues on their own
- demands of local services are unmet, infrastructures are neither rehabilitated nor added hence urban living conditions are slowly worsening

¹ Functions and decision making authority related to planning, finance and management is transferred among different levels of the central government. This system is seen as the weakest form of decentralization, whereby policies and opportunities for local input vary.

services are not always because of resource constraints, but also of problems of management. Rapid urbanization in developing countries is placing increasing strains on the financial capacity of governments to provide the urban services and infrastructure that will be needed to promote sustainable economic growth.

Over 70 percent of the Iraqi population lives in cities and towns. Baghdad alone accounts for about six million people (23 percent of the total population). The municipality of Baghdad reports directly to central government while the remaining municipalities report administratively to the governor though they are under the supervision of the Ministry and hence loyalty stays with the Ministry of Municipalities and Public Works. The urban sector provides the framework for the delivery of housing, infrastructure, local economic development and government services and is therefore central to the living conditions of the vast majority of the Iraqi population.

The proposed international Conference on Decentralization, Local Governance and Service Delivery is therefore expected to deliberate on some of the fundamental issues relevant to Iraq context like: what sort of decentralization policies lead to a more innovation and/or effective involvement of local government in the provision of infrastructure and services; how the growing urbanization will impact the overall local development under the ongoing decentralization scheme and in the absence of any electoral governance structure at the urban level in Iraq; what lessons the Iraq can learn from the recent trend of urban decentralization; how the governance and its many forms applies to cities and what is the specificity of urban governance and how does it function; how can one characterize the context in which Iraqi cities are evolving. The conference will directly feed into the proposed National Conference of Economic and Social Commission for Western Asia on 'Decentralization and Local Governance in Iraq' which aims to develop an action plan that would further enhance the decentralized model and promote local governance in Iraq.

Objective:

The objective of this conference is to provide an opportunity for Iraq Local Governance Association representatives to learn, experience and benefit from the process of decentralization, local government building and service delivery practiced in several neighboring and other selected countries. The conference will provide a focused practical perspective on how decentralization in **urban areas** promotes local government as an effective tool to service delivery.

The Approach:

As mentioned above, the conference will aim to share the experience of different countries that have been continuously engaged and learning lessons in the field of decentralization, urban governance, and service delivery in their respective situation. To be more specific, the follow questions will guide the conference proceedings and promote discussion across different disciplines and geographic boundaries.

a) Urbanization: why is urban governance important?

- b) Fundamentals of decentralization (administrative, fiscal and political): how they are applied in urban areas?
- c) Forms of decentralization: what models exist for administrative organization and political representation for urban areas of different sizes?
- d) How do cities fund themselves: through own sources and central-local transfers?
- e) Service delivery in cities: experience in water and sanitation, transportation and housing and land.

The conference anticipates considerable debate and rich discussions and hence it is designed to be participatory, interactive and full of opportunity to ask questions and seek answers. Alongside, every session will allocate a dedicated time for clarifications and open discussions which could also get extended to other social breaks. Relevant notes and handouts will be distributed in advance in order to facilitate the sharing of the technical papers.

The conference will include two sets of papers. The technical paper will be delivered by individual experts who will focus more on communicating practical knowledge and exploring valuable lessons relevant to the situation of Iraq while the country specific experiences will be shared by the representatives of the respective countries having long field experiences and contextual awareness. However, papers from both the groups will add substantial value in creating a simple but systematic understanding of inter-linkages between the process of decentralization, urban governance and service delivery among participants originating mainly from Iraq.

The conference will be followed by two days of field tour where participants from Iraq will have the opportunity to interact with the local players and experience the outcomes of the decentralization process on the ground. The tour is also expected to provide a good insight of application of the concept including the challenges faced and the process by which solutions achieved in the field. The combination of indoor sessions with practical opportunities will significantly add value in the final outcome of this conference. The conference work will be published (in the form of toolkit) following the standard format which will be later shared among all the participants including some externally selected partners and stakeholders. The organizer expects that the conference publication will serve as a guiding tool to Iraqi representatives in the field.

