

**Localizing the MDGs for  
Effective Integrated Local Development:  
An Overview of Practices and Lessons Learned**

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## ACRONYMS AND ABBREVIATIONS

<b>ABD</b>	Area Based Development	<b>PPP</b>	Public Private Partnerships
<b>ADB</b>	Asia Development Bank	<b>SGP</b>	Small Grants Programme (Global Environment Facility)
<b>AMICAALL</b>	Alliance of Mayors and Municipal Leaders on HIV/AIDS in Africa	<b>SIF</b>	Social Investment Fund
<b>CAP2015</b>	Capacity 2015	<b>TUGI</b>	The Urban Governance Initiative
<b>BDP</b>	Bureau for Development Policy	<b>UGI</b>	Urban Governance Index
<b>BUILD</b>	Breakthrough Urban Initiatives for Local Development Programme	<b>UMP</b>	Urban Management Programme (UN HABITAT)
<b>CBMS</b>	Community Based Monitoring System	<b>UNAIDS</b>	Joint UN Programme on HIV/AIDS
<b>CD</b>	Capacity Development	<b>UNCDF</b>	United Nations Capital Development Fund
<b>CDG</b>	Capacity Development Group (UNDP)	<b>UNCT</b>	UN Country Team
<b>CIB</b>	Continuous Improvement and Benchmarking	<b>UNDG</b>	United Nations Development Group
<b>CLIFF</b>	Community Led Infrastructure Finance Facility	<b>UNDP</b>	United Nations Development Programme
<b>CSC</b>	Community Score Card	<b>UNEP</b>	United Nations Environment Programme
<b>DESA</b>	United Nations Department for Economic and Social Affairs	<b>UN HABITAT</b>	United Nations Human Settlements Programme
<b>DFID</b>	Department for International Development (UK)	<b>UNICEF</b>	United Nations Children Fund
<b>DHS</b>	Demographic and Health Surveys	<b>UNIFEM</b>	United Nation Development Fund for Women
<b>ECOSOC</b>	Economic and Social Council (United Nations)	<b>USAID</b>	United States Agency for International Development
<b>GEF</b>	Global Environment Facility	<b>WB</b>	World Bank
<b>IIED</b>	International Institute for Environment and Development		
<b>ILO</b>	International Labor Organization		
<b>LDC</b>	Least Developed Country		
<b>LDP</b>	Local Development Plan		
<b>LIFE</b>	Local Initiative Facility for the Urban Environment		
<b>LSMS</b>	Living Standards Measurement Survey		
<b>LUO</b>	Local Urban Observatory		
<b>MDG</b>	Millennium Development Goals		
<b>MICS</b>	Multiple Indicator Cluster Surveys		
<b>OECD</b>	Organization for Economic Cooperation and Development		
<b>PIA</b>	Participatory Impact Assessment		

# 1. Introduction and Summary of Findings

## 1.1 Introduction

Increasing attention is being brought to the achievement of the Millennium Development Goals (MDGs) as the half way mark to the 2015 deadline approaches. As noted in the 2006 MDG Report "...disparities in progress, both among and within countries, are vast, and that the poorest among us, mostly those in remote rural areas, are being left behind. Much more can and must be done..."<sup>1</sup> Initially, efforts by UN Country Teams (UNCTs) and Governments concerning the MDGs were focused on raising awareness about the Goals, undertaking national level needs assessments, and incorporating the Goals into National frameworks such as Poverty Reduction Strategies and others. Yet, while national level efforts are crucial, there is growing attention being paid to the MDGs and the role of the local level in their achievement.<sup>2</sup>

The MDGs and their accompanying 18 targets and indicators frameworks were based on historical trends. As noted recently by the International Poverty Center (IPC) "They [MDGs] were set on the premise that progress observed at the global level over the previous 25 years would continue for the next 25 years – the period from 1990 to 2015. Thus, the MDGs are essentially an extrapolation of global trends of the 1970s and 1980s and projected forward till 2015."<sup>3</sup> The IPC continues, "The quantitative targets were set in line with global trends, not on the basis of historical trends for any particular region or specific country adequate progress towards agreed longer-term benchmarks. It is erroneous, for instance, to lament that sub-Saharan Africa will not meet the MDGs. These targets were not set specifically for that region."<sup>4</sup> Thus, it has become clear that the MDGs at the national level cannot be achieved unless they are understood and translated into strategies for action at the local level involving relevant stakeholders and as such, greater attention is being given to "localizing the MDGs."<sup>5</sup>

Localizing the MDGs is a method for: addressing disparities and marginalization at the sub-national level; providing an integrated framework for development through the inter-relationships between the Goals; linking global, national, and sub-national concerns through the same set of goals; providing a framework for accountability through the setting of targets and indicators; supporting marginalized groups in democratic governance and participatory decision-making processes; and lastly supporting good governance.

Localization is composed of several processes – all of which have been undertaken in various ways by different countries around the world - and is directly linked with issues at the national level such as decentralization and local governance reform, and service delivery. Indeed, there is a growing body of literature and experiences concerning Localization.<sup>6</sup> Despite the significant amount of work undertaken thus far, there has been no review of practices and experiences thus far capturing what is working well,

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<sup>1</sup> Millennium Development Goals Report. United Nations, 2006. P. 3.

<sup>2</sup> This utilizes the definition of "local" noted in UNDP Practice Note on Capacities for Localizing the MDGs. Namely, 'local' refers to the sub-national (provincial/regional) municipal/commune and village levels. It is a general term referring to all political entities at the sub-national level.

<sup>3</sup> "MDGs: Misunderstood Targets?" Jan Vandemoortele, International Poverty Center, UNDP, January 2007.

<sup>4</sup> Ibid.

<sup>5</sup> UNDP defines "Localizing the MDGs" as: MDGs' as "The process of designing (or adjusting) and implementing local development strategies to achieve the MDGs (or more specifically, to achieve locally adapted MDG targets)." UNDP Practice Note Draft "Capacities for Localizing the MDGs 2007. P. 3.

<sup>6</sup> See: (i). UNDP "Capacities for Localizing the MDGs Practice Note (draft)" (ii) UNDP "How-to-Guide to Localizing the MDGs;" (iii) UNDP "Toolkit for Localizing the MDGs;" (iv) UNCDF "Delivering the Goods. Building Local Government Capacity to Achieve the Millennium Development Goals A Practitioner's Guide from UNCDF Experience in Least Developed Countries;" (v) UN HABITAT "Localising the Millennium Development Goals: A guide for local authorities and partners."

and why. As a result of this gap, and to support future Localization efforts, UNDP's Bureau for Development Policy (BDP) Capacity Development Group undertook a Global Cross-Practices Project on Localization of the MDGs; this study is a product of the Global Project.

The purpose of this study was to produce a codified body of knowledge of case studies, methodologies, tools, and other practical evidence that demonstrate local level development activities in support of achievement of the MDGs; linkages to national level activities, while essential for localization are not covered within this study. The study is divided into sections discussing the research methodology, the limitations of the study, the main findings, and finally recommendations for utilizing this research.

## **1.2 Summary of Findings**

Below is a brief summary of the study findings. These are discussed in greater detail in section 4 and should be considered in light of the limitations noted in section 3.

- i). Localization efforts thus far have not drawn upon the wide range of experience of UNCT members in country and as a result have likely not provided as significant a development impact as possible. There is little guidance available to UNCTs on how to support integrated local development through the localization of the MDGs, and even less outlining the advantages and expertise that different UN Agencies/Programmes/Funds can bring to the process. There is a clear need to produce pragmatic guidance for UNCTs on how to localize the MDGs and the value added of doing so. Best practices within each of the Localization processes do exist (as noted later in the report) and could provide guidance for UNCTs.
- ii). Capacity development (CD) is crucial for Localization. Efforts have been more successful in countries that have undertaken robust capacity development efforts in support of all Localization processes. Stemming from point one above, CD efforts must take advantage of resident UN expertise in the country or area where Localization is undertaken.
- iii). Despite the entry point for Localization often being preparation of local development strategies/plans, efforts thus far have not dealt extensively with supporting the implementation of such plans to achieve the MDGs. There has been extensive work undertaken in raising awareness and establishing the enabling environment, but little in support of ensuring service delivery and realization of the aims of the local development strategies/plans. Specific shortcomings are noted with the financing of local development strategies and the requisite capacity development to enable this.
- iv). MDG Localization in crisis-affected countries (be it natural disaster or armed conflict) has not been well documented or developed. As there are a large number of countries and regions affected by crises a cataloguing of experience followed by in depth analysis on the linkages between the early recovery cluster approach, area based development programmes, and MDG Localization would be valuable.
- v). The Localization agenda is closely linked to questions of public administration reform, decentralization and local governance reform. However, the documented experiences do not emphasize this dimension and there is little evidence available on how to localize the MDGs in centralized countries where local authorities have neither decision making authority nor financial and management responsibilities, or in least developed countries (LDCs) who may lack structures or capacities necessary for Localization. Furthermore, material available on Localization often does not consider the division between levels of local government and the complex hierarchies within them, or between rural and urban areas.

## **2. Research Methodology**

From the outset the Project was designed as a cross-practices initiative within UNDP and thus was to examine a wide array of information from within the organization. The scope was later broadened to focus on UN Agencies, Funds, and Programmes, as well as donors, and multilateral and bilateral institutions. An iterative approach was utilized due to the considerable amount of information available. Initially, UNDP documents were referred to which subsequently led to other sources of information from non-UNDP and non-UN sources. While this report can not claim to be comprehensive in its research it is notable that in total 200 different case studies, examples, and other forms of information were collected from 68 sources such as Toolkits, Project Reports, Best Practices manuals, email network discussions and a myriad of others; the bibliography in section 6 of this report provides an overview of the documentation consulted. This report does aim to be prescriptive or overly detailed about the processes and theory behind the Localization of the MDGs; a growing amount of information on Localization is available and should be considered as complementary to this paper.<sup>7</sup> As will be discussed in Section 4 of this report, localization of the MDGs and integrated local development initiatives often share the same entry point – namely, local development planning. As such, the information gathered was categorized into five “processes” common to local development planning initiatives and as described in the UNDP Practice Note on Capacities for Localizing the MDGs.<sup>8</sup> Following this, a comparative analysis was conducted of the information to discern commonalities in successful initiatives and best practices.

## **3. Limitations of the Study**

This report is subject to several limitations common to research on such a diverse topic; it does not claim to be an exhaustive study; rather it aims to highlight lessons learned in the areas of MDG Localization and integrated local development that been well or frequently noted and commented upon. One of the main limitations comes from the very scope of the study. Voluminous information exists on the MDGs and local development making a comprehensive analytical study unmanageable. Indeed, each of the five processes described below can support extensive independent analysis. Trying to extrapolate lesson learned globally is also difficult, as regional and sub-regional variances tend to be lost in generalizations. There is also an inherent bias in much of the information as “best practices” (successes) are frequently written about, while difficulties and failures are rarely discussed. Such a positive bias in the sources obviously limits the rigor of the analysis. The third limit to the study involves the sources of the information. Some organizations (such as UNDP, UN HABITAT, UNCDF) provide numerous documents, toolkits, and other information for public dissemination. Other UN and non-UN organizations – especially those with a sectoral focus - are seemingly less prone to the public provision of such documentation. Involvement of the UN Development Group (UNDG) is recommended in the review and further elaboration of the findings of this study.

## **4. Research Findings**

### **4.1 Approaches to MDG Localization**

When this research began there was no set definition of “Localizing the MDGs” by which to categorize and analyze the different activities undertaken in each process. Only recently have attempts been made to

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<sup>7</sup> See footnote 6 on page 4 for a list of background reading on the topic of MDG Localization.

<sup>8</sup> These five processes are: (i) Mobilizing Stakeholder Involvement; (ii) Baseline Assessment and Analysis; (iii) Integrated Plan and Budget; (iv) Implementation of Action Plan/s; (v) Monitor and Review. For more information on them see UNDP Practice Note Draft “Capacities for Localizing the MDGs 2007. p . 18

clearly define and articulate the meaning of the phrase.<sup>9</sup> Despite this, two broad trends did emerge concerning what it meant to localize the MDGs. In general, both approaches use the formulation of local development plans/strategies as their entry points, though with widely differing results. Of course the approaches described here are generalizations stemming from the research and some variations and exceptions do exist.

The first approach can be deemed “Comprehensive MDG Localization.” By this it is meant that the MDGs are utilized and integrated in all the five processes noted previously; put another way, in this form of Localization, the MDGs act as a “means to an end.” The MDGs are adapted and integrated into sub-national advocacy campaigns, form an integral part of the vision, and are the ‘backbone’ of the local development strategy with localized MDG targets and indicators. There are generally broad participatory processes through which the National level MDGs and targets are adapted to the sub-national area. Furthermore, local government participation is often quite prominent. However, there are few examples of these strategies being implemented – perhaps because they have only recently been formulated. As such, the enabling environment is well established, but currently there is little follow through that provides the development gains necessary to achieve the MDGs. It is interesting to note that this approach tends to be adopted in middle-income countries where local government structures and capacities exist. One explanation for the seeming contradiction between existing capacities and lesser degree of implementation could be the reliance on local systems for generating revenue and securing funding to support implementation of the local development strategies; such systems may take time to become operational.

The second approach can be deemed “Local Development to Achieve the MDGs.” In this approach, efforts are focused on formulating local development plans with the aim of achieving the MDGs in the long term (the MDGs are the “end” but not the “means”). In general, the MDGs do not figure prominently in the formulation of the local development strategy, the advocacy campaigns, or other processes except serving as the long term goals to be achieved. Participatory processes to formulate and select goals and targets occur, but the MDGs are frequently not the part of the discussions. Local government participation (if such structures exist) is prominent, though the authorities tend to take less of a leadership role than in the Comprehensive MDG Localization approach noted above. Even though the MDGs do not figure prominently in this methodology, there is generally greater degree of implementation of the strategies. This approach appears to be more frequently adopted in least developed countries where local government structures are very weak or non-existent, and as such draw more upon the assistance of international agencies and non-governmental partners to assist in the implementation. The downside to this however is that the priorities of the local development strategy can be skewed in favor of those of the funding bodies.

In summary, the first approach establishes an enabling environment, draws upon the benefits offered by the MDG paradigm yet often fails to deliver. The second approach does away with much of the incorporation of the MDGs while offering a greater focus on implementation. As will be noted in the recommendations under section 5 a ‘hybrid’ approach to Localization is possible.

#### **4.2 Lessons Learned in MDG Localization**

The following section provides analysis of selected case studies and methodologies under each Localization process. For each of the processes examples are provided and lessons learned are summarized.

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<sup>9</sup> See “Practice Note on Capacities for Localizing the MDGs (draft).” UNDP-BDP Capacity Development Group, 2007. For the definition, please refer back to footnote 5 on page 4.

#### 4.2.1 Mobilizing Stakeholder Involvement

Mobilizing stakeholders through advocacy and awareness raising activities is frequently undertaken in Localization efforts as experience has shown that involving the local community and other key stakeholders in local decision-making and implementation produces lasting results.<sup>10</sup> In the following pages, the different forms of MDG advocacy and awareness raising campaigns targeting the local level are outlined.

- i) *Global Campaigns and Local Impact.* Global MDG campaigns can have local level impact due to their high profile and in general their larger resource base. Offsetting this is the general nature of the campaign that needs to be adapted to each country context, and the difficulty in linking the global campaign with local level development processes. One of the more innovative methods used recently to raise awareness about the MDGs and encourage citizen participation in holding Government's accountable was the Millennium Campaign's "Stand Up Against Poverty."<sup>11</sup> This activity mobilized over 23 million people across world in over 11,000 different events during a 24-hour period.<sup>12</sup> While this was a predominantly global campaign, the events were organized across countries at the sub-national level. This event also leveraged the exposure given to the International Day to Eliminate Poverty, as well as raising its publicity by aiming to set a Guinness World Record. Of course, global campaigns are costly, time intensive exercises. They are important to note however as they can bring a "multiplier effect" to local level advocacy initiatives if well coordinated.
  
- ii). *National Level Campaigns.* There are numerous examples of national level advocacy and awareness campaigns that impact the local level. By the very nature of the diverse communications mediums used (television, radio, wide-circulation print media, live performances, internet etc.) it is relatively simple to reach a larger audience at the local level. It is interesting to note the variety of methods utilized and the different approaches taken. In Bangladesh, the UN Resident Coordinator's office is leading a multi-year multi media campaign that includes television, radio, newspaper, Internet, and live events.<sup>13</sup> In Brazil, the Banco do Brasil, which has 15 million clients nationwide and over 38,500 ATMs, has placed the MDGs in their ATM machines as well as in every one of the 70,000 computers used by their employees. The layout depicts the campaign logo and the eight icons for each goal, developed as part of the Brazilian MDG campaign.<sup>14</sup> In Fiji, the private sector was brought on board with a national campaign. The UNCT in Fiji organized an event called 'Tadra Kahani' together with a national radio station/event organizer in which schools throughout Fiji were asked to choose a specific Millennium Development Goal and with dance and music illustrate the goal on stage in a festival in the capital. Fiji's international airline Air Pacific used the event in their in-flight video by showing parts of the event combined with interviews with teachers and students and some thoughts on MDGs to increase the audience reached.<sup>15</sup> Lastly, advocacy need not be limited to developing countries. In Sweden, the UNDP Nordic Office produced a film clip in Swedish on the need to achieve the MDGs, called "8 mål som förändrar världen" ("8 goals that are changing the world"). The film clip was shown at movie theatres all over the country during one month on two different occasions.<sup>16</sup> The examples above show that well planned national advocacy efforts can reach a wide audience at the local level

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<sup>10</sup> "Toolkit for Localizing the MDGs: A UNDP Capacity Development Resource." UNDP-BDP, Capacity Development Group, 2005. p. 37.

<sup>11</sup> For more information see: [www.standagainstopoverty.org](http://www.standagainstopoverty.org)

<sup>12</sup> Ibid.

<sup>13</sup> "MDG Advocacy Communications Strategy." UNRC Office Bangladesh, 2006.

<sup>14</sup> "MDG Net Consolidated Reply: QUERY: Bolivia/ Request for audio visual MDG campaigning materials." 3 June 2005, revised 27 June.

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

through a variety of means.

- iii). *Sub-National Campaigns.* There are few examples of advocacy and awareness raising campaigns targeting specific sub-national regions, though there is evidence of the efficacy of such an approach. In Albania, specific MDG posters and communication messages were developed to mobilize people in the Kukes Region to take part in the formulation of an MDG-based development strategy. The posters utilized specific images for each MDG (such as the local river for MDG 7 or the town hospital for MDG 5) easily identifiable by the citizens of the region and were placed in public places, government offices, and other high-visibility areas. Accompanying the posters were local radio and television shows discussing the MDGs from the perspective of the Kukes Region. As a result, a high degree of citizen participation in the strategy formulation process was noted.<sup>17</sup> The advocacy efforts also increased visibility of the region for both donors and government. While an interesting example, this approach may not be feasible for many countries lacking the infrastructure or funding.
- iv). *Specific MDG Campaigns.* In some countries, a UN Agency has undertaken advocacy and awareness raising around one specific MDG at the national and local levels. There are fewer instances of this as in general advocacy has been done as a joint UN initiative through the UN Resident Coordinator's office. Also, these advocacy efforts often are limited to short time spans to capitalize upon notable UN Days, or other special events. One such example comes from the Alliance of Mayors and Municipal Leaders on HIV/AIDS in Africa (AMICAALL) who, in cooperation with Joint UN Programme of HIV/AIDS (UNAIDS), has conducted advocacy events on national HIV/AIDS awareness days through their national chapters to raise awareness about MDG 6.<sup>18</sup>
- v). *Campaigns Targeting Specific Communities.* As noted by UNDP "It is common that those actors who generally find it harder to engage in formal 'representative' democracy such as women, young people, indigenous peoples, disabled people and the elderly are also the same groups who are more likely to be at risk of being poor."<sup>19</sup> As such, specific advocacy and awareness raising activities have been articulated in several countries for marginalized groups.

In Bulgaria for instance, the UN undertook extensive outreach to youth through photo contests and traveling photo exhibitions, Model United Nations activities, a youth designed and implemented media strategy, and the participatory development of a National Youth Report on the MDGs.<sup>20</sup> In Nigeria, an initiative was undertaken to ensure youth were made fully aware of the goals and to secure their participation and ownership in Nigeria's development process. Interactive sessions with journalists, essay and poster competitions, and radio and television programmes were utilized as vehicles to involve youth and disseminate information. The culmination of the event and an awards ceremony were timed to coincide with the celebration of UN Day.<sup>21</sup>

Similar initiatives have been undertaken for children. In Latvia, a poster contest was organized, exhibiting submissions in the main children's hospital and inviting children to select the winners. In a poverty awareness raising campaign, the Jordan country office targeted children aged 7 to 12 through a picture competition based on MDG themes. Guinea has established a Youth Alliance around the Goals, which assists in advocacy efforts concerning youth.<sup>22</sup> Across Europe, the Pakiv European Roma Fund is undertaking innovative work by developing "...a network of young Romani leaders able

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<sup>17</sup> "Localizing the MDGs: The Albania Experience." UNDP Albania, 2004.

<sup>18</sup> See [www.amicaall.org](http://www.amicaall.org) for more information.

<sup>19</sup> "Practice Note on Capacities for Localizing the MDGs (draft)." UNDP-BDP Capacity Development Group, 2007. p. 21

<sup>20</sup> See [http://www.undp.bg/en/mdgs\\_bg\\_youth.php](http://www.undp.bg/en/mdgs_bg_youth.php) for more information.

<sup>21</sup> "Toolkit for Localizing the MDGs." UNDP-BDP, 2005. p. 49

<sup>22</sup> "MDG Net Consolidated Reply. Tunisia/Experiences with MDGs Addressing Children." 12 November 2003.

to activate their communities, stimulate local development processes (and thereby greater individual and group self-reliance), and use local experiences to influence public policy.”<sup>23</sup> These leaders then go on to organize awareness raising and advocacy events (amongst numerous other activities) within their communities.

#### **Lessons Learned in Advocacy and Awareness Raising**

- 1). Advocacy and awareness raising is a strategic activity that needs to be adapted to the country context, well planned, and adequately resourced. Countries such as Bangladesh, Albania, Honduras, and Kenya (amongst many others) have developed detailed advocacy strategies that consider carefully who to reach, why they are important to communicate with, and various means to do it. As such, they have been particularly effective in mobilizing communities around the MDGs and informing them about the Goals. Furthermore, these efforts have usually been done through the UN Resident Coordinator’s office in partnership with members of the UNCT. This is a particularly effective way to draw upon the expertise of the entire UNCT, and distribute the cost and effort of organizing the advocacy initiatives.
- 2). Sub-national advocacy and awareness campaigns in a particular area are a powerful means for engaging communities in Localization processes. Albania provides a unique example whereby local landmarks, renowned personalities, songs, imagery, and other aspects of the region were used in advocacy materials to make the MDGs relevant to the local reality in order to promote participation in the formulation of an MDG-based local development strategy.
- 3). Marginalized communities such as women, youth, and minorities may need unique advocacy approaches to ensure that the messages reach them and are relevant.
- 4). Evaluating the results of advocacy campaigns is essential, though not frequently done. Activities should be evaluated to see if they are successful in providing information or changing behavior.
- 5). Choosing the medium for the message is crucial to ensure that the target audiences can receive the information. Exclusive means such as the Internet are often not conducive to usage at the sub-national level, whereas live events, printed material (with imagery and text), and radio may be more useful.
- 6). The private sector can assist with promotion and advocacy through their product and service distribution channels.

#### **4.2.2 Baseline Assessment and Analysis**

There are two components of setting a sub national level baseline: the first is the assessment of data gathering capabilities, gathering the data and setting indicators; the second component is the process of reviewing progress and analyzing the information. In this section, the first component concerning assessments of data gathering capabilities, collection of information, and setting of indicators will be discussed, while the processes for monitoring and reviewing information will be covered under section 4.2.5.

i). *Assessment of Data Gathering Capabilities.* From the case studies and resources analyzed, it is clear that the approach utilized to gather data at the sub-national level is dependent upon a country's existing data systems and form of data collection (both qualitative and quantitative), the institutional arrangements for coordinating the collection and analysis of such data, and lastly the capacities of relevant stakeholders to undertake the task. Most efforts in this area have been undertaken at the national level with little focus on the needs of sub-national data collection capabilities of local

<sup>23</sup> World Bank b. (2004) *Bulgaria, Hungary, Romania, and the Slovak Republic: Combating Socioeconomic Exclusion among Roma (Gypsies) in Central and Eastern Europe—The Pakiv European Roma Fund Initiative.* Scaling Up Poverty Reduction: A Global Learning Process, and Conference in Shanghai, May 25-27, 2004 [www.worldbank.org/wbi/reducingpoverty/docs/newpdfs/case-summ-MultipleCountries-Roma.pdf](http://www.worldbank.org/wbi/reducingpoverty/docs/newpdfs/case-summ-MultipleCountries-Roma.pdf)

government authorities, civil society, and other stakeholders. In Kyrgyzstan for example the UNCT supported the Government in formulating gender-sensitive indicators and a monitoring mechanism to track progress on the country's tailored MDGs. A wide array of counterparts from civil society, sectoral ministries, and academia were involved in the analysis and discussion.<sup>24</sup> There is of course overlap as the national level initiatives do impact the local level through encouraging civil society participation and other means, and the skills developed in local level actors to gather data for the purposes of monitoring national strategies is also useful for the monitoring of the local level plans.

Yet, the information examined in this report shows that a specific local level approach to data gathering can be useful as follows:

- The lack of disaggregated data at the local level requires surveys and other forms of direct client feedback which can best be organized by local level actors;
- Ethnic, linguistic, economic and racial identities can manifest themselves more visibly and immediately at local levels. Knowledge of such issues is needed when compiling the baselines assessment and is often best articulated at the local level.
- Rugged geography and weak transport infrastructure can impede baseline assessments at the local level and raise both the cost and complexity of undertaking such activities. Local level involvement can assist in choosing the best time and methods to undertake such work.
- There is often less formal institutional presence at sub national levels, particularly at community and village levels. Also, capacities for coordination, implementation, and analysis of information are generally weaker.<sup>25</sup> As such, capacity development is an entry point to support efforts in these areas.

The above constraints are well known and there are several interesting examples of activities to address them – specifically involving the training and utilization of civil society organizations that have access to rural area and different communities. In Albania, 150 representatives of civil society were trained on statistical literacy to ensure that they could participate in the formulation and monitoring of MDG based local development strategies. Representatives were chosen based on numerous criteria including geographic coverage, which stakeholders they represented, and skills in the area. Similarly, in Macedonia, Local Leadership Groups were trained in methods and techniques for monitoring MDG based programs including the gathering of data.<sup>26</sup> Capacity development of this sort takes time as needs assessments, training, and skill development must occur.

Of notable concern to the majority of Localization efforts examined by this study is the availability and quality of data at the sub-national level. Innovative work has been undertaken by East Timor to address just such a data gap by using national expenditures data from a 2004 survey, population census data from 2001, and an algorithm that factored in these data sets and other issues (such as type of housing if any, access to safe water, geography etc.) to estimate the extent and depth of poverty in different sub-national areas.<sup>27</sup> UNDP-Albania used proxy measurements to localize the Human Development Index (HDI) to the municipal/commune level. Though there were issues with the GDP extrapolation at such a level, the method did produce a comparative analysis of the status of human development in the communes that allowed for targeted surveys to be undertaken in the areas with the

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<sup>24</sup> “How-To-Guide To Localizing the MDGs.” UNDP, 2006. p. 42. For examples from Cape Verde, Tanzania, and Khazakstan on assessing national level data collection systems and capacity development see same source, pages 42-44.

<sup>25</sup> List adapted from “Practice Note on Capacities for Localizing the MDGs (draft).” p. 19

<sup>26</sup> “AA1 Progress Report: January – June 2006.” SNV-UNDP on strengthening local actors in MDG and PRS processes, August 2006. p.2.

<sup>27</sup> “Poverty Targeting by Proxy Welfare Tests.” UNDP-East Timor, 2006. p. 2

lowest HDI.<sup>28</sup> Data gaps and reliability are a reality of local level surveying; proxy measurements are useful but must be tailored to each country context based on the data availability and quality.

ii) *Setting Indicators.* Judging from the cases studied, establishing indicators at the sub-national level for local development strategies has been only partially successful. The issue concerning indicators is whether to adopt national indicators at the local level, or create new indicators. Local level indicators have the ability to capture local manifestations of poverty that may not be reflected at the national level. For example, in Kukes Region, Albania, MDG 1 in the sub-national MDG based development strategy had indicators measuring the number of families with in-house safe water supply, number of families with in-house heating sources, infant mortality rate, unemployment rate, and lastly the number of families receiving social assistance.<sup>29</sup> For the same goal, another sub national MDG based strategy in Albania for the Gjirokastra region did not include the indicators for water supply, or heating due to the availability of the services.<sup>30</sup>

As this example shows, if capacities exist and funding is available, local level indicators can be developed and monitored to better reflect the nuances of the local context. This approach however is costly in terms of time and financing for both the capacity development and recurrent monitoring of the indicators. Furthermore, the institutional arrangements and issues of data availability within a particular country may not allow for such a system to be developed. Lastly, developing only independent local indicators for each sub-national area leads to a fragmentation of monitoring efforts and incomparability between regions and between the national level and regions. In Albania this was understood and a “nested” approach was adopted whereby the local levels adopted some indicators utilized at the national level with the same definitions thereby linking the monitoring of MDG achievement at the both levels. For example, at the national level, the Albanian MDG Report for the same year had 14 indicators for Goal 1 of which one was the unemployment rate; this indicator was also utilized at the local level.<sup>31</sup>

UN Habitat has also provided a set of guidelines for cities to adapt in order track progress towards the MDGs through their work with the Global Urban Observatory Programme. The guidelines comprise 20 key indicators that are reasonably easy to collect, 8 check lists that outline questions that are less easily measured by a quantitative indicator, and 16 extensive indicators that give a more in-depth measure of a specific issue.<sup>32</sup> While useful, the guidelines must also be accompanied by capacity development for their utilization and data gathering. Furthermore, these indicators are tailored to the urban environment and are not applicable for rural areas.

iii). *Gathering Data.* Though the constraints at the local level for data gathering are imposing, the information examined has shown that there are also unique opportunities offered such as:

- The knowledge of local contexts, customs, relations and needs are closer to the people, allow for better adaptation and realism in application of the data gathering mechanisms.
- The availability of volunteer services at local levels to assist in collection.

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<sup>28</sup> “Kukes MDG Regional Development Strategy.” Regional Council of the Kukes Region, Albania, 2004. p. 130

<sup>29</sup> “Kukes MDG Regional Development Strategy.” p. 81

<sup>30</sup> “Gjirokastra MDG Regional Development Strategy.” Regional Council of the Gjirokastra Region, Albania 2004. p. 94.

<sup>31</sup> “Albania National MDG Report.” Ministry of Finance, Department for the National Strategy for Socio-Economic Development, Albania, 2004. p. 19

<sup>32</sup> For more information see: “Urban Indicators Guidelines: Monitoring the Habitat Agenda and the Millennium Development Goals.” UN HABITAT, 2004.

- Local leadership may have more space to experiment, dialogue, and look at alternatives methods to data collection.<sup>33</sup>

There are a wide variety of approaches to data collection at the local level including household surveys, community surveys, community benchmarking through participatory workshops, and others. Judging from the case studies material, household surveys are one of the most frequently utilized mechanisms for gathering data at the local level. Prominent examples of household surveys conducted by international agencies include the Demographic and Health Surveys (DHS) carried out for the United States Agency for International Development (USAID); the Living Standards Measurement Study (LSMS) surveys conducted with technical assistance from the World Bank, and the Multiple Indicator Cluster Surveys (MICS) undertaken by the United Nations Children’s Fund (UNICEF).<sup>34</sup> The cost and technical expertise needed in developing and analyzing household surveys often limits their use by local authorities.

Community surveys are useful as they involve the poor in gathering data and are adaptable to informal housing and slum areas. In Nairobi, Kenya for example the NGO Pamoja Trust and the local government have undertaken detailed slum assessments through community organizations thereby enabling these groups to identify their key needs and plan their own solutions.<sup>35</sup>

Community benchmarking via participatory workshops have also been widely conducted. In the Republic of Altai, Russian Federation and in Plovdiv, Bulgaria UNDP and the School of International and Public Affairs of Columbia University held workshops to facilitate a dialogue amongst various community actors and help them to agree on realistic short and long-term targets (benchmarks) as part of the overall effort to localize the MDGs. As noted in the final report on the initiative “Participatory benchmarking workshops per se will not guarantee implementation of policies and achievement of the MDGs. However, they can encourage cooperation among central and local governments and various groups within society. This is vital in helping the community commit to the MDGs and to agree on the implementation of policies necessary to achieving them.”<sup>36</sup>

iv). *Analysis of Information.* Once the information is gathered, there is a need “...to analyze the different factors are impacting the poor, categorizing the *types* (outline which MDG is affected) and level of *impact* (the scale) and whether they are positive or negative.”<sup>37</sup> There is a wide array of tools to support the analysis of information. UNDP-Kenya through the Capacity 2015 initiative has developed a Toolkit focusing on participatory processes for local development – including processes for analyzing information. The Toolkit offers a wide range of tools that that can be adapted to different contexts including: a historical analysis of trends and development in the community through a “River of Life” diagram and exercise, trend lines, stakeholder analysis and matrices, institutional analysis, SWOT analysis, gender analysis, access and control profiling, and problem trees.<sup>38</sup> This toolkit is particularly interesting for the sheer number of analysis tools it offers.

<sup>33</sup> List adapted from “Practice Note on Capacities for Localizing the MDGs (draft).” p. 19

<sup>34</sup> “Household Sampling Surveys in Transition Countries.” United Nations Department for Economic and Social Affairs Statistics Division, 2005. p. 4.

<sup>35</sup> UN Habitat “Issue paper on Pro-poor governance for delivery of basic services, 2005” as cited in “Toolkit for Localizing the MDGs.” UNDP, 2005. p. 54.

<sup>36</sup> “Benchmarking Workshops: A Tool For Localizing the Millennium Development Goals. A pilot project in Bulgaria and the Russian Federation.” UNDP and SIPA, 2003. p. 1

<sup>37</sup> “Toolkit for Localizing the MDGs.” UNDP, 2005. p. 55.

<sup>38</sup> “Participatory Workshop Toolkit.” Poverty and Environment Initiative/Capacity 2015 Programme. UNDP-Kenya, 2006. pgs. 30-65.

In Latin America, there has been an interesting initiative focusing on strengthening the ability of local leaders to analyze issues with a long-term perspective. The SNV-UNDP Capacity 2015 partnership and UPEACE (a University in Costa Rica) worked together to adapt leadership training modules to the reality of indigenous local leaders across Latin America.<sup>39</sup> The capacity development of analytical skills allows the trainees to employ a wide array of tools such as those noted above.

#### **Lessons Learned in Baseline Assessment and Analysis**

- 1). Whatever methodology is utilized, it is important to disaggregate the data as far as possible (e.g. by gender, and to district or village/community level) to ensure that the baseline assessment and analysis are accurate. Having said this, there can be great difficulty in obtaining good quality disaggregated data at the local level. As such, the use of proxies and other forms of estimation are suggested.
- 2). The ability to analyze survey data is among the area most in need of capacity development at the local level. Analyses of data from many surveys rarely go beyond basic frequencies and tabulations. Appropriate analyses of survey data, and the timely dissemination of the results will ensure that the requisite information can be utilized in decision-making and policy formulation.
- 3). A “nested indicators” approach is recommended whereby some select national level indicators are also included in the sub-national monitoring framework. This allows for unique sub-national MDG indicators to be developed and monitored, whilst also increasing coherence with national monitoring efforts through the inclusion of national level indicators.
- 4). Different participatory analysis tools available are best utilized in conjunction with each other to approach issues from different perspectives. For example, a SWOT analysis can be coupled with a Gender analysis to ensure that the issues affecting both women and men are reflected.

### **4.2.3 Integrated Planning and Budgeting**

Integrated development planning is a process by which governments consolidate plans and development strategies into a coherent framework stressing coordinated, collaborative and mutually supportive interventions, whether sectoral, cross-sectoral or territorial in nature, to improve policy cohesion, efficient resource use and long-term effectiveness.<sup>40</sup> Based on the material examined by this report, integrated planning generally involves the incorporation of national, provincial and other local policies into a local development strategy. This section will outline different approaches to integrated planning at the local level, followed by an overview of the budgeting and funding modalities currently in use.

- i). *Integrated Sectoral Planning.* Sectoral strategies at the national level play a large role in the implementation of local development strategies. In Pakistan, the Government utilizes a 5 year National Environmental Action Plan Support Programme (NEAP SP) to address the environmental priorities of the country.<sup>41</sup> One unique feature of the NEAP is the focus it places on intra-government linkages. NEAP has a Coordination Unit that links not only to other Ministries, but also to the Provincial Planning and Development Departments to ensure that environmental concerns are incorporated into the planning, and that funding is allocated for the provincial priorities through the NEAP SP.<sup>42</sup>

<sup>39</sup> “SNV-Capacity 2015-LA Sharing Insights and Lessons – Leadership for Local Development in Latin America.” Jose Romero, UNDP, 2006. p.2.

<sup>40</sup> “How-To-Guide To Localizing the MDGs.” p. 58.

<sup>41</sup> See: [http://www.pakistan.gov.pk/divisions/ContentInfo.jsp?DivID=5&cPath=45\\_436&ContentID=1588](http://www.pakistan.gov.pk/divisions/ContentInfo.jsp?DivID=5&cPath=45_436&ContentID=1588) for more information on the NEAP SP.

<sup>42</sup> “National Environmental Action Plan – Support Program (NEAP-SP) Environmental Interventions for the New Millennium in Pakistan.” Prof.Dr.Azhar Mansur Khan, Sustainable Development International. <http://www.sustdev.org/getfile.php?id=115>

ii). *Cross-Sectoral Integrated Planning.* Numerous examples exist of cross-sectoral approaches to development planning at the local level. The World Bank, AMICAALL, UNDP, UN HABITAT, and the Cities Alliance have developed a toolkit to support local governments in developing cross-sectoral initiatives to combat HIV/AIDS.<sup>43</sup> In the Toolkit, it is noted, “An effective HIV/AIDS response should be multi-sectoral, recognizing that the impact of HIV/AIDS and the response require a multi-pronged approach.”<sup>44</sup> The toolkit aims to assist the integration of national and sub-national initiatives in different sectors to combat HIV/AIDS at the local level. The Décentralisation et Initiatives de Santé Communautaire (DISC) initiative in Senegal is a national initiative that builds the capacities of local authorities to address HIV/AIDS concerns from a cross-sectoral perspective that includes health, education, and sanitation assets at both the national and local levels.<sup>45</sup> Meanwhile in Msunduzi Municipality in South Africa, a cross-sectoral approach to HIV/AIDS was adopted to provide a wide array of services from programmes at the national and local levels.<sup>46</sup> These and other cross-sectoral planning initiatives are dependent upon a clear goal, adequate capacity development of all stakeholders, a thorough understanding of on-going initiatives, and a well-defined division of skills and responsibilities between stakeholders.

iii). *Comprehensive Integrated Planning.* Incorporation of both national sectoral and cross-sectoral plans into local development strategies is a complex task. South African cities however, are required by law to develop just such a plan and thus can be used to illustrate such a practice. In Johannesburg for example, an extensive participatory process is undertaken every year to formulate the Integrated Development Plan (IDP).<sup>47</sup> Sectoral and cross-sectoral plans at the National, provincial, and municipal level are incorporated in the plan.<sup>48</sup> For example, in the area of environment, the Johannesburg IDP incorporates priorities of the National Ministry of Environment, the Provincial Department of Water Affairs and Forestry, and the South African Local Government Association. Different mechanisms are established to discuss issues with these various stakeholders that arise during the implementation of the IDP as well.<sup>49</sup> Cross-sectoral concerns such as Public Safety are also addressed in a similar fashion with consultations taking place between the national, provincial and city level officials in the areas of health, environment, housing, and others to ensure coordination of the initiatives.<sup>50</sup>

The complexity of this system and the human and financial resources required make it unrealistic for many countries. However, the principles behind it – participation by all levels of government and community stakeholders, consultative forums for dialogue before and during implementation, and close coordination with budgetary mechanisms at the national, provincial and local levels are important elements that can be drawn upon for all planning and budgeting efforts.

iv). *Improved Utilization of Local Resources through Performance Based and Participatory Budgeting.* Local sources of funding include revenue generation, local taxation and charges, establishing municipal bonds, providing micro-credit and supporting the opening up local credit groups. Greater community involvement “...can greatly assist the process of planning ahead financially, ensuring that

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<sup>43</sup> “Local Government Responses to HIV/AIDS: A Handbook to support local government authorities in addressing HIV/AIDS at the municipal level.” World Bank and AMICAALL, UNDP, UN HABITAT, Cities Alliance, 2003.

<sup>44</sup> Ibid. p. xii

<sup>45</sup> Ibid. p. 9.

<sup>46</sup> Ibid. p. 15.

<sup>47</sup> See: [http://www.joburg.org.za/city\\_vision/idp\\_2005a.stm](http://www.joburg.org.za/city_vision/idp_2005a.stm) for more information on the IDP.

<sup>48</sup> “Johannesburg Integrated Development Plan: Chapter 3 Aligning the Different Spheres of Government for Better Service Delivery.” Council of Johannesburg, 2006. p. 25.

<sup>49</sup> [http://www.joburg.org.za/2005/may/may25\\_budget4.stm](http://www.joburg.org.za/2005/may/may25_budget4.stm)

<sup>50</sup> “Johannesburg Integrated Development Plan: Chapter 9 Public Safety.” Council of Johannesburg, 2006. p. 192.

the needs and interests of the poorest are reflected in the process. Such involvement can also improve the effectiveness and accountability of financial management within a local government.”<sup>51</sup> The case studies and other material examined show that there are two widely utilized methods in for community involvement in budgeting: performance based budgeting and participatory budgeting.

Participatory budgeting is “...a mechanism of local government, which brings local communities closer to the decision-making process around the public budget.”<sup>52</sup> More specifically, it is a flexible set of community engagement techniques, adaptable to local circumstances, focusing on improving the delivery and cost effectiveness of services by empowering the community to make the decision on how funding is best spent.<sup>53</sup> Participatory budgeting techniques were first pioneered in Porto Alegre, Brazil, but now are used in over 300 cities across Brazil, Argentina, Uruguay, Peru, Colombia, Spain, France, and Germany and involve over 12 million people.<sup>54</sup> As the list of examples is vast, this report will only summarize the strengths and weaknesses of the approach.<sup>55</sup>

In terms of strengths, participatory budgeting can bring a better focus on issues of social exclusion thereby bring improvement to the poorest neighborhoods and rural areas. It also reduces the perceived inequalities in investment between the poorest and others. Over time, it can build stronger relationships between citizens and their local government representatives and in some cases provide cost-savings through more efficiently targeted service provision.<sup>56</sup> The constraints include the complexity and bureaucracy of the process, the need to develop the mechanisms gradually over time, the strong commitment from all partners to commit to a long term process and to discussion on the sharing of decision making powers, and the extensive capacity building efforts for both local authorities, civil society and communities to enable them to engage effectively in the process.<sup>57</sup>

Another method for improving the utilization of local resources is performance budgeting (PB). PB shows the results that will be achieved by carrying out the specified work or budget program, and the resources that are necessary to achieve the required strategic program outputs.

A successful example that has been promoted globally comes from Armenia. With UNDP-SNV support five municipalities have formulated performance budgets. The initiative produced and tested a PB manual and training programme, developed PB-based budgeting software, conducted extensive civic awareness about the initiative, and trained 50 municipal civil servants on the process.<sup>58</sup> Key success criteria of the initiative included the high degree of community participation and interest in the issue that motivated local governments to adopt the technique, the positive and consistent engagement of the mayors throughout the process, and an appropriate civil society partner with the financial skills necessary to undertake local level training.<sup>59</sup> There were several lessons learned from the process as well including:

- PB does not solve the problem of scarcity of funds as concerns the expenditure side of the budget.
- PB cannot rid the budgeting process of politics

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<sup>51</sup> “Toolkit for Localizing the MDGs.” UNDP-BDP, 2005. p. 23.

<sup>52</sup> “Breathing life into democracy: the power of participatory budgeting.” Oxfam UK Poverty Programme/Community Pride Initiative, 2005. p. 4

<sup>53</sup> Ibid. p. 5.

<sup>54</sup> Ibid. p.16.

<sup>55</sup> For specific information on the Porto Alegre example, see “Slicing Up the Pie: Community Involvement in Participatory Budgeting. Porto Alegre.” Community Pride Initiative, 2003.

<sup>56</sup> “Breathing life into democracy: the power of participatory budgeting.” p. 17.

<sup>57</sup> Ibid. p. 20.

<sup>58</sup> “Armenia: Introducing Performance Budgeting. Report for UNDP-SNV Cooperation Activity Agreement 2 on Capacity Development Innovation.” UNDP-Armenia, 2006. p. 4

<sup>59</sup> Ibid. p. 4.

- PB cannot reduce the impact of interest groups.
- PB requires the existence of comprehensive information on the municipality, and elaborate data collection and analysis mechanisms, which can be problematic for those areas without the requisite capacities.
- PB does not solve the issue regarding the absence of a direct link between the performance and the outputs for some services (such as legal and managerial services) for which there is no immediately tangible result.<sup>60</sup>

v). *Funding Mechanism: Global Environment Facility (GEF)*. The GEF Small Grant Programme (SGP) implemented by UNDP focuses on supporting local activities by NGOs and communities that address global environmental problems. The criteria for SGP projects specify that initiatives must provide for community participation in their design, implementation and evaluation; are led by and develop the capacity of local organizations; pay attention to the needs of women and indigenous peoples and practices; draw on local scientific and technical resources, and include provision for capacity development.<sup>61</sup> As noted in an evaluation these criteria have contributed greatly to SGP's success: "SGP links, global, national and local-level issues through a transparent, strongly participatory and country-driven approach to project planning, design and implementation."<sup>62</sup> One drawback of the SGP is the way that it tends to operate outside local development strategies through its programmatic approach. Typically the National Steering Committee screens proposals directly submitted from civil society and without coordinating through local development strategies. As such, the SGP can appear to be an external mechanism operating outside of both national and local government plans. Better coordination between the National Steering Committee, civil society, and local government representatives would likely improve the impact of the SGP.

vi). *Funding Mechanism: World Bank Social Investment Funds (SIFs)*. Social funds support small projects ranging from infrastructure and social services to training and micro enterprise development, which have been identified by communities and presented to the social fund for financing. They have become one of the main tools of community-led poverty reduction with the World Bank funding over 108 social funds across 57 different countries in the past decade.<sup>63</sup> Social funds generally are quick to deliver, responsive to local community needs, and adaptable to a wide array of development contexts.

Yet the funds also present certain drawbacks. Notably, social funds have been criticized for not reaching the poorest in the communities. As noted by one study, the "demand driven" nature of the funds "...often limits the access to resources by the very poor who have a limited capacity to articulate their demands formally and to mobilize counterpart funds."<sup>64</sup> In Tajikistan for example, the World Bank's review of the Social Fund noted that it did not reach out to the most at-risk communities and thus had to embark on a process of hiring more staff from the marginalized groups to ensure that the fund was accessible to them.<sup>65</sup> A review of the Nicaraguan SIF showed the same

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<sup>60</sup> Ibid. p. 5.

<sup>61</sup> See the GEF-SGP Website for a more comprehensive overview of the Programme. [www.sgp.undp.org](http://www.sgp.undp.org)

<sup>62</sup> "Report of The Third Independent Evaluation of the Global Environment Facility Small Grants Programme." Michael P. Wells, Team Leader, Mehreen Hosain, Bolaji Ogunseye, Julio C. Tresierra, 2003. p. vii.

<sup>63</sup> See: The World Bank and Social Funds:

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALPROTECTION/EXTSF/0,,menuPK:396384~pagePK:149018~piPK:149093~theSitePK:396378,00.html>

<sup>64</sup> "The Impact of Adjustment-Related Social Funds on Income Distribution and Poverty." Giovanni Andrea Cornia and Sanjay Reddy Discussion Paper No. 2001/1, UNU WIDER May 2001.

<sup>65</sup> "National Social Investment Fund of Tajikistan. A case study from Reducing Poverty, Sustaining Growth - What Works, What Doesn't and Why. A Global Exchange for Scaling Up Success." Scaling Up Poverty Reduction: A Global Learning Process and Conference, Shanghai, May 25-27, 2004. p.4.

pattern with sewage investments not reaching the poor.<sup>66</sup> Similarly, the review of the World Bank Community Driven Development and Community Based Development Projects (of which social funds are one form) notes that the project cycles in social funds and other forms of CDD/CBD is often too short to sustainably enhance the capacities of communities where such capacities are weak.<sup>67</sup> As such, the poorest often can not effectively take part in the SIF mechanisms.

SIFs also tend to be seen as independent mechanisms that do not coordinate with national or sub-national authorities or work through established development strategies. Frequently SIFs view mayors and other local counterparts as contractors, rather than partners.<sup>68</sup> Furthermore, technical assistance for local authorities in the areas of project cycle and accounting, municipal participatory investment planning, and operation and maintenance is ad-hoc or not sustained for long enough.<sup>69</sup>

vii). *Funding Mechanism: Community Led Infrastructure Finance Facility (CLIFF)*. CLIFFs are a financing mechanism for assisting organizations of the urban poor to carry out successful community-driven infrastructure, housing, and urban services initiatives at city level, in conjunction with municipalities and the private sector.<sup>70</sup> Currently in operation in India and Kenya, CLIFFs have thus far assisted 5,332 families to obtain housing and over 250,000 families get improved sanitation in India, while in Kenya, CLIFF is helping 875 families to gain land for housing development, 31 families to build housing and around 1,000 market traders to get access to sanitation.<sup>71</sup>

The strength of CLIFFs is the extensive capacity development offered to the organizations of the urban poor to organize themselves and implement the activities. The capacity development is targeted to ensure that the poorest in the communities participate in the project development, as well as benefit from it.<sup>72</sup> As noted in the 2005 review "...for community-driven slum upgrading to go to scale, support is needed for the slum dwellers' own organizations. Without strong organizations of the urban poor, it is not possible to challenge the developer in search of profit and the politician in search of patronage. Urban poor organizations have to learn about architecture and design, about construction and materials, and about how different government departments work and the complex procedures they employ. The resettlement, upgrading and new housing projects already implemented by the [Indian] Alliance show that this is possible."<sup>73</sup> CLIFFs also link the informal sector with the formal financial sector through this capacity development. Thus CLIFFs are not tools for immediate implementation of activities and should be seen rather as mechanisms for implementing 'flagship' projects that will garner attention and further funding for expansion. The degree to which CLIFFs are integrated within local development strategies is difficult to discern due to a lack of information. CLIFFs have also not been tested in rural areas as a tool for community driven development.

viii). *Funding Mechanism: Public Private Partnerships (PPP)*. PPP are a method for bringing additional resources and technical expertise from the private sector to implement a local development strategy or

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<sup>66</sup> "Impact Evaluation of Social Funds: The Impact and Targeting of Social Infrastructure Investments: Lessons from the Nicaraguan Social Fund." Menno Pradhan and Laura B. Rawlings, World Bank Economic Review, Vol. 16, no. 2, 2000. p. 275.

<sup>67</sup> "The Effectiveness of World Bank Support for Community-Based and -Driven Development. An OED Evaluation." World Bank, 2005. p. xii.

<sup>68</sup> "Enhancing Local Government Capacities: The Role of Social Investment Fund." Carmen Schickinger and René Rodriguez, KfW, 2002. p. 13

<sup>69</sup> Ibid.

<sup>70</sup> See: <http://www.homeless-international.org> for more information on CLIFFs

<sup>71</sup> Ibid.

<sup>72</sup> "Fourth CLIFF India Monitoring Report." Homeless International, 2005. p. 7

<sup>73</sup> Ibid p. 46.

other activity. The UN Public Private Alliance for Rural Development (UNPPA) is “...part of a growing family of efforts within and outside the United Nations system that focuses on the positive role business can play in promoting development. It promotes pro-poor business, stimulates entrepreneurial capacity-building and encourages investments, commerce and related activities for sustainable rural development.”<sup>74</sup> Currently operational in Madagascar and Dominican Republic, the latest review of the programme has shown a wide array of activities being undertaken including provincial workshops to augment existing PPP efforts within the country; facilitation of greater access to rural credit through micro-finance and micro-insurance; supporting local handicraft producers associations to help promote exports; provision of computers to local government and schools; and cooperation with an international mining operation to help achieve priorities of the Alliance.<sup>75</sup> UNPPA, however, has not focused on how PPPs can improve service delivery, or on strengthening of capacities of local government authorities to build PPPs and manage them.

Another initiative is UNDP’s PPP for the Urban Environment (PPPUE) that is targeted towards addressing the lack of access to clean water and energy services and accumulating garbage in urban centers through PPPs.<sup>76</sup> The PPPUE programme operates in Namibia, Uganda, and Nepal at the national level, and in numerous countries at the local level through an Innovative Partnership Grants mechanism. Early in the programme, one criticism of the local level initiatives is that only the management of services was being handed over to the private sector rather than having the private sector also invest in equipment and facilities necessary to provide the services.<sup>77</sup> Other criticisms included the lack of civil society and community representation in the PPP initiatives, and the need to build the capacity of local government authorities to manage PPPs.<sup>78</sup>

These shortcomings were addressed the formulation of several capacity development tools. The first tool focuses on pro-poor PPP for service delivery and aims to enhance the capacity of partners at the country level in the use of PPP as an alternative approach for improved service delivery to all citizens and especially the poor.<sup>79</sup> The tool includes a manual on how to plan, develop, implement, regulate and evaluate PPP. The second tool is a guide outlining the four basic steps that provide practical implementation steps on how to facilitate PPPs to deliver services.<sup>80</sup>

ix). *UNCDF Funding Models.* UNCDF states that “A key part of the LDP [Local Development Plan] strategy is to trial innovative ways of funding local public goods and services through local governments.”<sup>81</sup> One of these approaches is the use of unconditional block grants from the central government. In Uganda, Bangladesh, Tanzania, Malawi and numerous other countries, UNCDF has pioneered the use of this mechanism. The UNCDF approach differs from other funding mechanisms in the following ways:

- Ownership of funds: LDF resources are ‘owned’ by local governments, which make the allocation decisions (this is not generally the case with other approaches);
- Procedures for planning the use of funds: LDPs aim to use the funding mechanism as an incentive to promote a more comprehensive, routine and participatory local planning process,

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<sup>74</sup> “United Nations Public-Private Alliance for Rural Development. Policies into Practice. Progress in the Implementation of UNPPA.” ECOSOC, Office for Implementation of the UNPPA, June 2006. p. 1.

<sup>75</sup> Ibid. p. 2.

<sup>76</sup> See: <http://www.pppue.undp.org> for an overview of the initiative.

<sup>77</sup> See PPPUE Annual Report for Nepal 2003. [www.pppue.org.np/annual.php](http://www.pppue.org.np/annual.php)

<sup>78</sup> Ibid.

<sup>79</sup> See: <http://pppue.undp.org/toolkit/0%7Eindex.html> for more information on the capacity development toolkit developed by UNDP.

<sup>80</sup> Ibid.

<sup>81</sup> “Delivering the Goods. Building Local Government Capacity to Achieve the Millennium Development Goals.” UNCDF, 2005. p. 46.

- which is integrated with local government budgeting procedures for all local fund sources.
- The nature of the budget constraint: LDPs promote the discipline of the hard budget constraint by allocating a fixed, known amount. Apart from a few SIF programmes, this is not generally the case with other donor programmes, whose implicit soft budget constraints discourage sound prioritization, efficiency and local resource mobilization;
- Integration with the local budget cycle and process: LDPs aim to integrate funding and budgeting of fund use within local government budget cycles and procedures, to ensure ownership and sustainability.<sup>82</sup>

The UNCDF approach has other key elements as well that make it a robust mechanism for supporting the implementation of LDPs including criteria that set overall annual flow of funds at a level that can be sustained in the longer term through routine intra-government transfers, and noting that the flow of funds should not swamp absorptive capacities relating to demand or supply (including local government capacities to plan, budget and administer; local private and sector department capacities to deliver goods and services; and local government and community capacities to manage and maintain assets).<sup>83</sup> Lastly, UNCDF's approach introduces performance-related bonus allocations for better performing local governments; such an approach has been utilized in Niger and Mali and was pivotal in encouraging joint-municipality projects that transcended the boundaries of one municipality.<sup>84</sup>

#### **Lessons Learned for Integrated Planning and Budgeting**

- 1). Cross-sectoral and sectoral integrated planning while ideal, is difficult to achieve due to the elaborate policies and mechanisms needed to support the coordination/connection between national planning and budgeting, as well as the capacities to undertake such work. LDCs and countries with weak or non-existent local authorities require adaptation of these processes.
- 2). Participatory and performance budgeting are useful processes for improving government-community relations, reducing social exclusion, and over time improving the efficiency of public service provision and cost effectiveness. These methods however also require long time periods, extensive capacity development, awareness raising amongst all actors, and a high degree of commitment from local authorities. As such, in LDCs these mechanisms may not be appropriate or would need to be extensively adapted.
- 3). National and international funding mechanisms need to incorporate the priorities of local development strategies to a greater extent than they do now. Provision of information to local authorities about these mechanisms coupled with increased efforts by these funds to reach out to local authorities would provide greater coherence in programming and address the local priorities.
- 4). Capacity development is crucial for the proper utilization of funds. UNCDF builds upon existing Government funding mechanisms and applies a comprehensive capacity development approach to ensure that local authorities can manage the funds effectively. This model is also notable for its focus in the rural areas of LDCs where capacities are weakest.
- 5). PPPs can provide resources (both financial and human) to support the implementation of local development strategies. However, capacity development of local authorities needs to occur to ensure that PPPs can be developed and managed effectively.

<sup>82</sup> Ibid. p. 52.

<sup>83</sup> Ibid. p. 54.

<sup>84</sup> Ibid.

#### 4.2.4 Implementation of Action Plan/s

Implementation of local development strategies is the weakest of the processes analyzed during this study. Rather than delve into the literally hundreds of local development strategies available, this report will analyze different programmatic approaches to implementing local development strategies that have been tested through several different global and multi-country initiatives.

- i). *UNCDF LDPs*. The LDP approach to local development strategies is successful as it combines a flexible funding mechanism with adequate capacity development for local stakeholders. As noted by UNCDF, “Local government discretion over the use of funds is not an invitation to disaster, provided that the right institutional and other arrangements are in place.”<sup>85</sup> UNCDF also notes, “Pre-determined and pre-announced capital budget allocations make the planning process meaningful.” UNCDF’s approach towards implementation does not guarantee funding to cover all the priorities of the LDP, rather it focuses on delivery of basic infrastructure and piloting institutional innovations at the local level to attract further funding and affect policy changes.

The success of UNCDF’s approach is evident – they are operating in 20 LDCs with a portfolio benefiting 25-20 million people.<sup>86</sup> In Bangladesh, UNCDF is supporting 81 Union Councils in Sirajganj district, home to over two million people to ensure pro-poor infrastructure delivery. Two innovations being piloted are participatory local government planning and budgeting, and performance-based block grant funding of Union Councils, providing incentives for local institutional change and accountability. In Mali, UNCDF is targeting the Timbuktu rural area through the development of local planning tools and by building the capacity of stakeholders in a variety of areas. Through this programme, the communes have been able to make over 300 different types of investments in rural infrastructure and services, at a total cost of more than US\$2 million. Uganda and Mozambique also benefit from the UNCDF LDP approach.<sup>87</sup> One criticism of UNCDF’s approach is that it does not fully incorporate the MDGs into the other processes as previously discussed in this report. Inclusion of the MDGs more thoroughly could lead to a truly innovative approach with proven implementation abilities tested in the most difficult of settings – rural areas in LDCs.

- ii). *Local Initiative Facility for Urban Environment (LIFE)*. Operating since 1992, LIFE is a UNDP global programme active in 12 countries that focuses on local governance and urban environmental issues by supporting community-based and local initiatives to realize immediate improvements to the lives of the urban poor and to influence policy.<sup>88</sup> LIFE provides small grants (up to US\$50,000) directly to NGOs and CBOs for needs based participatory projects in urban poor communities. LIFE also supports capacity development of local actors and promotes advocacy and policy dialogue using the experience of the projects.<sup>89</sup> There are many examples from the LIFE initiative of successful community mobilization and infrastructure delivery. In the El-Dayora Shiakha Old Cairo District, Egypt, LIFE provided support to implement a solid waste management scheme. The General Authority of Cleanliness and Beautification for Cairo’s Governate had listed this scheme as a priority, but had never implemented it. Through community mobilization and small grant funding, the project was implemented and was an extraordinary success; the model was subsequently replicated across the

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<sup>85</sup> “Local Government Initiative. Pro-poor Infrastructure and Service Delivery in Rural sub-Saharan Africa. A synthesis of case studies.” UNCDF, 2003. p. 60.

<sup>86</sup> See: [http://www.uncdf.org/english/local\\_development/](http://www.uncdf.org/english/local_development/) for further information on UNCDF’s work in the area of local development.

<sup>87</sup> Ibid.

<sup>88</sup> See: <http://www.undp.org/governance/programmes/life/index.htm> for more information on the LIFE programme

<sup>89</sup> Ibid.

Cairo Governate.<sup>90</sup> This example shows how LIFE acted to support the implementation of a pre-existing local development strategy.

In Kyrgyzstan, LIFE supported the formulation of a local community development strategy and acted as a catalyst for its implementation with seed funding. The Anar and Tuleyken micro-districts in Osh City had previously undertaken a cleaning and greening campaign within the quarters but with few results – the trees and shrubs died, and garbage was scattered throughout.<sup>91</sup> With support from the LIFE programme, the Micro-District Quarter Committees, citizens of the two micro-districts, the City Architecture Department and City Administration developed a multi-sectoral plan to undertake garbage collection, public lighting, tree planting, and other activities. The small seed funding from the LIFE programme leveraged further resources from the various branches of local government. Furthermore, the community mobilization utilized in the preparation and implementation of the plan supported the long-term involvement of the community in maintaining the green space, thereby guaranteeing sustainability of the effort.<sup>92</sup> Though both of these examples were implemented prior to the Millennium Declaration and are relatively small scale and urban oriented, they are useful for showing how pilot funds and participatory development can lead to sustainable implementation of local development plans.

iii). *Urban Management Programme (UMP)*. The UMP operated in 57 countries for over 10 years with 40 different partner institutions undertaking ‘city consultations’ processes that involved the participatory preparation of a city profile, and the discussion, preparation and implementation of an action plan. The success of the UMP can be noted by the duration of its operation - mainly under the auspices of UN HABITAT but handed over to local counterparts in 2006.<sup>93</sup> The UMP approach in the late stage of its operations began utilizing the MDGs as a framework for its city consultations.

Activities included:

- Raising awareness among local governments concerning the MDGs and their direct relevance to municipalities, and encouraging mainstreaming of MDGs in local policy-making;
- Assisting countries and cities to provide baseline data for the MDGs, establishing targets for various timeframes, and setting up sustainable local monitoring systems for tracking progress;
- Developing action plans for implementation of targets, and aligning existing city development plans and budgets with localized MDG targets;
- Strengthening the capacity of municipal networks to support their members in mainstreaming the MDGs at local level.<sup>94</sup>

In Sri Lanka for example, the UMP has assisted the cities of Jaffna, Colombo, Kandy, Ratnapura, Batticaloa, and Nuwara Eliya in developing MDG based local development strategies and action plans to implement them.<sup>95</sup> Though the UMP approach is one of the few that truly integrates the MDGs throughout the planning and implementation process, at this time, there is a lack of information on how the implementation of these and other UMP city plans is proceeding. This is a result of MDGs being introduced shortly before the UMP was effectively closed and transferred to local authorities. Furthermore, the UMP is limited to urban areas, which may make the processes

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<sup>90</sup> “Egypt: A Case Study On Urban Development Of El-Dayora Shiakha Old Cairo District.” UNDP LIFE Programme Egypt, 1997. p. 15.

<sup>91</sup> “Kyrgyzstan: A Case Study on Osh City Anar and Tuleyken Districts Ecological Environment Improvement.” UNDP LIFE Programme Kyrgyzstan, 1998. p. 2.

<sup>92</sup> Ibid. pgs. 15-16

<sup>93</sup> See <http://staging.unchs.org/programmes/UMP/UMP%202006/CD/main.html> for more details on the UMP

<sup>94</sup> Ibid.

<sup>95</sup> “Report on Localizing of the Millennium Development Goals – Sri Lanka.” UN HABITAT Urban Management Programme, 2006. p. 3.

inapplicable to rural areas.

- iv). *Area Based Development (ABD) Programmes.* ABD Programmes “Target specific geographical areas in a country, characterised by a particular complex development problem, through an integrated, inclusive, participatory and flexible approach.”<sup>96</sup> Even though the problem can be sector-specific, addressing it through ABD requires an inter-sectoral or multi-sector approach.<sup>97</sup> ABD programmes generally take root in the complex settings of post-conflict countries and have been implemented in Afghanistan, Haiti, Somalia, Tajikistan and other countries; ABD approaches have also been implemented in non-conflict affected countries including Ukraine and Uzbekistan. In northern Albania, an ABD Programme was developed by UNDP to support the implementation of the local MDG-based development strategy. The linkages between ABD approaches, MDG Localization, and sectoral approaches to local development have not been well articulated though. As noted in the ABD Practitioner’s Guide “If the development situation is relatively simple, a sector-based approach may be appropriate. If the situation is relatively complex, an area-based approach may be considered. Similarly, if the situation is complex, but not area-specific, MDG-based approaches could be considered under which target areas are selected for successful localization of MDGs and related initiatives.”<sup>98</sup> Furthermore, the extent to which ABD Programmes incorporate the priorities of local development strategies is difficult to ascertain.
- v). *Millennium Project “Millennium Villages.”* The Millennium Villages offer another approach to the implementation of action plans: an integrated package of investments in agriculture, environment, health, nutrition, infrastructure, energy, communication and education to help villages get out of extreme poverty.<sup>99</sup> Despite the results in the test villages, the Millennium Villages have been criticized for the tensions between its ‘bottom up’ planning claims and the blueprint driven campaign approach. As noted by the Overseas Development Institute: “*The blueprint is driven by a ‘campaign’ approach – easy enough on a pilot scale, but the longer the period and larger the scale, the greater will be the need to engage with markets, with policy prioritization in economic, social and environmental spheres, and with issues of aid absorption. At any scale above that of a few villages, ‘big pushes’ generally have to be replaced by carefully sequenced initiatives, which exploit complementarities and lie within local administrative capacity. As a number of earlier initiatives (such as Integrated Rural Development and Sasakawa Global 2000) have discovered, ‘big push’ is inappropriate where much local adaptation is needed (as e.g. in agriculture) if innovations are to be adopted widely and sustainably.*”<sup>100</sup>

#### **Lessons Learned for Implementation of Action Plan/s**

- 1). Local Development Programmes such as LIFE or UNCDF’s LDP approach play a vital role in linking capacity development and seed funding to support implementation of local development strategies. Through piloting and replicating of innovative practices, small-scale investments can leverage further resources for expansion and replication, shift funding priorities of local and central government authorities, and formulate new partnerships with a variety of stakeholders.  
*Continued on next page...*

<sup>96</sup> “A Practitioner’s Guide to Area-Based Development Programming (draft).” UNDP Regional Bureau for Europe & CIS, 2006. p. 8.

<sup>97</sup> Ibid. p. 9.

<sup>98</sup> Ibid. p. 16.

<sup>99</sup> See <http://www.earthinstitute.columbia.edu/mvp/> and <http://www.unmillenniumproject.org/> for more information on the Millennium Villages Project.

<sup>100</sup> “The Millennium Villages Project – a new approach to ending rural poverty in Africa?” Natural Resource Perspectives. Overseas Development Institute, August 2006.

### **Lessons Learned for Implementation of Action Plan/s continued...**

- 2). There is a distinct 'urban bias' to many programmes supporting the formulation and implementation of the local development strategies. Other than UNCDF, there is little evidence of a cohesive approach to rural development and rural development strategy implementation
- 3). Although there is much knowledge concerning methodologies to support implementation of strategies, there is little in the way of knowledge transfer between initiatives. For example, UNCDF potentially has much to offer in the way of operating in rural settings while UMP has useful experiences on integrating the MDGs into local development strategies
- 4). Decentralization provides both opportunities and challenges for the implementation of local development strategies. Participatory formulation and implementation of the strategies can ensure the poor and marginalized benefit from decentralization. Yet, in areas where decentralization is not occurring or not possible, participation at the community level in developing and implementing community development strategies can be useful to ensure that the poor can access basic services.
- 5). Currently, there are few if any examples of MDG based local development strategies being implemented. Those that are available for study (such as Albania's MDG Regional Development Strategies) show a piece-meal approach to implementation that do not address the issues of capacity development for local financial management, nor the policy level issues of fiscal decentralization.

#### **4.2.5 Monitoring and Review**

Monitoring and reviewing the progress (or lack thereof) of implementing local development strategies and achievement of their goals and targets has been undertaken extensively judging by the amount of case studies and other information available. As with the majority of the other processes discussed previously, there is a wide range of experiences and approaches to monitoring and reviewing. As the setting of a baseline and indicators was discussed in an earlier section, the focus of this section will be on methodologies and tools being used to monitor progress at the local level.

- i). *Local Urban Observatories (LUOs)*. UN-Habitat's Global Urban Observatory initiative has established numerous LUOs across the world that bring together city officials, citizens and businesses to ask the simple question 'how well is my authority achieving results that matter?' At the local level, the LUOs provide "...assistance to governments, local authorities and organizations of local civil society to amplify their ability to collect, manage and maintain and use information on urban development."<sup>101</sup> The LUO approach however is limited thus far to urban centers and requires extensive capacity development to ensure its operation.
- ii). *Community Based Monitoring Systems (CBMS')*. In a CBMS communities are active participants in monitoring their welfare and development situations. Generally, CBMS' are based at the level of local government and mobilize communities to frequently collect carefully designed but relatively simple sets of indicators. As a CBMS involves the participation of the communities in the collection and primary use of data, it is low-cost and easy to sustain. Additionally, the establishment of the system offers entry points for the capacity development of local communities and authorities in terms of data collection and evaluation.<sup>102</sup> CBMS' are a popular means of monitoring at the local level and are being utilized in scores of countries around the world. They are especially effective in rural areas.

<sup>101</sup> <http://ww2.unhabitat.org/programmes/guo/>

<sup>102</sup> "Overview of the Community Based Monitoring System." ELDIS Website. [www.eldis.org/static/DOC18203.htm](http://www.eldis.org/static/DOC18203.htm)

- iii). *Continuous Improvement and Benchmarking (CIB)*. As noted by the Asia Development Bank, “Continuous improvement is a systematic method to improve service delivery in terms of access, timeliness, quality, cost, community satisfaction, and affordability. Benchmarking compares services with others and obtains information about “best” service practices in order to raise service standards and, ultimately, to improve quality of own services.”<sup>103</sup> CIB has enabled service delivery improvements in many government institutions and private organizations in many countries such as Bangladesh, Cambodia, China, India, Indonesia, Fiji, Kyrgyzstan, Malaysia, Mongolia, Nepal, Pakistan, Papua New Guinea, Philippines, Samoa, Solomon Islands, Sri Lanka, and Vanuatu.<sup>104</sup> A toolkit on CIB has also been produced by ADB ([www.acig.com.au/toolkit](http://www.acig.com.au/toolkit)). CIB is a long term process that also requires extensive capacity development.
- iv). *Participatory Impact Assessments (PIAs)*. PIAs encourage The poor to be a part of assessing the impact of strategy implementation. PIAs are often utilized as a means to empower the poor by providing them a voice in the feedback and evaluation process, and because as people who have first hand experience of the assistance provided the poor are in the best position to speak about its value and effects.<sup>105</sup> UNDP and other UN Agencies/Programmes/Funds have used PIAs frequently and in countless settings. While indeed valuable, PIAs are fraught with challenges that can undermine their results; chief amongst the challenges is the quality of participation. Concerns include the extent to which people's views have been differentiated by gender, age, ethnicity and other factors; the extent to which the information sought from people is according to highly specified categories of concern to the evaluator versus much wider categories that leave more room for poor people to define what is important; the method in which participation occurs such as mixed gender groupings, or gender specific groups, and lastly, on what geographic/ demographic scales is it implemented and over what spans of time can change be assessed?<sup>106</sup>
- v). *Community Score Cards (CSCs)*. CSCs are qualitative monitoring tools that are used for local level monitoring and performance evaluation of services, projects and even government administrative units by the communities themselves. Variations of these include citizen report cards, and urban report cards. In general scorecards and report cards promote dialogue and partnership action to improve the delivery of public services. One example comes from Bangalore, India where in 1994 the Public Affairs Center utilized a citizen reports card to measure the perception on the quality, efficiency and adequacy of basic services extended by 12 municipal agencies. The results of the survey were presented in various media in the form of a ‘report card.’ The 1994 survey was followed up in 1999 and noted a remarkable shift in positive changes in service delivery.<sup>107</sup>

In Naga City, Philippines, an urban report card process was linked to the localized MDG indicators of the city. This “Report Card on the MDGs” incorporates the report card system of the Urban Governance Initiative (TUGI) and the MDGs to measure good governance in Naga City’s.<sup>108</sup> The Asia Development Bank has also utilized citizen report cards extensively in Bangladesh, China, India, Indonesia, Nepal, Philippines, Sri Lanka, Ethiopia, Gambia, Ghana, Nigeria, Rwanda, Uganda, Argentina, Peru, and Ukraine. ADB has also developed an e-toolkit ([www.citizenreportcard.com](http://www.citizenreportcard.com))

<sup>103</sup> “Improving Transparency and Accountability in the Delivery of Public Services: E-Learning Toolkits on the C Citizen Report Card Methodology and the Continuous Improvement and Benchmarking Techniques.” Asia Development Bank, 2006.

<sup>104</sup> Ibid.

<sup>105</sup> “Guidance Notes on Increasing the Participation of the Poor in the Assessment of the Impact of Development Interventions.” DFID and ActionAid, 1997. p. 5.

<sup>106</sup> Ibid.

<sup>107</sup> “Localising the Millennium Development Goals: A guide for local authorities and partners” UN HABITAT, 2006. p. 53.

<sup>108</sup> “Philippines: Performance Measurement at the Local Level.” Asia Development Bank, 2006. p. 22.

which is very useful for stakeholders and governments wishing to introduce the tool.<sup>109</sup> Score Cards and their variants have most often been utilized in urban settings due to the ease of disseminating the information and gathering feedback from citizens. In more sparsely populated rural areas the process has been less thoroughly tested.

- vi). *GIS-based Information Systems.* DevInfo is a widely utilized database system that provides a method to organize, store and display development data.<sup>110</sup> While it's application at the national level is well known, some countries have been adapting the software as a tool for stakeholders at the sub-national level. In Albania for example, locally constructed templates and databases, which have made use of previous work at the national level, are being used to monitor the local MDG based development strategies. Thus far Albania has rolled out the localized version of DevInfo to three regions; in each of these regions, locally specific indicators are included in the database, as well as some indicators monitored at the national level. UNDP-Albania has also provided extensive capacity development for local authorities on how to develop, maintain, and utilize the database.<sup>111</sup> WHO also utilizes another GIS based software package called "HealthMapper" for monitoring of health indicators at the local level by local authorities, civil society and others. The system utilizes a GIS mapping system that outlines sub-national topography (roads, rivers, safe water points etc.) and combines it with socio-economic data sets that can be overlaid on the highly detailed maps using a simple interface. Furthermore, a wide array of existing data sets can be added to the HealthMapper database thereby complementing ongoing local efforts.<sup>112</sup> There has also been extensive work undertaken by UNCDF through the development of their Management Information System that tracks a wide variety of data including detailed information on public expenditure management at the local level. Combining this work with more accessible software such as DevInfo could be a powerful tool for local governments.

#### **Lessons Learned in Monitoring and Review**

- 1). There is no set monitoring system applicable for all countries. Developing an M&E system at the local level should be seen as an evolutionary process unique to each country and adapted to local realities and institutional abilities. Developing a monitoring system should be a process whereby competencies of local stakeholders are built and more elaborate data capturing and analysis abilities added gradually. A pluralistic approach combining several forms of monitoring capturing both qualitative and quantitative information would be ideal.
- 2). The M&E system should be decentralized and participatory to improve the relevance of analyses conducted, the operational character of policy recommendations and their acceptance by all stakeholders.
- 3). GIS Based information software is an effective tool to aid local planning, monitoring and review efforts. DevInfo is a low-cost platform that can be readily adapted for monitoring local development strategies and has been used effectively in several countries.
- 4). Capacity development is a key component of all monitoring systems. CD efforts should focus not only on the local government authorities, but also on the communities themselves when community-based approaches are used, and other non-governmental stakeholders who will utilize the data (such as civil society or the private sector).

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<sup>109</sup> "Improving Transparency and Accountability in the Delivery of Public Services: E-Learning Toolkits on the Citizen Report Card Methodology and the Continuous Improvement and Benchmarking Techniques." Asia Development Bank, 2006.

<sup>110</sup> See [www.devinfo.org](http://www.devinfo.org) for more information.

<sup>111</sup> [http://www.devinfo.org/factsheets/alb/devinfo\\_country\\_fact\\_sheet\\_alb.htm?IDX=3](http://www.devinfo.org/factsheets/alb/devinfo_country_fact_sheet_alb.htm?IDX=3)

<sup>112</sup> See [www.who.int/health\\_mapping/about/en/](http://www.who.int/health_mapping/about/en/) for more information.

### **Lessons Learned in Monitoring and Review continued...**

- 5). Community based monitoring approaches bring significant benefits including the strengthening of relations and building trust with poor communities, and fostering a dialogue between groups at different levels that may not generally communicate with each other.
- 6). Monitoring and review should also capture elements tied to public expenditure management and efficacy of resource utilization. UNCDF has extensive experience in this area and may be able to provide technical support.

#### **4.2.6 MDG Localization in Crisis Affected Countries and Early Recovery Situations**

Through the analysis it was apparent from the lack of information that the MDGs role in crisis affected countries was not yet well articulated, despite a significant portion of the UN's being in countries affected by armed conflict and/or natural disasters. While MDG Localization is irrelevant in humanitarian situations, there is reason to believe that it can benefit countries in early stages of recovery. Building capacities is a key focus of early recovery efforts, as well as of MDG Localization.

Utilizing the MDG Localization methodology combined with “quick wins” concept of the Millennium Project could lay a foundation of essential capacities that can be built upon at a later date, whilst also providing immediate development gains. Furthermore, the MDGs can act as a framework that unifies efforts in the early-recovery phase and promotes an integrated cross-sectoral approach.

At this point, however, there is no case evidence available of countries that have undertaken Localization in an early recovery context. Sri Lanka offers an interesting example whereby MDG Localization has been undertaken in some cities in conflict-affected areas, but the documentation of the processes does not include conflict as one of the constraints facing the stakeholders. UNDP-Somalia has undertaken the formulation of a national MDG report and plans on formulating sub-national MDG reports, but has not yet started.

## **5. Conclusions and Lessons Learned**

As this report conducted its research, it became immediately apparent that a great deal has been accomplished at the local level in terms of setting the stage for future Localization efforts. A concerted effort to localize the MDGs is certainly feasible and could lead to tangible development gains at the local level. The analysis in this report has pointed to some lessons learned for the six Localization processes that can be utilized in the future. As there is no one set formula to localize the MDGs (and nor should there be) the report has tried to highlight recommendations that will be applicable for the myriad of development contexts in which Localization can occur. Two key constraints did emerge through the analysis that will need to be addressed if MDG Localization is to be successful.

The first is weak, non-existent, or an inappropriate mix of capacities of stakeholders (communities, civil society, and local authorities) to effectively engage in the Localization processes. More specifically, capacities need to be strengthened in the areas of gathering, analyzing, discussing, and using disaggregated data for planning purposes; undertaking integrated planning, public expenditure allocations/prioritization and financial accountability at the local level; and lastly, provision of quality services to all citizens. The second constraint is the lack of funding mechanisms and models (international, national, and local that take into account the priorities of local development strategies. Too many of the funding models noted in this analysis bypass local development planning efforts and local authorities. UNCDF is perhaps one of the few organizations to address this issue directly.

To address the aforementioned issues, this report recommends that the following points be considered for MDG Localization efforts in the future:

- i). Local communities be at the centre of all processes for achieving sustainable development and achievement of the MDGs. Local communities are not just a stakeholder, rather they must be the focal point of all the Localization efforts. Participatory methods need to take into account the means to ensure representation by the poor, whilst also considering costs to ensure that local governments can affordably replicate the processes.
- ii). Community based solutions be linked to local governance processes and a multi-sectoral approach to addressing problems. The MDGs provide an integrated framework for development that should be capitalized upon.
- iii). Partnerships become a central element to achieving the MDGs and Localization efforts. No one stakeholder be they an international agency, national or local government, private sector, civil society body or community has the skills or resources (both human and financial) to achieve the MDGs.
- iv). Local knowledge and creativity at the local level are constrained by the lack of capacities to use these resources. Comprehensive capacity development at the local level in the areas outlined above will allow for effective Localization of the MDGs and support their achievement.
- v). Financing mechanisms for local development strategies be considered at the outset of the formulation process. Sources of funds can be international, national or local, but a specific focus on locally generated revenue and abilities to raise and manage it should be given.

The following are proposed steps for taking this research forward.

- i). Review the findings of this report within the UNDG and applicable non-UN bodies to verify the findings and elaborate sections where necessary. Many best practices and toolkits are likely not available publicly and may provide better examples and resources than those available to this report. It is also recommended that sectoral focused agencies and organizations particularly be consulted in regards to their work in the six processes described in this report.
- ii). Based on the findings above, outline key comparative advantages of UN Agencies/Programmes/Funds in each of the six processes. These will become a “lead agency” (or lead agencies if there are several that can contribute to a process), which will be responsible for undertaking the coordination and production of process papers in the next step.
- iii). Each lead agency or lead agencies group produces a 3-4 page process paper outlining a flow-chart of steps to take in each process, key constraints, recommended practices, and tools.
- iv). Once the process papers are complete, compile the documents into a Guidance Note for UN Country Teams on MDG Localization.
- v). Identify criteria for selection of pilot countries in all regions representing a diverse mix of contexts. Liaise with countries matching these criteria and that are willing and able to secure funding and Government and donor support to test the UNCT Guidance Note. In the context of UN Reform and the “One UN” focus at the country level, a trial with one of the pilot offices utilizing the one UN approach could be of interest.
- vi). Field test Localization within these countries and thoroughly monitor and evaluate the process and results.

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DevInfo  
[www.devinfo.org](http://www.devinfo.org)

Global Urban Observatory (UN HABITAT)  
<http://ww2.unhabitat.org/programmes/guo/>

Government of Pakistan National Environment Action Plan  
[www.pakistan.gov.pk/divisions/ContentInfo.jsp?DivID=5&cPath=45\\_436&ContentID=1588](http://www.pakistan.gov.pk/divisions/ContentInfo.jsp?DivID=5&cPath=45_436&ContentID=1588)

Health Mapper GIS Monitoring Tool (WHO)  
[www.who.int/health\\_mapping/about/en/](http://www.who.int/health_mapping/about/en/)

Homeless International  
[www.homeless-international.org](http://www.homeless-international.org)

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[www.earthinstitute.columbia.edu/mvp/](http://www.earthinstitute.columbia.edu/mvp/) and [www.unmillenniumproject.org](http://www.unmillenniumproject.org)

Public Private Partnerships for the Urban Environment (UNDP)  
[www.pppue.undp.org](http://www.pppue.undp.org)

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UNCDF Local Development Webpage  
[www.undf.org/english/local\\_development](http://www.undf.org/english/local_development)

UNDP Bulgaria MDGs and Youth Webpage  
[www.undp.bg/en/mdgs\\_bg\\_youth.php](http://www.undp.bg/en/mdgs_bg_youth.php)

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