An overview of decentralization and local governance in Eastern and Southern Africa

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AN OVERVIEW OF DECENTRALIZATION AND LOCAL GOVERNANCE IN EASTERN AND SOUTHERN AFRICA

BY

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1.0 Introduction

The last two decades have witnessed the spread of decentralization and local government reforms in the entire Eastern and Southern Africa region. Despite widespread advocacy and praise for the decentralization ideology, the implementation and outcomes of the process have been different from one country to another. The variation in progress recorded to date is attributable to the diversity of the countries in terms of socio-economic status, the national legal and institutional framework conditions, as well as the political will to implement decentralization.

This paper reviews the decentralization process in Eastern and Southern Africa. It begins with an analysis of the socio-economic as well as the political challenges confronting most countries in the region. This analysis places the decentralization debate into context as these challenges have a bearing on the outcome of any reforms undertaken. The paper goes on to define decentralization and local democracy in order to come up with a clear understanding of the different forms of decentralization as well as the tenets of local democracy. The subsequent section discusses the rationale for decentralization. This is followed by an assessment of decentralization trends in the region which is done through a comparative analysis of the legal and institutional frameworks, the territorial organization, as well as fiscal decentralization in different countries. The paper also examines the link between decentralization and service delivery, citing examples from the region. The role of development partners in implementing decentralization in general and enhancing development in particular is also brought under scrutiny.

1.1 Major Challenges in Eastern and Southern Africa

The decentralization process in Eastern and Southern Africa can best be understood by first analyzing the prevailing socio-economic as well as the political conditions in the region. In general terms, the levels of social and economic welfare on the African continent are rapidly declining. The Eastern and Southern Africa region is characterized by high levels of poverty, rapid urbanization which places a lot of pressure on urban infrastructure and services, high prevalence rates of the HIV/AIDS pandemic, gender inequalities, rampant corruption as well as political instability. It has also been revealed in recent debate that Sub-Saharan Africa is likely to be affected most by the effects of climate change due to inadequacies in copying strategies.

a) Poverty

Sub-Saharan Africa accounts for a quarter of world’s 1.2 billion people living on less than US $ 1 a day. Out of the twenty countries classified by UNDP as possessing the lowest human development index, nineteen are in Africa. Although a number of poverty-reducing programmes are being implemented in most African countries, little positive impact has been recorded (UNDP, 2007). Table 1.1 below shows some poverty indicators in selected African countries.

Table 1.1 Poverty Indicators in Selected countries of Eastern and Southern Africa

Country	GDP Per Capita (U S$) 2005	Population below income poverty line (%)			Life Expectancy at Birth (Years) 2005	Adult literacy Rate (% 15 yrs and above) 1995 - 2005	Population using improved sanitation (%)		Population using improved water sources (%)		Population Undernourished (% of population) 2004
		$ 1 a day (1990 – 2005)	$ 2 a day (1990 – 2005)	National poverty line			1990	2004	1990	2004	
Botswana	12.387	28	55.5	n/a	48.1	81.2	38	42	93	95	32
Kenya	1.240	22.8	58.3	52.0	52.1	73.6	40	43	45	61	31
Lesotho	3.335	36.4	56.1	n/a	42.6	82.2	37	37	n/a	79	13
Malawi	667	20.8	62.9	65.3	46.3	64.1	47	61	40	73	35
Namibia	7.586	34.9	55.8	n/a	51.6	85.0	24	25	57	87	24
Rwanda	1.206	60.3	87.8	60.3	45.2	64.9	37	42	59	74	33
South Africa	11.110	10.7	34.1	n/a	50.8	82.4	69	65	83	88	2.5
Swaziland	4.824	47.7	77.8	n/a	40.9	79.6	n/a	48	n/a	62	22
Uganda	1.454	n/a	n/a	37.7	49.7	66.8	42	43	44	60	19
Tanzania	774	57.8	89.9	35.7	51.0	69.4	47	47	46	62	44
Zambia	1.023	63.8	87.2	68.0	40.5	68.0	44	55	50	58	46
Zimbabwe	2.038	56.1	83.0	34.9	40.9	89.4	50	53	78	81	47

Source: Human Development Report 2007/2008 UNDP

Poverty in Africa is characterized by the lack of access to income, employment opportunities, shelter and other basic needs of life. The majority of the people suffer from weak purchasing power, homelessness, and insufficient access to basic social services and necessities such as education, health, food and clean water and sanitation facilities.

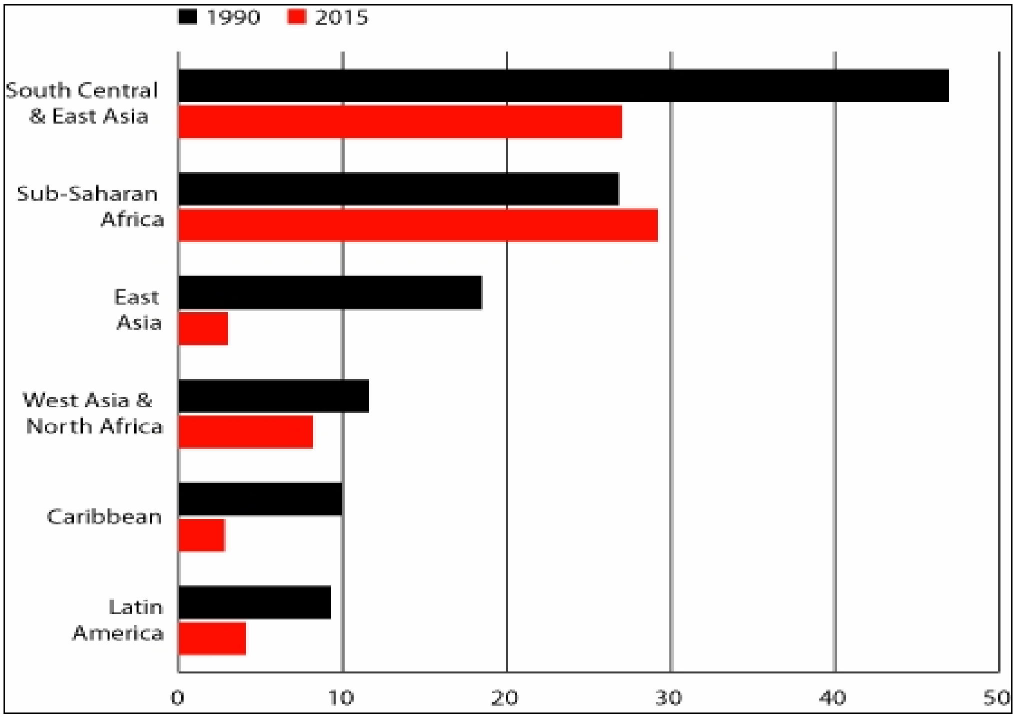
As shown in Table 1.1, countries like Rwanda, Tanzania, Zambia and Zimbabwe had more than half their population living on less than US $1 per day for the period 1990 to 2005. Now that the poverty line has been revised[1] to US$ 1.25 per person a day, (based on 2005 prices), it means more people are below the poverty line. It is also revealed in Table 1.1 that in all the selected countries, with the exception of South Africa more than 50% of the population are living on less than US $ 2 a day. In Zambia, Rwanda Malawi and Kenya more than half the population were below the national poverty line by 2005.

Although most countries in Eastern and Southern Africa have recorded progress in the education sector during the past two decades, a lot still needs to be done. Statistics from the Human Development Report 2007/2008 show that adult literacy rates (15 years and above) between 1995 and 2005 was still below 70% in Malawi, Rwanda, Uganda, Tanzania and Zambia. Access to safe water and sanitation facilities is also a matter of concern in most countries in the region. In Zambia and Uganda 42% and 40% of the national population respectively, did not have access to improved water sources in 2004. Out of the twelve countries selected in Table 1.1, only Malawi, South Africa, Zambia and Zimbabwe had more than 50% of their population using improved sanitation in 2004. The above challenges are exacerbated by high rates of unemployment which are above 40% in most countries.

[1] The International Comparison Programme (ICP) of 2005 found the cost of living in the developing countries to be higher than previously estimated in 1993. This led to the revision of the poverty line from US $ 1 per person per day based on 1993 estimates to US $ 1.25 based on 2005 prices.

As shown in Figure 1.1 below, Sub-Saharan Africa is the only region where malnutrition is expected to increase from 27% in 1990 to a projected 29% in 2015. In other regions malnutrition is expected to drop reasonably between 1990 and 2015. In East Asia for example, it is expected to drop from 18% to 4% during the same period.

Figure 1.1 Prevalence of moderate to severe malnutrition (% of children under 5 years)



Source: Adapted from World Development Indicators 2006

b) Rapid Urbanization

Urbanization signals modernization and industrialization and is viewed as a natural part of the transition of an economy from low-productivity agriculture to higher-productivity industry and services. At the same time, however, many critics view urbanization not as a natural process but as one that results from a bias towards cities in government policies and investment, a bias that presses people to migrate from the rural areas to the urban cities in search of jobs. It is estimated that 30% of Africa's population is now in urban areas (Kessides, 2006).

Rapid urbanization puts stress on the provision of basic infrastructure services including water, sanitation, electricity, and roads as well as leaves many fast-growing cities with disorderly and unplanned growth, sprawling slums, rising levels of inflation, poverty and crime and environmental damage. These problems arise mainly due to weaknesses in policy or institutions. In Kenya and Tanzania more than 60% of the urban population live in slums were there is no access to safe water and sanitation facilities.

c) HIV/AIDS

The HIV/AIDS pandemic is perhaps the worst disaster currently affecting Africa. Sub-Saharan Africa accounts for more than 70% of all HIV/AIDS cases globally although the region contains just above 10% of the world's population. It is only in the Sub-Saharan Africa region where women living with HIV/AIDS outnumber men. Table 1.2 shows the prevalence of HIV/ AIDS in selected countries. Swaziland, Botswana and Lesotho had adult prevalence rates of more than 20% in 2007. During the same year South Africa alone recorded 350 000 deaths due to the epidemic. Botswana with a population of less than 2 million recorded an overwhelming 11 000 deaths due to HIV/AIDS.

Table 1.2: HIV/AIDS Statistics in Selected Countries in Eastern and Southern Africa (2007)

Country	People living with HIV/AIDS	Adult (15-49) rate %	Women with HIV/AIDS	Children with HIV/AIDS	HIV/AIDS deaths	Orphans due to HIV/AIDS
Botswana	300,000	23.9	170,000	15,000	11,000	95,000
Kenya	1,500,000-2,000,000	7.1- 8.5	800,000-1,100,000	130,000-180,000	85,000-130,000	990,000-1,400,000
Lesotho	270,000	23.2	150,000	12,000	18,000	110,000
Malawi	930,000	11.9	490,000	91,000	68,000	560,000
Namibia	200,000	15.3	110,000	14,000	5,100	66,000
Rwanda	150,000	2.8	78,000	19,000	7,800	220,000
South Africa	5,700,000	18.1	3,200,000	280,000	350,000	1,400,000
Swaziland	190,000	26.1	100,000	15,000	10,000	56,000
Uganda	1,000,000	6.7	520,000	110,000	91,000	1,000,000
Tanzania	940,000	5.4	480,000	130,000	77,000	1,200,000
Zambia	1,100,000	15.2	560,000	95,000	56,000	600,000
Zimbabwe	1,300,000	15.3	680,000	120,000	140,000	1,000,000
Total sub-Saharan Africa	22,000,000	5.0	12,000,000	1,800,000	1,500,000	11,600,000

Source: UNAIDS / WHO 2008 Report on the Global AIDS epidemic.

The most obvious effect HIV/AIDS has been illness and death. In most countries in the region life expectance has fallen to below 47 years, which is about seven years lower than would have been the case in the absence of the pandemic (UNAIDS, 2008). During 2007 alone, an estimated 1.5 million adults and children died as a result of HIV/AIDS in sub-Saharan Africa. Since the beginning of the epidemic more than 15 million Africans have died from the disease. Although antiretroviral treatment is starting to lessen the toll of the disease, still fewer than one in three Africans who need treatment are receiving it. The impact of AIDS will therefore remain severe for many years to come.

The impact of the epidemic has certainly not been confined to the health sector; households, schools, workplaces and economies have also been badly affected. In all affected countries the AIDS epidemic is bringing additional pressure to bear on the health sector. As the epidemic matures, the demand for care for those living with HIV rises, as does the toll of AIDS on health workers. In sub-Saharan Africa, the direct medical costs of AIDS (excluding antiretroviral therapy) have been estimated at about US$30 per year for every person infected, at a time when overall public health spending is less than US$10 per year for most African countries (UNAIDS, 2008)..

The toll of HIV/AIDS on households can be very severe. Although no part of the population is unaffected by the disease, it is often the poorest sectors of society that are most vulnerable to the epidemic and for whom the consequences are most severe. In many cases, the presence of HIV/AIDS causes the household to dissolve, as parents die and children are sent to relatives for care and upbringing. In Botswana it is estimated that, on average, every income earner is likely to acquire one additional dependent over the next ten years due to the epidemic.

HIV/AIDS dramatically affect labour, setting back economic and social progress. The vast majority of people living with HIV/AIDS in Africa are between the ages of 15 and 49 - in the prime of their working lives. Thus the disease damages businesses by squeezing productivity, adding costs, diverting productive resources, and depleting skills.

Box 1. Impacts of HIV/AIDS on the Economy

A study in several Southern African countries has estimated that the combined impact of HIV/AIDS-related absenteeism, productivity declines, health-care expenditures, and recruitment and training expenses could cut profits by at least 6-8%. Another study of a thousand companies in Southern Africa found that 9% had suffered a significant negative impact due to HIV/AIDS. In areas that have been hit hardest by the epidemic, it found that up to 40% of companies reported that HIV and AIDS were having a negative effect on profits.

Source: http://www.avert.org/aidsimpact.htm

The HIV/AIDS pandemic also threatens Africa's capacity building efforts, consequently reversing and impeding the continent's capacity by shortening human productivity and life expectancy.

d) Gender inequalities

Despite increasing awareness that gender equality is a critical factor in economic growth as well as poverty reduction, gender inequalities still prevail in many countries, as evidenced by disparities in access to secondary education and basic health services, women's lack of independent rights to own land, manage property, or conduct business, and women's under-representation at all government levels. Decentralization can be an effective means to close these gaps. A well designed and implemented decentralization system should ensure that local democracy, good governance, and the empowerment of women are primary outcomes of the process.

e) Corruption

Corruption is an insidious plague that has a wide range of corrosive effects on societies. It impedes the ability of governments to reduce poverty, hampers the effective delivery of public goods and services. It also limits economic growth by reducing public resources for development, discourages private investment and savings, and obstructs the efficient use of development assistance. An overview of corruption through the Corruption Perception Index in 2007 showed a high incidence of corruption in developing countries (Transparency International, 2008).

The Corruption Perception Index (CPI) ranks the countries of the world according to "the degree to which corruption is perceived to exist among public officials and politicians" using a score of between zero and ten. A higher score means less percived corruption while a lower sccore means more percieved corruption. As shown in Table 1.3 below the (CPI) of eleven out of the twelve selected countries is below the score of 5 implying a higher degree of corruption in all these countries.

Table 1.3: Corruption Perceptions Index (CPI) Ranks for Selected Countries 2002 - 2008

RANK 1998	Country	2008	2007	2006	2005	2004	2003	2002
36	Botswana	5.8	5.4	5.6	5.9	6.0	5.7	6.4
54	South Africa	4.9	5.1	4.6	4.5	4.6	4.4	4.8
61	Namibia	4.5	4.5	4.1	4.3	4.1	4.7	5.7
72	Swaziland	3.6	3.3	2.5	2.7	N/A	N/A	N/A
92	Lesotho	3.2	3.3	3.2	3.4	N/A	N/A	N/A
102	Rwanda	3.0	2.8	2.5	3.1	N/A	N/A	N/A
102	Tanzania	3.0	3.2	2.9	2.9	2.8	2.5	2.7
115	Malawi	2.8	2.7	2.7	2.8	2.8	2.8	2.9
115	Zambia	2.8	2.6	2.6	2.6	2.6	2.5	2.6
126	Uganda	2.6	2.8	2.7	2.5	2.6	2.2	2.1
147	Kenya	2.1	2.1	2.2	2.1	2.1	1.9	1.9
166	Zimbabwe	1.8	2.1	2.4	2.6	2.3	2.3	2.7

Source: Transparency International, 2008

Out of the 180 countries rated using the CPI in 2008, Rwanda, Tanzania, Malawi, Zambia, Uganda, Kenya and Zimbabwe were beyond number 100 on the rankings. Zimbabwe which was ranked number 166 had a CPI of 1.8 which implies a very high degree of corruption.

f) Climate change

Climate change is likely to hinder development progress that has been recorded in Africa. It will stall and then reverse progress built up over generations not just in cutting extreme poverty, but in health, nutrition, education and other areas. Climate change has led to the rise in sea levels, tropical storms that cause flooding, rises in temperatures as well as droughts. It is the poor who are bearing the brunt of climate change as they lack the the capacity to adapt to climate change.

2.0 The Conceptual Framework

2.1 Decentralization

Decentralization is the transfer of authority and responsibility for public functions from the central government to subordinate or quasi-independent government organizations and / or the private sector (Sundaram, 1994). Silverman (1992) goes further to state that decentralization is the transfer of responsibility for planning, management, and the raising and allocation of resources from the central government and its agencies to field units of the government agencies, subordinate units or levels of government, semi autonomous public authorities or corporations, regional, area-wide or functional authorities.

Although there can be general consensus on the definition decentralization controversy arises in measuring the level of decentralization among different countries. Thus it becomes more problematic to provide an answer to "which country is more decentralized than others?" When measuring the level of decentralization in a country a holistic approach has to be employed and all facets of decentralization have to be critically analyzed. Brosio (2000) concluded that since the decentralization process in Africa started recently and evidence is scanty, caution is needed in drawing conclusion.

Box 2.1: Measuring Decentralization

"… a true assessment of the degree of decentralization in a country can be made only if a comprehensive approach is adopted and rather than trying to simplify the syndrome of characteristics into the single dimension of autonomy, interrelationships of various dimensions of decentralization are taken into account".

Source: Chanchal Kumar Sharma (2006. p. 49)

Decentralization in Africa has taken four main forms namely:

a) Political decentralization;
b) Administrative decentralization;
c) Fiscal Decentralization; and
d) Market decentralization

a) Political decentralization

Political decentralization refers to attempts to devolve powers to democratically elected local governments. It is aimed at giving citizens or their elected representatives more power and autonomy in public decision making. Advocates of political decentralization assume that decisions made with greater participation will be better informed and more relevant to diverse interests in society than those made only by national political authorities. The concept implies that the selection of representatives from local electoral constituency allows citizens to know better their political representatives and enables elected officials to know better the needs and desires of their constituencies. Political decentralization often requires constitutional and statutory reforms, creation of local political units, and encouragement of effective public interest groups.

Devolution: It is regarded as the best form of political decentralization. When governments devolve functions, they transfer authority for decision-making, finance, and management to quasi-autonomous units of local government with corporate status. Devolution usually transfer responsibilities for services to local governments that elect their own representatives, raise their own revenues, and have independent authority to make investment decisions. In a devolved system, local governments have clear legally recognized geographical boundaries over which they exercise authority and within which they perform public functions.

b) Administrative decentralization

Administrative decentralization is the transfer of policy making, planning, management as well as financial responsibilities for providing public services from central to local levels. Administrative decentralization takes two forms namely deconcentration and delegation.

Deconcentration: refers to a system whereby local authorities are established but remain attached to central authorities through strong hierarchical top-down accountability relationships. Under deconcentration local authorities are the central government's agents acting on their behalf without autonomy. It is regarded the weakest form of decentralization as it merely shifts responsibilities from central government officials in the capital city to those working in regions, provinces or districts. It is frequently used in unitary states.

Delegation: Through delegation central governments transfer responsibility for decision-making and administration of public functions to semi-autonomous organizations not wholly controlled by the central government, but ultimately accountable to it. Delegation of responsibilities usually happens when government create public enterprises or corporations, housing authorities, transportation authorities, or special project implementation units.

c) Fiscal Decentralization

Fiscal decentralization refers broadly to efforts to change the distribution of resources available to local governments. It takes many forms including:

- Self financing or cost recovery through user charges,

- Co-financing or co-production arrangements through which the users participate in providing services and infrastructure through monetary and labour contributions,
- Expansion of local revenues through property or sales taxes, or indirect charges,
- Intergovernmental transfers that shift general revenues from taxes collected by the central government to local governments for general or specific uses, and
- Authorization of municipal borrowing and the mobilization of either national or local government resources through loan guarantees.

d) Market decentralization

This is referred to as Economic Decentralization in some literature and it takes two main forms namely privatization and deregulation.

Privatization: This ranges in scope from leaving the provision of goods and services entirely to the free operation of the market to "public private partnerships" in which government and the private sector cooperate to provide services or infrastructure. Privatization may entail part or all of the following:

- Allowing private enterprises to perform functions that had been monopolized by government,
- Contracting out the provision or management of public services or facilities to commercial enterprises,
- Financing public sector programmes through the capital market,

Deregulation: Reduces the legal constraints on private participation in service provision or allows competition among suppliers for services that in the past had been provided by government or by regulated monopolies.

Under appropriate conditions, all forms of decentralization discussed above can play important roles in broadening participation in political, economic and social activities.

2.2 Local Democracy

Local democracy refers to a viable political and development process that allows for the sharing of ideas, resources and decisions for good governance. Local democracy is thus viewed as a prerequisite for good governance. Evidence of local democracy includes the presents of an active civil society, enabling legislation, a fair local electoral system, free access to information and an administrative structure that facilitates this process (UN-Habitat, 2002).

It has been observed that besides the rhetoric around the process of decentralization, many African political systems show little record of success in promoting local democracy. In most societies the needs of the rich and influential in society are well reflected in policy goals while those for the poor and the marginalized struggle to get their voices heard. This is in total contrast of the idea of local democracy in general and decentralization in particular which should accommodate the interest of the majority and the minority, the poor and the rich, the privileged and the disadvantaged.

While there is widespread evidence that decentralization fosters democracy, it has been noted that in underdeveloped countries with little or no tradition of democratic practice, decentralization may work against democracy. This normally happens when decentralized government is captured by corrupt non-accountable elites.

Democracy may be endangered by wrong macro-economic policies induced by the decentralization and by the creation of excessive expectations. Even with the most efficient decentralization process the level of service provision will remain low for some time.

3.0 Rationale for Decentralization

A number of factors have been put forward to support the growing prominence of decentralization as a reform programme. Those advocating for decentralization argue that it facilitates greater popular participation in governance. It is argued that decentralization brings government closer to the people, and thus enables citizens to be better informed and to better understand the conduct of public business. This facilitates the forging of a strong relationship between the governors and the governed and identification of the people with their government, which helps to reduce alienation from the political process.

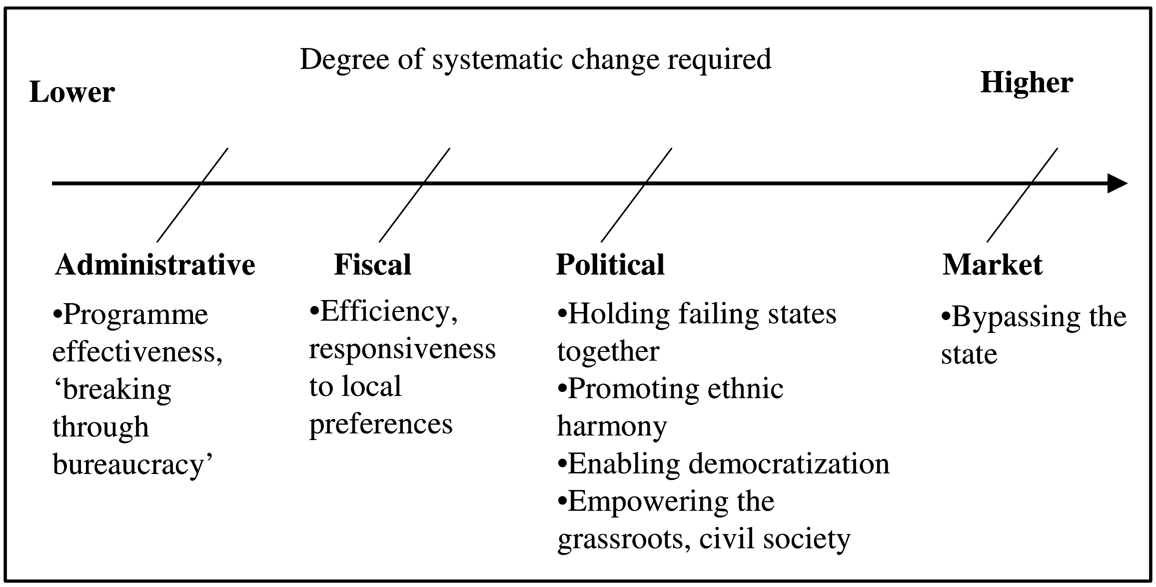
Decentralization increases efficiency in determining service provision. In a decentralized, participatory system, citizens can influence decisions about service provision through mechanisms which enable them to indicate the type, level, quality and mix of services they desire, and the cost they are willing to pay for such services. This constitutes a type of market mechanism for determining service provision in a manner which responds to the wishes of citizens, and is sensitive to their willingness and ability to pay. This will not only optimize citizen satisfaction, but it is also a mechanism for reconciling citizens' expectations to the resources available and the price they are willing to pay for the services desired.

Decentralization also facilitates better division of labour in the management of public affairs. The creation of strong local governments with the capacity to effectively manage local affairs enables central government to concentrate on higher level functions. This improves efficiency and creates more effective checks and balances.

It is also argued that decentralization facilitates the mobilization of local resources in support of the development process, and enables value added contributions to the provision of services and development efforts, which increases the total value of services provided, or development achieved, from the limited formal resources available. This happens because local people are able to identify and mobilize local resources which would not be able to centrally run programmes, and because citizens are often willing to volunteer free labour and expertise, and other forms of in-kind contributions, in order to support local initiatives.

Fritzen, and Lim (2006) have summarized the reasons for engaging into decentralization based reforms by disaggregating them under different forms of decentralization (Figure 3.1). They argue that administrative decentralization leads to programme effectiveness by breaking through bureaucracy. Fiscal decentralization is seen as a way of promoting efficiency and responsiveness to local preferences. Political decentralization holds falling states together, promotes ethnic harmony, enables democratization and empowers the citizens. Market decentralization leads to a more enabling environment which bypasses the state bureaucracy.

Figure 3.1: Rationale for Decentralization in Relation to the Various Forms



Source: Fritzen, S.A and Lim P.W (2006) p.3

Fritzen, and Lim (2006) further argue that administrative decentralization requires the least systematic change while market decentralization requires the most the most systematic change. As such, authoritarian regimes have tended to pursue administrative reforms in order to strengthen central monitoring of peripheral regions.

4.0 Decentralization Trends

4.1 Early Stages: Decentralization by Deconcentration

Decentralization efforts in most countries in Eastern and Southern Africa date back to the colonial era. However, the forms of decentralization that were pursued in the region during the colonial era and the post colonial era up to the 1990s did not meet the objective of transferring the responsibility for planning, management, and the raising and allocation of resources from the central government to lower levels of government. Decentralization was more in the form of deconcentration rather than devolution. It has been observed that deconcentration requires the least systematic change in administration (Fritzen, and Lim (2006).

In Tanzania, for example, attempts at decentralization date back to 1972 when the government initiated a process to strengthen the role of regional and district level administration, transferring all key functions for development planning, coordination and management from the central ministries to the regions and districts. Village councils were formed in 1975 to strengthen grassroots participation in the decentralization process. Effective participation was not achieved during this period because powers for decision-making and resource allocation remained at the centre. The actual decentralization process in Tanzania was only initiated in 1998 when the Government adopted a Policy Paper on Local Government Reform which puts in context the policy of decentralization by devolution (D-by-D).

In Malawi, the 30 year period of autocratic rule from 1963 to 1993 also witnessed decentralization in the form of deconcentration. During this period decision making authority was concentrated with the president at the centre and District Commissioners at district level. Ministries and departments had representatives located at regional and district levels working with vertical decision makers. During this period local governments in Malawi only existed on paper. The decentralization system in Zambia during the colonial era which ended in 1963 also took the form of deconcentration with appointed Provincial Commissioners and District Commissioners administering areas under their jurisdiction for the Secretary for Native affairs at the Central Office.

Zimbabwe, Uganda and Kenya had an almost similar system of government during the colonial period whereby the colonial administration appointed chiefs and administrative officials who were supervised by the centre. In Uganda chiefs were responsible for collection of taxes, maintenance of law and order as well as the administration of local justice at the village, parish, sub-county and county levels since the 1920s. The chiefs were selected on merit and they subsequently became salaried workers. In Zimbabwe, the 1957 African Councils Act placed chiefs at the centre of African Councils with each chieftainship entitled to a council of its own. The chief was the Vice President with the District Commissioner as president for all councils in the district. In Kenya enacted the Village Headman Ordinance in 1902, which paved the way for the appointment of chiefs to maintain law and order, collect taxes, as well as arbitrate disputes in their areas of jurisdiction.

Prior to the early 1990s decentralization was in the form of deconcentration and whereby local authorities were attached to central authorities through strong hierarchical top-down accountability relationships with very little autonomy. The same scenario was observed by Brosio (2000), who noted a highly centralized model of territorial government prevailed in Africa before the 1990s. This system was based on several variants of hierarchical deconcentration, associated with an authoritarian regime. This combination of administrative centralization with a non-democratic political framework brought in most cases an increasingly unaccountable and corrupt system. Maintenance of basic infrastructure and service provision were neglected in the rural areas and the very few resources devolved to local government were concentrated in urban areas, in particular the capital city.

4.2 Deliberate Efforts Towards Decentralization

Deliberate efforts towards decentralization in Eastern and Southern Africa started during the late 1980s and early 1990s. This wave of decentralization was induced by disappointing progress in meeting national goals through centralized processes. This led many countries to think beyond top-down development strategies more seriously than they have in the past. Rapid political, economic and technological changes fueled development efforts to rely more heavily on lower levels of government.

Uganda is among the first countries in Eastern and Southern Africa to make deliberate efforts towards meaningful decentralization. The Resistance Councils Statute of 1987 laid the foundation for the decentralization of authority to the people through their councils. This was promulgated in the constitution of the Republic of Uganda in 1995 and given full effect by the Local Government Act of 1997. The presidential policy statement of 1992 formalized and articulated the government's political commitment to decentralization.

Decentralization in South Africa was necessitated by the need to address racial imbalances created during the apartheid era which ended with the attainment of independence in 1994. At independence, the Africa National Congress (ANC), which was the ruling party, was faced with an urgent need to address imbalances and bring about social transformation which would empower previously disadvantaged populations and localities. The decentralization process is enshrined in Chapter 37 of the Constitution of the Republic of South Africa.

The Government of Tanzania adopted a policy of decentralization by devolution in 1998 with the objectives of involving people in decision making, promoting good governance and reducing poverty. This policy was supported by a Policy paper on Local Government Reform which was adopted by government in 1998 and further strengthened by the launch of the Local Government Reform Programme (LGRP) in 2000.

Rwanda adopted its decentralization policy in May 2001. The policy was adopted in order to achieve three main goals of: promoting good governance, poverty reduction and effective and accountable service delivery. The process started with the restructuring of administrative regions in 2001. After some consultations with major stakeholders the Government of Rwanda adopted the Rwanda Decentralization Strategic Framework in 2007. Thus the decentralization process is enshrined in the country's constitution as well as a number of policy documents.

Although a number of countries adopted decentralization policies during the 1990s the pace of transformation is very uneven across countries. Some countries are proceeding fast while some have just created units and just transferred responsibilities and revenues to them. Some countries have just adopted legal texts that engage central government to proceed towards a more decentralized system.

4.3 Legal and Institutional Frameworks

The implementation of decentralization processes and local governance policies in Eastern and Southern Africa are enshrined in the constitutional and legal frameworks of the countries. Most governments have developed fairly robust and extensive constitutional and legal provisions to support decentralization and strengthen decentralized levels of government.

The Decentralization process at the local government tier in South Africa was driven through the Soweto Accord which led to the establishment of the Local Government negotiating fora in 1993. The objective of the fora was to dissolve the apartheid local government structures and create new interim structures. The fora were formalized by the Local Government Transition Act 209 of 1993. The Act mapped three phases for the transition of local government in South Africa. Other pieces of legislation which supported the decentralization process included the Development Facilitation Act, the Demarcation Act which allowed for the radical consideration of the geographical of jurisdiction of local governments and ensured that every area fell under democratically elected local government.

In Uganda the Local Government Statute of 1993, the Ugandan Constitution of 1995 and the Local Government Act of 1997 provide the legal backing for the decentralization process. The constitution of Uganda states that "the state shall be guided by the principle of decentralization and devolution of government functions and powers to the people at appropriate levels where they can best manage and direct their own affairs". Chapter eleven of the constitution is dedicated to the decentralized local government system. The legislative framework in Uganda is very comprehensive, detailed and consistent. Uganda has also established the decentralization secretariat, which is considered to be less subject to political manipulation, to oversee the decentralization process. In Rwanda the decentralization process followed an almost similar process to that of Uganda. The constitution of Rwanda provides for decentralization by empowering Districts as local tiers of the governance system. It also provides for the distribution of power and responsibilities between the central government and the districts.

Table 4.1: Summary of Policies and Institutional Reforms Aligned to the Decentralization Process in Selected Countries

#	COUNTRY	POLICIES AND INSTITUTIONAL REFORMS
1.	Kenya	• Local Government Act Chapter 265 • Local Authority Transfer Fund Act No. 8 1998 • Kenya Local Government Reform Program • Rating Act • Physical Planning Act, • Trust Land Act • Environment Management and Coordination Act, 1999
2.	Rwanda	• Government of Rwanda's Long Term Policy Paper Vision 2020. • National Decentralization Policy (2001) • Rwanda Decentralization Strategic Framework 2007. • Rwanda New Economic Development and Poverty Reduction Strategy (EDPRS) • Joint Action Forums for Development • Public Accountability Day
3.	South Africa	• Soweto Accord 1993 • Local Government Negotiating For a 1993 • Local Government Transition Act 1993 • Constitution of the republic of South Africa, 1996 • Development Facilitation Act • Demarcation Act • Intergovernmental Fiscal Relations Act 1997 • Division of Revenue Act
4.	Tanzania	• Constitution of the Republic of Tanzania • Policy Paper on Local Government Reform 1998 • Local Government Reform Programme 2000
5.	Uganda	• The Local Government Statute of 1993 • The Ugandan Constitution of 1995 • The Local government Act 1997 • Establishment of the Decentralization Secretariat
6.	Zambia	• The Constitution of the Republic of Zambia • The Provincial and District Boundaries' Act • The Local Government Act • The Village Registration and Development Act • National Capacity Building Programme for Good Governance (2000) • National Decentralization Policy 2004 • The Fifth National Development Plan (2007 – 2011)
7.	Zimbabwe	• Urban Councils Act 1995 • Rural District Councils Act • Provincial Councils and Administration Act 1985 • 13 Principles of Decentralization 1997 • Traditional Leaders Act 1998 • Decentralization Implementation Strategy

Table 4.1 above provides a summary of policies and institutional reforms aligned to the decentralization process in Kenya, Rwanda, South Africa, Tanzania, Uganda, Zambia and Zimbabwe.

In Kenya and Zimbabwe the national Constitutions do not make any clear provisions on the establishment, composition, empowerment and financing of the local government/authorities. In Kenya Section 16 of the Republican Constitution of 1964 provides an enabling environment for parliament to authorize the president to establish such offices of the Minister for Local Government as necessary. The actual decentralization process is somehow supported by several Acts of Parliament, including the Local Government Act, the Rating Act, the Valuation for Rating Act, the Public Health Act, the Physical Planning Act, the Trust Land Act, the Trade Act, the Water Act, 2000 and the Environment Management and Coordination Act, 1999. These Acts give local authorities the right to raise income from a wide variety of sources subject to the approval of Minister for Local Government. In Zimbabwe the decentralization programme is outlined in the Urban Councils Act Chapter 29.15, the Rural District councils Act chapter 29.13 and to a lesser extent the Provincial Councils and Administration Act of 1985.

As a recommendation, the decentralization processes in Eastern and Southern Africa should have a strong legal and institutional backing. The roles and responsibilities of sub-national units need to be safeguarded by the law. Where the decentralization policy is enshrined in the national constitution of a country as is the case in Uganda, it makes it more difficult for national institutions to undermine the power and authority of local institutions.

4.4 Territorial Organization

There exist variations in the number of levels of government and their constitutionally and legislatively mandated relationship in the Eastern and Southern Africa region. Most of the potentialities and problems of a decentralized system derive from the specific territorial structures of government. If too many layers of government are created, political and administrative costs will be high. Part of these costs is directly related to elections, fees and allowances paid to political personnel and the working assemblies (World Bank, 1998).

Box 4.1: Linking Costs to Territorial Organization

In 1998 the World Bank made a tentative estimate of direct political costs connected to the decentralization process in Madagascar. The exercise revealed that the creation of 6 regions and 111 local governments (regarded as a modest number given the area and population of the country) would absorb between 9 and 19 percent of central government's total transfers to sub-national governments. The creation of 28 regions and 11 local governments would absorb between 11 and 25 percent.

Source: World Bank 1998

Countries in Eastern and Southern Africa have varied territorial structures of government (Table 4.2). In most cases these range from the Provincial, District / City level down to the village level.

Table 4.2: Territorial Structures of Government in Selected Countries

COUNTRY	Territorial Structure						
	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
Kenya	State	Province	Local authority (City, Municipal, County and town councils)				
Rwanda	Province	District / City of Kigali	Sectors / Umurenge	Cell / Akagari	Village / Umudugudu		
South Africa	National	Provincial	Local				
Tanzania	Cities	Municipalities / Districts	Town Councils	Township Authorities	Wards	Village Councils	Urban sub-wards (Mitaa) and Rural hamlets (Vitongoji)
Uganda	District Council / Kampala City Council (LC V)	County Council (LC IV)	Sub-County Council (LC III)	Parish Council (LC II)	Village Council (LC I)		
Zimbabwe[2]	Cities	Municipalities	Town Councils	Local Boards			

The decentralization process in Uganda has seen the creation of a local government system characterised by a five tier hierarchical structure. This system of local government known as the Local Council (LC) system was originally proposed in the early days of the NRM in power, as a democratic organ of the people for effective, viable and representative local authorities. The principles and structures of the LC system are clearly outlined in the Ugandan Constitution of 1995 and in Part II of the Local Government Act 1997.

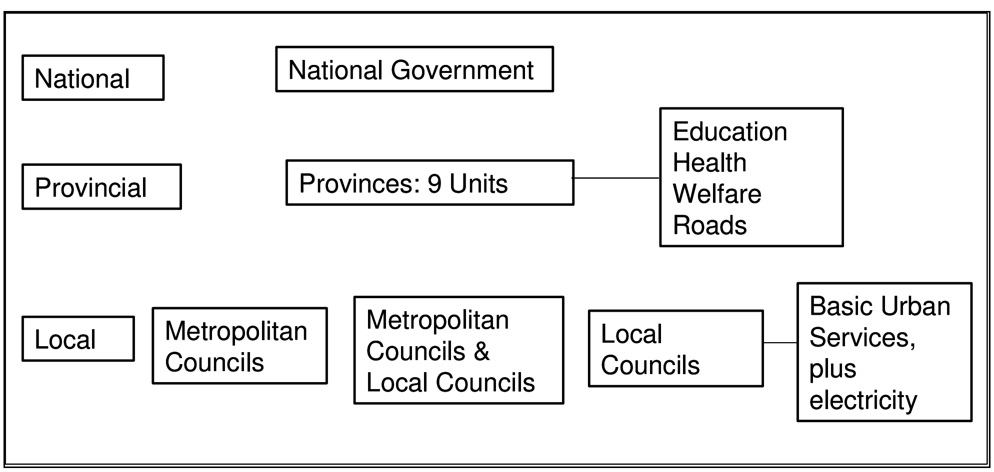
[2] This relates to urban Councils Only. In addition Zimbabwe has Rural District Councils and Provincial Councils.

The District Councils and the City Council constitute the highest level of the five tier hierarchical structure of Local Government in Uganda and are referred to as LC V. Below the District Councils are the county and municipal councils (LC IV). Every county is further sub-divided into sub-counties and Town councils (LC III). The town councils are further divided into parishes or wards (LC II). The lowest subdivision in the five tier hierarchical structure is the village (LC 1).

In Rwanda the highest level of local government is the district. Each district is further subdivided into Sectors (Umurenge). The sectors are sub-divided into Cells ((Akagari which are further subdivided into villages (Umudugudu). The sectors are the focal points of service delivery and are key in mobilizing communities to participate in development projects. They are also responsible for data collection and information gathering. The Cells are in charge of needs assessment and prioritization while the villages are the centres for community solidarity and self help projects.

South Africa's model which is based on spheres, namely the central government, nine provincial governments and 284 local governments, has been labeled as one of the best structured models (Brosio, 2000; Yemek, 2005). The national government has is responsible for managing the country's affairs, and shares responsibility for the provision of basic social services with the sub-national governments. The provinces are responsible for major services including health, education and welfare. In the provision of welfare, provinces act as agents of the central government, determining eligibility, individual payments and providing the finance. The responsibilities of municipalities are well separated from those of the provincial governments. Municipalities are responsible for typical urban infrastructure provision including water, sanitation, electricity traffic and refuse collection.

Figure 4.1: South Africa's Government Structure



Source: Brosio, 2000 pg. 12

Although some countries in the region have devolved powers to the lowest levels of local government like the wards, cells and villages, these lowest units of local government only have administrative powers. They do not have the right to formulate and adopt their own by-laws nor do they have the mandate to collect and manage revenue. They only have political and judiciary powers to constitute their own courts to settle minor disputes and elect committees to guide their development programmes.

4.5 Electoral Processes and Local Democracy

In most countries in Eastern and Southern Africa local democracy is expressed through the electoral processes. Chapter Eleven Article 176 (3) of the Ugandan Constitution, for example, states that "*The system of local government shall be based on democratically elected councils on the basis of universal adult suffrage …"* In Tanzania democratic leadership is considered a matter of priority in the national constitution, which states that one of the basic functions of each LGA is *"to consolidate democracy in its area and to apply it to accelerate the development of the people"*. Although some countries might lack local democracy it has been observed that the legal framework is very supportive to the practice of local democracy.

The election of councilors in most countries is by simple majority through universal adult suffrage. However, in South Africa the election of councilors is more complex and it involves a combination of proportional representation (party list system) and the First-Past-The-Post (Westminister system) in which the winner takes all. Councilors represent a constituency which in the case of Kenya, Zimbabwe and Tanzania, for example, is the ward. Elections are conducted through voters' rolls and the secret ballot. In Rwanda, however, voters at the grass root level (village and cell) elect their candidates by queuing behind the candidate. The same system used to be practiced in Uganda in the past. This compromises the transparency of the whole electoral process. It has however, been noted that even in countries where the secret ballot is used, cases of intimidation, violence, voter buying and sometimes ballot staffing and rigging still occur.

Both lower level and higher level local authorities in the region constitute of a Council Executive which in most cases comprises of the Mayor (in the case of City and Municipal Councils or higher level local authorities) or the Chairperson (for lower level local authorities) their deputies, and members of standing committees. In Tanzania, for example, each local authority has three standing committees on (a) Finance and Administration, Economy and Social Services and on Urban Planning. In Kenya, Namibia, Rwanda, Tanzania, Uganda, and Zimbabwe the members of the council executive are elected from among the elected, appointed and ex-officio councilors who together constitute an electoral college. These elections take place on the first meeting of the council after elections.

In Zimbabwe, though the electoral college of councilors which elect a Chairperson and the Deputy of a council exist at the lower local government level, the Mayors of cities and municipal councils are elected by the citizens of the city or municipality through majority vote. In some countries like Kenya the Mayor is a ceremonial head is a ceremonial head of the local authority who chairs council meetings and oversees the implementation of council programmes through council meetings. In other countries like

Zimbabwe the mayor is an Executive Mayor. In Uganda the Local Government Act provides that the executive committee should no exceed a third of the council.

Council elections in a number of countries including Kenya, Rwanda, South Africa, Tanzania, Uganda, and Zambia take place after every five years and they usually coincide with parliamentary and presidential elections. In Zimbabwe, council elections take place after every four years while presidential elections take place after every five years. The table below shows the regularity of elections in selected countries and the dates of the last and next elections.

Regularity of Elections

Country	Electoral terms for Councilors	Date of last election	Date of next election
Kenya	5 years	2002	2007
Namibia	5 years	-	-
Rwanda	5 years	2006	2011
South Africa	5 years	2006	2011
Tanzania	5 years	2004	2009
Uganda	5 years	2006	2011
Zambia	5 years	2006	2011
Zimbabwe	4 years	2008	-

The electoral terms of five years which are given to councilors are reasonable as this gives councilors enough time to plan and implement activities in their constituencies. In some countries like Kenya, Rwanda and Zimbabwe councilors are given a chance to be elected for a second time.

In Kenya, Namibia, South Africa, Tanzania, Uganda, Zambia and Zimbabwe candidates for elections into local government are sponsored by registered political parties that decide to participate in the elections. Each political party has its own method of primary nominations for appointing party representatives. In Zimbabwe and Zambia there is no law which prevents independent candidates from contesting in council elections. However, in Kenya election laws do not allow independent candidates. Rwanda presents a unique situation whereby political parties are not allowed to present candidates to compete for seats in local councils. Those who wish to participate in local elections should stand on their own without any support from a political party or any political organization.

The sponsoring of candidates by political parties has led to a situation whereby councilors act as campaign agents of presidential and parliamentary candidates on behalf of their political parties and in return, they obtain the backing and support of their own parties for their campaigns. This scenario has been criticized on the grounds that the councilors will owe their allegiance to the political parties they represent than to their constituencies.

The percentage of voter turnout in the region varies greatly with some countries recording very low voter turnout while others record very high voter turnout. In Zimbabwe, for example, only 20% of the registered voters voted during the 2003 election. In South Africa, the voter turnout in the 2006 elections was 34%. In Uganda which has 104 507 788 registered voters, the voter turnout in the last election of 2006 was 46%. Tanzania and Rwanda which recorded voter turnouts of 84% and 95% respectively had high percentages of voter turnouts in their last elections. The low voter turnout in some of the case study countries raises questions on the democratic nature in which elections are held. Thus those elected into power might not represent the majority of the citizens.

Most countries in Eastern and Southern Africa have introduced a quota system in an attempt to ensure equitable representation of both men and women in local councils. Some countries have introduced affirmative action to cater for other special interest groups like the disabled and the youths. In Kenya, Rwanda and Tanzania the Constitution reserves at least 30% of the seats for women. In Uganda the legal framework ensures that women must constitute at least a third of every local government council.

Due to the above provisions women in Rwanda now constitute 42% of the district councilors. The legal framework in Rwanda also states that the District Executive Bureau which comprises of the Mayor and two deputies should have at least one woman. In Uganda women now comprise 44% of the local government council. In addition to seats reserved for women the legal framework in Uganda also states that each council must have two representatives of the youth, one of whom must be female and two representatives of the disabled one of whom must also be female. The Local Government Act in Uganda, Section 16 (3), guarantees that at least one of the offices of the secretaries in the council executive should be held by a woman.

Traditional chiefs are not recognized in the national laws of some of the countries in the region. Tanzania abolished traditional authorities immediately after independence in 1961. As a result, traditional leaders do not play any role in the process of decentralization and there is no legal recognition of the traditional rulers in any official position. In Zambia chiefs are not employees of the government. The government merely recognizes traditional chiefs after they are chosen through their respective customs. In South Africa there is no legislation for the involvement of traditional leaders in the running of local authorities. However, this is an area of concern which the national government is putting under consideration.

Unlike in other countries the role of traditional chiefs is well recognized in Uganda and Zimbabwe. In Uganda, for example, the Constitution recognizes traditional leaders though they are not members of councils. The main contribution of traditional chiefs in Uganda is in mobilizing people in their localities to participate in cultural and development activities. In Zimbabwe, traditional chiefs attend Rural District Councils as ex-officio members. The Traditional Leaders Act 1998 gives them numerous functions at the sub-district level.

4.6 Fiscal Decentralization

Fiscal decentralization sets the framework of expenditures, revenues and legal discretion within which regional and local governments operate. It does not deal with issues of financial management, the processes of budgeting, accounting, delegation, procurement, and auditing by which individual local governments manage their financial affairs. Inadequate resources and management skills both at the central and the local levels continue to hinder efforts towards decentralization in the region.

Local governments need to access as much direct revenue sources as possible including regular, stable, reliable and commensurate appropriations by central governments in order to fulfill their mandates of effective service delivery. Fiscal decentralization is without its own problems. Smoke (2001) noted that even if a formal decision is made to decentralize, reluctant central agencies may slow the process. In addition, giving additional resources to sub-national governments politically, managerially and technically unprepared to use them can create enormous problems.

Local governments in Eastern and Southern Africa derive their revenues from various sources. Three major distinctions can be made between own sources of revenue, intergovernmental fiscal transfers and donations and loans from external sources. These sources are discussed below in detail.

4.6.1 Own Sources of Revenue

Own sources of revenue for local governments in the region are derived from taxes (graduated tax and property tax), user charges (licenses, permits and market dues), assets disposal and fines (Obwona, et al, 2000). In most countries these sources of revenue are mandated by the constitutional and legal frameworks. In Uganda, like in many other countries in the region, the local revenues are mandated by the Constitution and the local Government Act. The central Government fixes the maximum rate while the local government retains and uses all tax proceeds.

Own sources of revenue in local governments of Uganda contribute an average of about 30%. The remainder comes from central government transfers (66.2%) and donor funding contributes 3.8 %. An almost similar pattern has been observed in Rwanda where transfers from the central government contributed 82% of the districts' revenue.

In South Africa, local authorities, which are the lowest level of the three tier system (national, provincial and local), generate more than 90% of their own revenue from tariffs, taxes and other levies on businesses, water electricity etc. Tariffs contribute 32%, property tax 21% and the rest comes from other levies. Local authorities in Zimbabwe also depend heavily on locally generated revenue than central government transfers. In 1997, for example, the city of Harare only got only 5% of its total revenue from central government while the remaining 95% own sources of revenue including property tax, service charges, leases and licenses, trading activities and rentals of residential and commercial properties.

The contribution of own sources of revenue to the total local government revenue in the region is characterized by two extreme cases whereby local authorities in countries like Uganda and Rwanda rely heavily on central government transfers while in Zimbabwe and South Africa local authorities raise the bulk of their revenue from own sources of funds.

Borrowing is another source of income for local authorities in the region. In Zimbabwe, Section 290 of the Urban Councils Act allows councils to borrow. The same applies in South Africa where the Constitution also allows provinces and local governments to borrow. In both countries local authorities can borrow either from the central government or the private sector.

4.6.2 Intergovernmental Fiscal Transfers

An analysis of intergovernmental fiscal transfers in the region provides a very interesting and diverse scenario whereby different formula are used in determining the amount to be transferred. The legal autonomy to formulate budgets as well as spend funds from central governments differs from country to country. In some countries intergovernmental fiscal transfers still account for the bulk of local revenues while in others it contributes a small proportion of total local revenue. Intergovernmental fiscal transfers in a number of countries are meant to address vertical imbalances between the revenue and expenditure of sub national governments (Yemek, 2005). Intergovernmental fiscal transfers in Kenya, South Africa and Uganda are analyzed below in order to present different three different cases.

In Kenya transfers from the central government are done through the Local Authority Transfer Fund (LATF). This fund was established in 1999 through the LATF Act No. 8 of 1998, with the objective of improving service delivery, improving financial management, and reducing the outstanding debt of local authorities. LATF, which comprises 5% of the national income tax collection in any year, currently makes up approximately 24% of local authority revenues. At least 7% of the total fund is shared equally among the country's 175 local authorities; 60% of the fund is disbursed according to the relative population size of the local authorities. The balance is shared out based on the relative urban population densities (KIPPRA, (2009).

An advisory committee comprising the private sector, the Ministry of Finance, the Permanent Secretary Ministry of Local Government, and the Kenya Local Government Reform Programme’s secretariat, guides LATF operations. 60% of LATF allocations is released based on local authorities meeting set requirements. The remaining 40% is released based on local authorities performance measured through Local Authority Service Delivery Action Plan (LASDAP[3]) and other indicators. Under LATF, the amounts are predictable, allocations are transparent and equitable among various local authorities, and local authorities have the discretion over the use of the funds allocated.

[3] The Local Authority Service Delivery Action Plan (LASDAP) shows that the local authority conducted a participatory planning process and identified a 3 – year rolling

South Africa with a three tier system of government recognizes the need for intergovernmental transfers and there has been a genuine effort to share national resources with provincial and local governments in a fair way (Yemek, 2005). The South African Constitution entitles provincial and local governments to an equitable share of national revenues and allows them to receive additional grants from the national or provincial governments on a conditional and unconditional basis. The South African intergovernmental fiscal system is based on the Division of Revenue Act. The Act provides a framework of fiscal arrangements aimed at ensuring that government responsibilities are met, while the right level and mix of public services are delivered to enhance the socio-economic rights of citizens. Over the period 2005/6 national departments received 37.6 % of the total national revenue, provinces 57.7% while local governments received 4.7%. Intergovernmental fiscal transfers are calculated mainly using the geographic and economic profile of the sub-national units. Local governments have the legal autonomy to formulate their budgets and spend funds from the central government as they wish as long as it is within the context of the government's medium term strategic objectives.

In Uganda more emphasis has been given to the development of intergovernmental fiscal transfers than to improving local sources of revenue, and there are not adequate incentives in the transfer formulas to encourage local revenue generation. The Constitution of the Republic of Uganda specifies three types of central transfers that are supposed to be given to local governments. These are conditional, unconditional and equalization grants. Because of the existence of clear formula on the distribution of central government grants to sub-national governments in Uganda there is a high degree of predictability and certainty on the amounts expected from Central Government each fiscal year. As already noted transfers from the central government contribute more than 60% of local governments' revenue in Uganda.

5.0 Decentralization and Basic Service Delivery

Local authorities in Eastern and Southern Africa are charged with the responsibility of providing services such as health, primary education, refuse collection, water and sanitation, and fire protection services among others, within their areas of jurisdiction. Over the years, service delivery in the region's local authorities have deteriorated to an extent that even most basic services are not easily available. This has been greatly attributed to uncontrolled population growth and unavailability of financial resources. Other factors that affect service delivery include, mismanagement, weak technical and institutional capacities to increase service coverage, and lack of planning.

Proponents of decentralization argue that it leads to improved geographic distribution of services as well as efficiency and effectiveness in service delivery. However, evidence from various countries has revealed that decentralization without supporting resources from the government as well as local sources of revenue will not improve services delivery.

6.0 The Role of Development Partners

Development partners play a very crucial role in promoting decentralization and funding development projects in all countries in Eastern and Southern Africa. In Rwanda for example, the general budget is funded by International Partners through loans and donations at an average of 55%. In Uganda funding from development partners has been increasing since 2006 when the government adopted the Decentralization Policy Strategic Framework and subsequently developed a 10 year Local Government Sector Investment Plan.

Although development partners have a crucial role to play in the development of local authorities some governments have been discouraging them from directly investing in local authorities. The Government of Tanzania, for example, has been encouraging development partners who support local government investment to shift from area based and project based approach to the Common Basket Funding mechanism or to agree on a common framework for development funding at local government level through the General Budget Support. As a result there is small and insignificant funding of development partners to local governments. Considerable funding is through the sector wide basket funds and general budget support. The Government of Rwanda has also launched the idea of a basket fund. There is a Basket fund to support the education sector which is being supervised by DFID. Other contributing development partners include the Netherlands Embassy, UNICEF and the Belgium Cooperation.

Most development partners require central governments to contribute counterpart funding by a certain percentage of the donor funds from its own resources. The Governments of Uganda and Tanzania are cases in point.

Financing from bilateral development partners is largely in the form of assistance while that from multilateral partners, especially from the World Bank is on a loan basis. In Rwanda some organizations like SNV (Netherlands Development Organization are providing technical support. The same has been observed in South Africa were the Development Bank of South Africa provides technical support. In Zambia GTZ finances an expert who is located in the Decentralization Secretariat.

7.0 Concluding Remarks

Decentralization in Eastern and Southern Africa has come as a response to various challenges confronting the region. Although decentralization has managed to devolve some powers to local governments to manage their own affairs there are still some challenges which need to be addressed. Local authorities should be able to mobilize available resources and use them efficiently and effectively in providing social services. Their is also need for capacity building at both the central government and local government level so that both parties are able to respond to the challenges of decentralization.

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