

Rural Service Delivery in Pakistan

A Case Study
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Why RSD?

- Two third of Pakistan's population lives in rural areas
- Rural Pakistan is underserved in terms of electricity, telecom, irrigation, agriculture, roads networks, water supply and sanitation, and health and education services
- Improving access and quality of rural services is essential to sustained equitable growth and poverty reduction
- LG system designed to improve RSD

Generally held priors

- Devolution effectiveness
 - Administrative
 - Financial
- Low LG capacity
- Little inter-LG cooperation
- Planning top-down
- Effective beneficiary participation CCBs
- Transparency/accountability issues

Objectives of Present Case Study

- To further explore local governance issues in service delivery through LGs - and particularly TMAs
- To explore best practice and alternative models
- To make recommendations on how to substantially increase the rural service delivery -

Methodology

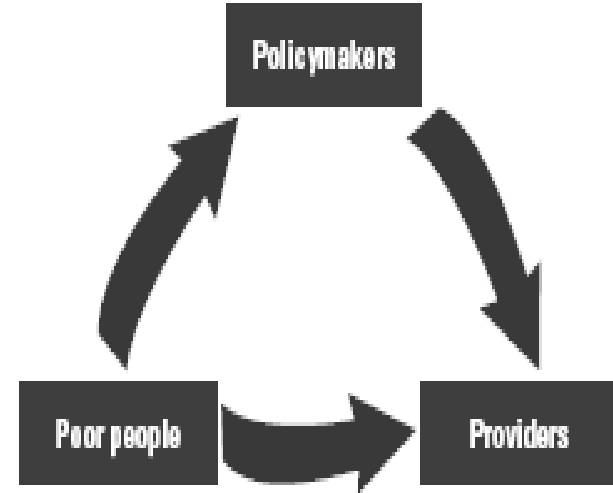
- Review of literature
 - Best practice and alternative models
 - Constitution, LGOs and related statutes
 - Related studies
- Field consultations in 7 rural districts with 2 tehsils, one at the DHQ and the other relatively remotely located
 - Beneficiaries/LG councilors in tehsils
 - NGOs in districts
 - Government officials
 - Nazim/TMO and TO Fin, I&S, .. in 14 TMAs
 - Nazim/DCO, EDOs F&P, CD and W&S in 7 DGs
 - LGRDD, FD, P&DD, PHED & C&W in 2 PGs
 - Consultation templates
- The study team

Sample Districts and Tehsil/Talukas

District	DHQ Tehsil	Remote Tehsil
Sargodha	Sargodha	Silanwali
Chakwal	Chakwal	Talagang
Bahawalpur	Bahawalpur	Ahmedpur East
Khairpur	Khairpur	Kot Digi
Mirpurkhas	Mirpurkhas	Digri
Badin	Badin	Matli
Dir Lower	Timergara	Samarbagh

Best Practice & Alternative Models

- Decentralization of powers
 - efficiency in administration and allocation
 - equity in service provision
 - participation and inclusion
 - poverty reduction
- Successful decentralization
 - comprehensive approach
 - strong LG capacities
 - political and bureaucratic commitment
 - transparent and accountable operations
- Accountability relations
 - Client power
 - Client voice
 - Managerial power
- M&E and Research
- RSP/CIP/PPAF rely on community mobilization and action



RSD Structure in Pakistan

Basic service	UA	TMA	DG	PG	FG
Roads/transport		y	y	y	y
Electricity/ energy					y
Telecom					y
Irrigation				y	
Health			y	y	y
Education			y	y	y
WSS		y	y	y	y
Other municipal		y			
Police/Judiciary				y	y

LGs Assignment

- DGs - primary, elementary, secondary and non-professional college education; basic and rural health including BHUs, RHCs, and tehsil/district headquarters hospitals; agriculture services relating to extension, farm management, soil conservation, livestock, fisheries and forests; intra-district roads and transport.
- TMAs - intra-tehsil roads and transport, water supply, sanitation, sewerage, street lights, parks and playgrounds, and municipal regulation
- UAs - not specifically assigned any major service delivery responsibility, but mandated to monitor and report on services delivery in their respective areas, and develop small projects for funding from the DG/TMA budgets

LG System - Main Features

- Autonomous LGs are headed by elected nazims, DGs in districts, TMAs in tehsils and UAs in villages
- Elected councils chaired by the deputy nazim perform legislative work, approve development plans and budgets and provide general oversight
- The foundation of LG system is the union council. A district councils consists of UC Nazims, and one third and 5% each of councilors representing women, labor and minorities. Similarly, tehsil council are constituted with UC representation through naib nazims.
- Nazims oversee service delivery, formulate and execute plans/budgets, maintain administrative/financial discipline, and report performance to respective councils
- A DG consists of 10-13 departments, headed by EDOs and a DCO responsible for overall coordination

LG System - Main Features (contd.)

- Similarly, a TMA consists of 4 departments, headed by EDOs, with a TMO responsible for overall coordination.
- The new system ensures beneficiaries involvement and oversight in planning and implementation, and gives a greater voice to women, peasants, laborers, etc.
- Encourages bottom up planning, and earmarks a 25% of LG development budgets for CCB projects
- Has several strong transparency & accountability provisions, viz. citizen's right to information, monitoring by council committees, inspections/enquires, audits by AGP, and Mohtasib in districts

What does recent survey data reveal about status of RSD? PSLMS 2005

Main messages

- Rural services like education, health, WSS, etc. have improved over the past couple of years through LG programs
- But the growth of these services has been slow.
- Hence the coverage and quality remain low
- There are large gaps in service delivery, particularly in rural Pakistan, for females and in smaller provinces.

Beneficiaries/Councilors Views on RSD

- Generally consider that there is improvement in the quality of rural service delivery but there were some opposing and *yebut* kind of views.
- Most respondents consider that LG services are provided on political basis rather than on merit.
- Majority responses indicate existence of political links (including DMC) between district and tehsils and good relation and coordination, which are conducive for work and coordination. The counter views - that the DG and TMA are independent entities, particularly in places where the TMA is arrogated with the DG.
- Beneficiary opinions on CCBs are *mixed*.

NGOs on RSD

- Some improvements in service delivery after devolution
- But still the coverage of services is low particularly in WSS, other municipal services and agriculture
- There are large inter provincial differences in service delivery
- Punjab province is considered to be better in delivering services of WSS, other municipal services, agriculture and access roads
- The other two provinces appear doing better in social services.

Key points on ground realities

- NGOs responses reveal several problem areas.
 - high political conflicts (doing business on political basis rather on needs)
 - low capacity in terms of staff skills and strength, particularly serious in Sindh.
 - low administrative and financial devolution and top-down planning.
 - Punjab outperforms other provinces on devolution and staffing but has higher political conflicts.
- Beneficiary process has not been very effective.
 - Effectiveness of LG council bagged very low responses, 30% overall and 22% in Sindh.
 - CCBs are considered more effective, by a little less than half of responses.
 - The score of dealing with issues of women, poor and vulnerable is indeed very poor, the worst being for Punjab.
- Transparency and accountability in LGs is very low.
 - M&E function is considered very weak; only 15% responses are in favor of M&E being effective, with lowest reading for Sindh, 9% only.
 - Access to information is very low; overall 16% responses considered the access as adequate. Punjab is rated as the most closed province scoring only 9% in favor of adequate access.
 - Only 21% responses consider the redressal of complaints as adequate.
 - A very large percentage of respondents, 56%, considered corruption high, with Sindh scoring the highest, 70% response in favor.

LG Managers Views on RSD

- Service delivery has improved and local decision making is a plus
- But implementation of devolution has been very low. Some managers believe that devolution has not had enough time
- Expectations and demands of people have risen
- The poor and disadvantaged groups have not benefited much from LGs
- DG and TMAs have mostly functioned as stand alone entities and there has been little inter-LG cooperation. DMCs have been ineffective.
- low ownership and lack of advisory support by the PG
- Staffing is a serious issue both in terms of number and skills. Several key positions are lying vacant, e.g. EDO CD, F&P, etc. PGs do not consult nazims for key staffing. PGs kept recruitment bans on for last many years.
- Low finances is the universal constraint.
- Views on own resource mobilization grossly vary.
 - LGs revenue bases are very weak.
 - General reluctance on the part of people to pay taxes
 - Councilors played no role in revenue generation.
 - LGs have lacked political will to generate own revenues.
 - revenue generation measures not encouraged by the PGs
 - Some LGs reported a significant revenue generation.

LG Managers Views on RSD (contd.)

- CCBs process has been slow, and allocations have remained unutilized in many places, but this is picking up.
- TMAs have continued to deliver urban municipal services only and really not begun to cover rural areas mainly.
- PHEDs are staging a comeback. Earlier PHEDs had retreated with the institution of LGs, and the old RWSS operated by PHEDs were mostly passed on to VDAs along with a 4 year O&M budget trough TMAs. VDAs are expected to undertake O&M after the 4 years, which many believe is doubtful.
- Several large vertical programs have come in the water supply sector, often supported by donors. These programs are a blow to devolution. They are justified on weak capacity in TMAs and high policy objectives.
- New models of public-private partnerships have emerged in rural water supply, again with government bearing the capital cost and community agreeing to bear the O&M cost.

Findings on Administrative Issues

- Staff shortages in LGs are quite common. Several key positions are lying vacant, e.g. EDO CD, F&P, etc. and PGs have not assigned incumbents to these positions. The position of TO Planning is vacant in most of TMAs in Sindh. PGs do not consult nazims for key staffing like, DCO, EDOs , DOs, TMOs and TOs.
- Furthermore staff does not possess appropriate skills. TOF is in G-11 in many TMAs in Sindh. The accounts clerk position is usually not filled in, and computer skills are not there. In many places, staff skills are old and require up gradation.
- Devolution has been incomplete. Some managers believe that devolution has not had enough time; the five year period is too short a time to bring about a massive social change.
- LGs remain weak because of the low ownership and interference and lack of advisory support by the PG. The DGs/TMAs having political alignment with PGs are relatively much better off both in terms of resources and quality of staff. LGCs and PFCs have not functioned as envisioned and have been of little help to LGs.

Findings on Administrative Issues (contd.)

- Most of them believe that DG and TMAs have mostly functioned as stand alone entities and there has been little inter-LG cooperation. DMCs have been unable to give district visions, do not meet regularly, and meetings have been political. DDCs are active, but TMA schemes are tiny; hence TMAs do not need to go to the DDC very often.
- PGs kept recruitment bans on for last many years; hence many roles like teachers, doctors, etc. are not filled-up. At the same time, many urban institutions are over staffed largely because of the PG control on APT.
- PGs have a key role in assigning right staff for senior management positions, devolving necessary administrative powers and finance and allow doing business according to local priorities, and mentoring and providing training and TA to LGs.
- With better senior staff, adequate resources and autonomy, LGs can hire/train the lower level staff according to their needs.

Observations on DG Budgets

- Distribution of DG budgets:
 - Sample per capita DG budgets range Rs 981 Sargodha to Rs 2000 in Chakwal and average Rs 1440
 - Province wise PC budgets average Rs 1,712 in Sindh, Rs 1,167 in Punjab and Rs 992 in NWFP.
 - Ceteris paribus, this large dispersion has obvious implication in terms of unequal service delivery.
 - PC DG budgets indicate that the districts politically aligned with PG are able to secure much larger resources.
- DGs heavily depend on PG transfers - Own revenues - 4% in Sargodha, 1% in Chakwal and 0% in the other five districts, although some districts are contemplating some measures.
- Spend most of the budget on establishment, particularly staff salaries; the sample average is 80%
- Within the recurrent budget, education and health take up the lion's share. These sectors have huge establishments, and the most of allocations are for staff salaries, with little provision for non-wage operational expenditures.

Observations on DG Budgets (contd.)

- With 80% of recurrent budget going to the two sectors, the allocations for several other important sectors have been quite small, e.g. agriculture is about 3.5%, communications 1.8% and civil works also 1.8% in FY06. Hence the provisions for M&R are very low.
- Development part is a small proportion of the DG budgets, usually 10-12%. Furthermore, utilization rates are very low, e.g. 57% in Punjab in FY05.
 - Hence some districts have accumulated large cash balances because of carry-over of development funds from past years including for CCB projects.
 - Councils are very active on development budgets, viz. selection of projects and deciding ADP allocations.
 - Usually nazims keep a varying portion of development budget at their discretion, and the remaining resource is allocated equally among councilors.
 - Women/peasant/minority councilors get lower allocations.

Observations on DG Budgets (contd.)

- The councilors have been mostly interested in visible works such as roads, water supply, etc. which are considered as vote winners.
- Thus DGs spend most of their development budget on rural roads, civil works for official buildings, rural electrification and rural WSSs.
- DGs are active implementing schemes in rural WSS/drainage.
- District ADPs are littered with a large number of small community infrastructure schemes.
- CCBs have mostly implemented small community infrastructure projects and CCB funds have accumulated in many LGs for several reasons

Observations on TMA Budgets

- Similar experience, but TMA budgets more flexible and much smaller and narrower in scope. Average TMA budget is about 1/20th of DG budget, while the PC budget is 1/5th.
- Distribution of TMA budgets:
 - Per capita DG budgets range Rs 48 in Samarbagh to Rs 381 Digri and average of Rs 211
 - Ceteris paribus, this large dispersion has obvious implication in terms of unequal service delivery.
 - Again, PC budgets indicate that the TMAs politically aligned with PG are able to secure much larger resources.
- TMAs have relatively lucrative own revenue bases, derive close to half of their revenue receipts from own resources. The main revenue bases are taxes mainly UIPT, fees like cattle mandi and adda fees, and rents.
- PG grants comprise OZT (61%), development grants (30%) and for PHED establishments ceded to TMAs (9%).
- TMA expenditures are more balanced; sample averages indicate 38% is used for salaries, 25% for non-salary and 37% for development.
- Variation in budgets is quite large across provinces and DHQ based vis-à-vis remote TMAs. DHQ based TMAs budgets are much larger (123%) for two reasons, one larger populations and two larger resource base. However, difference in per capita budget is much smaller, only 31%. 23

Observations on TMA Budgets (contd.)

- The HQ based TMAs spend a much larger proportion of budgets on recurring expenditure (69%) compared with remote TMAs (49%). The corollary development budget shares of 31% and 51%, respectively (see picture).
- The DHQ based TMAs spend a much larger portion of development budget through CCBs, 20% vis-à-vis 11% in the remotely located TMAs.
- Three conclusions follow here.
 - One, the DHQ based TMAs resource base are relatively more developed while the remotely located TMAs have to develop theirs.
 - Two, the municipal infrastructure is more developed in the former case and needs O&M, and in the later case its development is in hand.
 - Three, the former TMAs are more organized and knowledgeable.
- TMA budgets in Punjab are much larger than in Sindh largely because of population.
- Per capita TMA budgets are roughly comparable in Sindh and Punjab (Rs 254 and Rs 224 respectively) while NWFP is way below (Rs 44).

Observations on TMA Budgets (contd.)

- Per capita grants are much higher in Sindh while revenue effort is much larger in Punjab.
- TMAs in NWFP appear much more weak both on account of own generation as well as the provincial grants.
- TMAs have been unable to provide municipal services to rural areas, except
 - the 9% part of budgets that they pass on to VDAs against the former PHED schemes or
 - projects by local CCBs or
 - projects funds from the DGs.
- The rural municipal services mandate is huge and requires more capacity and resources, which are simply not there in TMAs.
- Service delivery in urban areas has deteriorated in some remote rural TMAs, because they have not been able to provide for quality non-salary expenditures, like transport for its key functionaries, fire-brigade vehicle, etc.

Vertical Programs

- Several vertical programs; the major ones are LHW Program, ERP, PDSSDP, NWFP-RWSSP, CIP, PCWSSP, SPUSP, SDSSDP, President's programs, KPP, DERA, etc.
- Some of these vertical program activities are channeled through LG budgets while others are implemented without any consultation with the concerned LG.
- Some provinces have revived former PHED to do WSSs, an area formally assigned to TMAs under LGOs.
- PGs have justified their presence in the devolved areas on the bases of weak capacity in lower governments, to accelerate development and to implement policies of higher governments.
- Vertical programs not only undermine accountability and operational efficiency, additionally, they create an environment in which funding in the key sectors is largely determined elsewhere. These programs bring back all evils of top-down planning and may result in future liabilities for LGs.
- In many cases, the centralization or intervention in LG affair may be the result of mindset of controls in provincial departments/ officials who have not reconciled with the spirit of devolution.

Key Conclusions on LG Finance

- At the present level of service delivery coverage, there are large vertical imbalances in LG finance which are being made up through PG transfers. Large vertical balances weaken LGs' accountability to beneficiaries.
- A significant resource transfers have taken place from PGs to LGs by using the PFC mechanisms; the transfers have risen by 50% in the past five years to Rs 160b in FY06 - a much a better situation that the earlier set up.
- Most of PFC transfers have been for establishments and contingencies. Hence, DGs/TMAs have lacked financial autonomy and flexibility to manage their assignments according to local priorities.
- There are large inter-LG/province disparities in treatment and equity in financing.
- Further more there are large expenditure inefficiencies and leakages.
- Even after five years of being in place, the LG institutional structures of finance and planning are weak.

Key Conclusions on LG Finance (contd.)

- Thus large gaps remain in service delivery, and LGs' resources and capacities certainly remain far short of their full service delivery mandate.
- Augmenting LGs resources fairly and improving effectiveness of expenditures is a necessity for a more effective service delivery.
- Vertical programs trespass local priorities and planning and make LGs ineffective; hence a better way needs to be found.
- Given this context, the institutions of PFCs and LGCs have a key role and need to be strengthened.
- LGOs have not been implemented in letter and spirit and its proper implementation can address some of these issues.

Beneficiary Participation

Council Process – NGOs' Views

Council Process

effective

2.9%

less effective

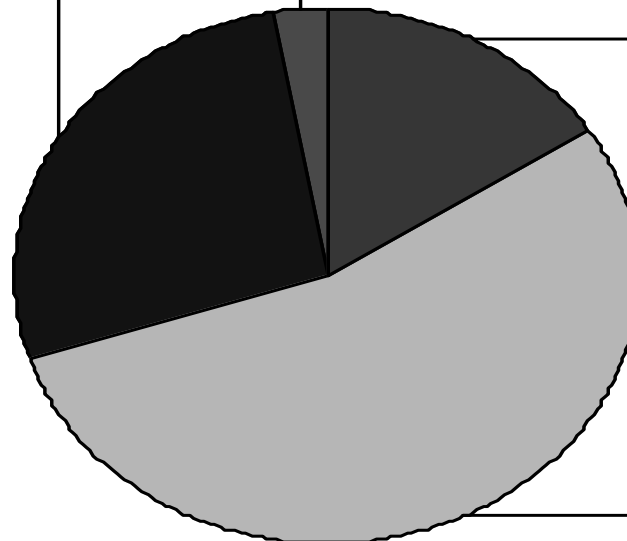
27.1%

ineffective

15.7%

less ineffective

54.3%

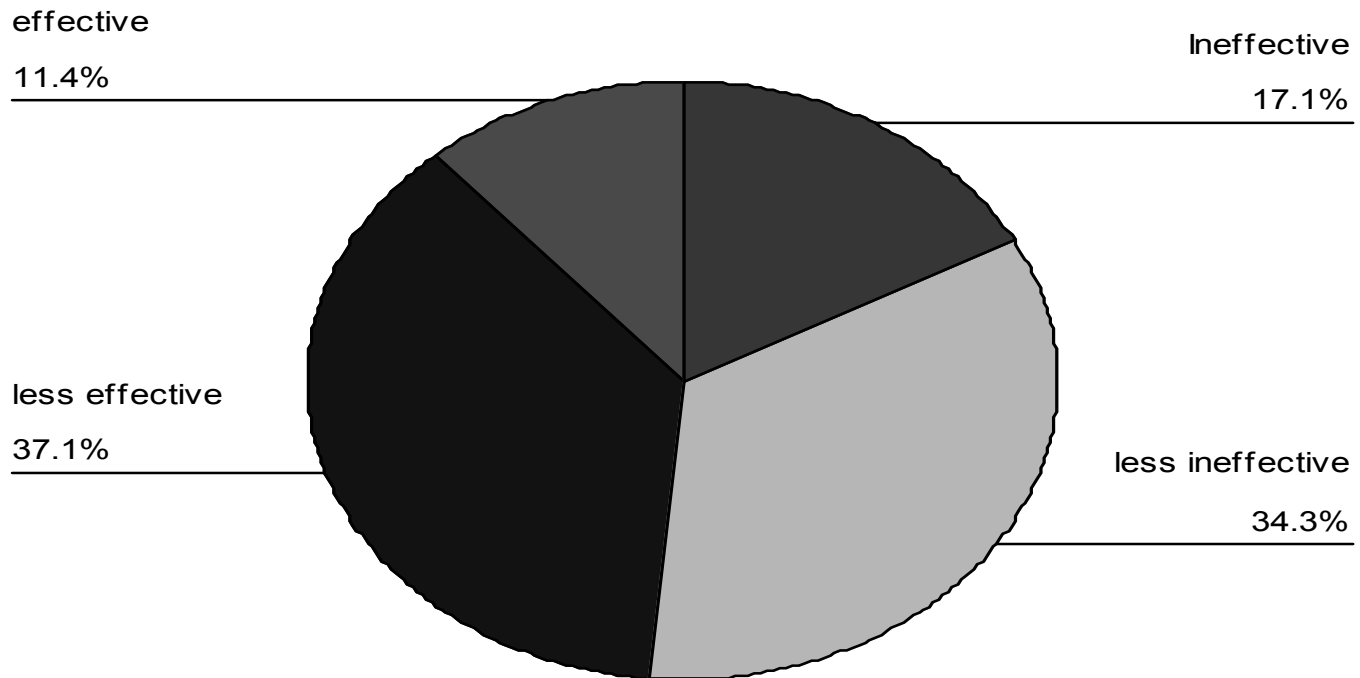


Council process remains weak

- Communities have no *influence* on councilors. *Political clientelism* is rife for benefiting allies and victimizing the opposition.
- Councilors are unable to influence the *nazim* who holds a large portion of funds and other discretion at his disposal. No councilor is able to *agitate* against the political dole outs because he fears his isolation as a consequence of agitation.
- Councils do not meet *regularly* and councilors are not able to perform their roles.
- Council resolutions are not *cared* for.
- Councils have only a small *discretion* on the LG business.
- Interest of the councilors is weak as the development allocation each councilor gets is very *small*.
- *Access to information* is poor and citizen are not aware of their service rights.
- The council *committees*, accounts, monitoring and ethics, are also non-functional and ornamental. The committees have had weak capacities, lacked appropriate work environment and been intrusive. Hence they have had little heed from LG functionaries and achieved little success in their mandates.
- The councilors are not well aware of their role, government procedures, and lack planning skills. Besides councils have no vision of priorities of³¹ development needs.

NGOs on CCBs' Effectiveness

CCBs



CCB Issues

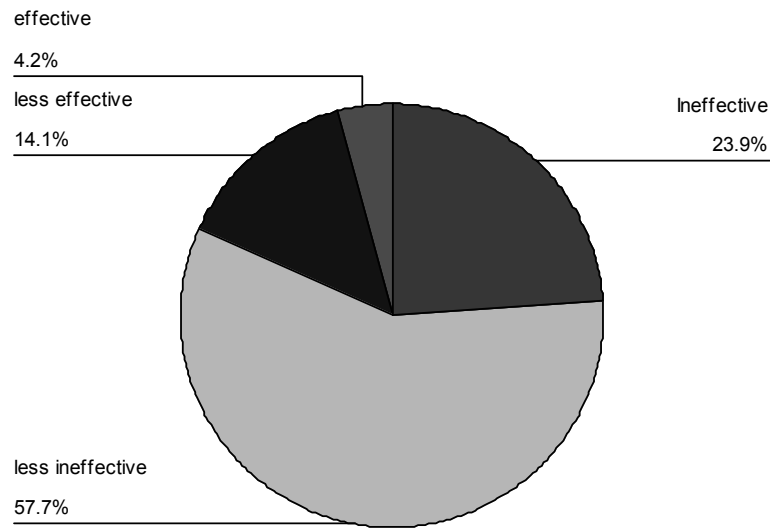
- CCB registration picked up late as it was a new scheme and rules of CCB were framed late coupled with lack of Public awareness.
- The community development department (CD) at district is weak in terms of their motivation, capacity, number and mobility of the staff.
- Weak social cohesion or clash of interest regarding the choice of schemes for a particular area or community.
- CCBs have been weak in technical and project capacity. The quality of their projects has been low
- Besides there have been political dole outs and some abuses in CCBs; so that lack of accountability is major concern.
- Women Participation has been negligible.
- There was general reluctance to give out government funds in private entities. Monitoring was strict. The delay has a consequence for other potential CCBs i.e. the fund starts going to a limited number of CCBs that are already working and have developed methodologies and procedures to get more and more funds: a case of “adverse selection”.

CCB Issues (contd.)

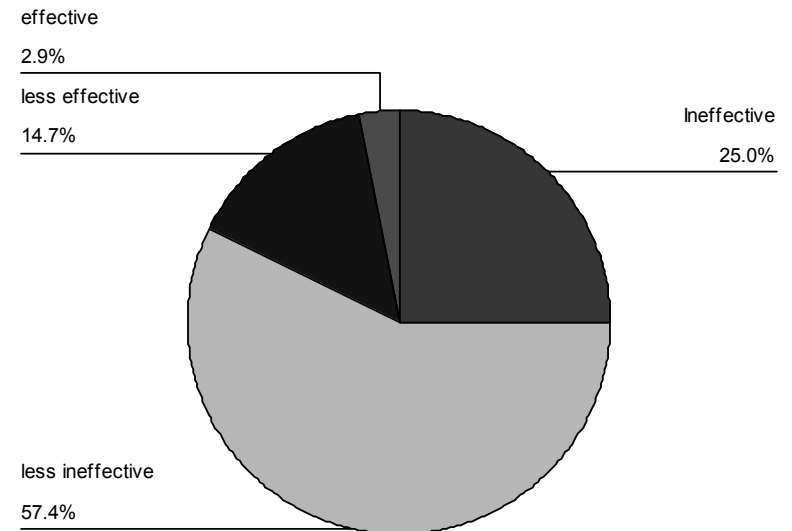
- CCBs at TMA are not successful, because per capita resources are less, CCB are registered and owned at district level, and no body guides at TMAs. TMA staff and areas are limited hence becomes more difficult for CCBs to enter in the cumbersome TMA CCB approval area.
- The communities find it difficult to contribute 20%; besides there is another 20% withheld for CCB schemes on instruction by LGRDD in lieu of income tax and contracting profit. CCB schemes are normally for the poor.
- Further overhead expenditures of documentation, opportunity cost of time, transportation, etc. is also one of the factors contributing to yet low provisioning of CCBs across the regions.
- On the whole, the community mobilization activity has remained sluggish because of mass ignorance and exclusion of any potential contributive partners to development or social organizations. NGOs have generally not contributed to the CCB formation.

Women and Marginalized NGO Responses

Dealing with woman issues



Poor and vulnerable



Women and Disadvantaged Groups - Issues

- Local councils have one-third seats reserved for women and 5% each for peasants/laborers and minorities, but **this have not been effective.**
- Women councilors are given lesser allocations.
- There is no provision in the law, hence the councils are not committed to make provisions for the marginalized segments of the society, but certain DG and TMAs through council are making such provisioning.

Transparency and Accountability

- The LG system has very strong provisions of transparency and accountability, but most of these forums are either not there or are ineffective. General public considers high corruption and absence of M&E as big obstacles to improvement in service delivery.

Table 6.1: NGOs on Ground Realities, Transparency and Accountability

Item	Provinces			
	Punjab	Sindh	NWFP	Pakistan
Access to information	8.60%	13.90%	36.40%	15.70%
M&E	18.10%	9.10%	27.30%	15.10%
Redressal of Complaints	21.70%	17.60%	30.00%	20.90%
Corruption	56.50%	69.50%	9.10%	55.80%

- However, the demand for accountability is weak. The public is accustomed to corruption, nepotism and absenteeism of doctors, teachers and other service providers. The governments have made little efforts in informing public of their rights to service delivery.

Transparency and Accountability - Issues

- Access to information is only through councilors - problems
- Display of information on staffing and performance – not there
- Audits - pre-audits only – external audits limited - internal audit not there
- Monitoring committees formed in many places but have not been effective – intrusive behavior, required resources are not there, lack of skills, and more politics than monitoring.
- Accounts committees not functional because accounts are rudimentary.
- Code of conduct committees have not disqualified any councilor despite the fact that clientelism is common and councilors have been intrusive.
- Internal and external recall of nazim has been rarely used.
- Inspections and enquiries by district nazims – again serious action is missing and exercise remains a mere formality.
- Complaint cells established in a few places - people are used to corruption, nepotism and absenteeism - politicians normally protect absenteeism and corruption - most people do not expect redressal of complaints - hence they do not feel like registering complaints
- District Mohtasib – only in few districts

Policy Recommendations - Policy Measures at PG Level

- PG policy conveyance and publicity
- Develop sector wise performance benchmarks for LGs, enhanced transparent and open reporting to and monitoring by PGs on a prescribed format/framework, and mentoring support by PG departments.
- Make LGCs fully functional
- PGs should promote public demand for transparency and accountability, and mount a media campaign to inform public of their entitlements, and procedures for complaint redressal, provide full access to information, reports, procedures, budgets, etc. through functional PG websites.
- Simultaneously, PGs should post qualified Mohtasibs in all districts.
- Raise LG senior staff cadres and strength: PG define senior management roles, e.g. DCO, EDO, DO and DDO for departments in DG, TMO and TOs in TMAs, their skills and qualification requirements, job conditions, retire cadres staff not selected by LGs within a given time span say 6 months, the posting may be on tenure basis (3-5 year), training and career development, twinning with PG departments, compensation related policy, professional ethics, rules of discipline and orderly conduct, etc. should be clear.

Policy Recommendations - Policy Measures at PG Level

- Make pensions contributory and portable, give some options in pensions, make pensions portable, encash all past contributions with the PGs and bring them into the contributory plan.
- In the short run, PGs undertake an inventory of existing staff and make up the weaknesses through appropriate appointments, replacements and training where feasible.
- Devolve full APT powers with no financial liability to PG within rules. Let LGs select the senior management staff from the pool of available cadre staff (should have at least a choice over 5 incumbents), give full authority to LGs to hire LG staff as required with no liability to PG.
- PGs review the schedule of LG establishments for adjustment as appropriate; better fully devolve APT and even retirement powers within prescribed rules.
- TMAs need a helping hand from PGs to better discharge their expanded mandate. This help may take the form of adequate engineering staff/twinning arrangements with PHED/DGs, and adequate administrative/sanction powers and even more resources of TMAs.

Policy Recommendations - Policy Measures at PG Level

- Make PFCs functional by appointing qualified full time professional members, ensuring a LG representation in PFCs in a more logical way, letting PFCs have their own budgets, staff secretariats, and a strong databases separate from the FDs. PGs may consider to give the PFC secretary position in P&DD to avoid the serious conflict interest. PFC awards should for every three years, with a provision for yearly reviews, on simple, transparent, rational formulae, viz. standard per capita allocation and an additional supplement to compensate the relatively poor LGs. PFC may give several formula based line transfers. Mandatory annual and half yearly reports on LG finances. PFCs should hold meetings at least once a month, and should have adequate resource support for undertaking inspections and studies regarding LG revenue needs and capacities, addressing LG representations, etc.
- PFCs should build in sanctions and incentives in transfers for performance, comprising indicators of service delivery, community participation and satisfaction, pro-poor activities/ arrangements, own revenue generation and progress in priority areas.

Policy Recommendations - Policy Measures at PG Level

- Unlike in the past, the PFC business should be kept transparent with full access to information to all stakeholders and the general public, perhaps accessible through the worldwide web.
- PFCs should be wary about getting statements of LG budgets, their utilization and the related analyses.
- PG strengthens LG finance department for better planning, project analysis, budgeting and implementation - positions include EDO/TO F&P (fully conversant with various aspects of budgets), DOF (with skills of budgeting and budget implementation), DOP (with project, sector and overall programming skills), DO Research (able to undertake data crunching and do elementary evaluations), and Account Officer (well versed in book-keeping and pre-audit skills).
- Arrange short courses/training to help boost LGs capacity in some areas like finance and planning.
- Strengthen accounts, audits and monitoring channels to exercise indirect control through strengthened institutions of audit, PFC and LGC.
- PGs should have LGs accounts collated and analyzed for drawing lessons and making public expenditures more effective

Policy Recommendations - DG/TMA Level

- Training/orientation of nazims/DCO to lead and give vision of LG (DMC).
- Pilot vision/results based planning and MTBFs in some districts for later replication in other DGs.
- Train LG councilors on LG setup, their role/responsibilities, CCBs, etc.
- Train council committees, monitoring, accounts, etc. on their role and responsibilities, and give required resources for their proper functioning.
- Implement forcefully the process of recall of nazim to strengthen accountability relations and avoid political clientelism by nazims.
- Ensure equal voice in councils for the councilors representing women, peasants and minorities.
- In the longer run, the election of councilors and nazims may be mandated to be issue-based, and the neutral pre-election LGs should arrange debates.
- Train LG staff, both senior management and lower staff, about their functions and responsibilities, etc. and provide enabling environment.

Policy Recommendations - DG/TMA Level (contd.)

- Frame rules/procedures of finance, procurements, etc., some of these may come from PGs.
- Enabled LGs prepare development strategies and plans for meeting local needs within the given resource envelope and framework of PG policy.
- Link planning to budgeting
- Announce LG priorities of development well before the budget and publicize the schedule of their CCB program in the print media to enable CCB participation.
- Strengthen DMC and relationship between different tiers of local government.
- Research and document successful practices and experiences and disseminate for wider replication.

Policy Recommendations - Community Mobilization and Development

- A media campaign regarding self-help and community action/initiatives.
- Strengthen DG CD Departments.
- Develop more inclusive mechanisms/arrangements for women, poor and other marginalized groups in LG financial provisions.
- Involve RSPs/NGOs for community mobilization and CCB formation.
- Design and disseminate proto-type models of technology, schemes, etc.
- Develop simpler guidelines for CCB processes and may do some capacity building/ training activities for CCBs, VDAs, etc.
- Publish and disseminate widely user friendly guidelines for CCB processes.
- Establish resource centers for helping communes, CCBs, VDAs, etc.
- Involve councilors particularly the women effectively in the council processes, facility boards and CCBs.

Policy Recommendations - Transparency and Accountability

- Forcefully implement LGO transparency and accountability provisions.
 - Ensure adequate financial accounts and audits.
 - Establish effective accountability forums, such as citizen access to information, display of information on prominent places, monitoring, accounts and audits (also see above).
 - Reactivate monitoring committees by developing capacity of members (see above).
 - All offices with a budget beyond a threshold may be required to establish complaint cells.
 - Nazims should be active to discharge their responsibility as envisioned under the law, including the institution of inspections and enquiries and the follow up action.
 - Nazims should be subjected to stricter internal/external recall for misconduct.
- Higher governments provide TA for establishing procedures, training of skills, etc.

Policy Recommendations - Private Sector Interface

- Form users committees/boards with definite mandates in service delivery decisions for all LG services, health, education, WSS, etc. – give TA for capacity building, funding or allow user charges, may involve councilors in user committees.
- Support private initiatives in RWSSs through appropriate TA and capacity building and subsidies.
- Experiment outsourcing of community mobilization and development through NGOs/RSPs.
- Try to give beneficiaries some choice among service providers, particularly public vs. private – e.g. stipends and direct subsidies to beneficiaries, or support private providers (e.g. medical practitioners) to deliver some measurable service.

Thank You