



USAID
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FACT SHEET

DEMOCRATIC LOCAL GOVERNANCE AND DECENTRALIZATION

Overview

DCHA/DG supports USAID programs worldwide that attempt: (1) to increase participatory decision-making, transparency, accountability, and responsiveness at all levels of government by working with both state and non-state actors; (2) to increase citizen participation in local and national government; (3) to assist local governments to serve as counterweights to central state authorities and to participate in policy-making at regional and national levels; (4) to enhance the fiscal adequacy and probity of decentralized democratic governments; and (5) to improve the effectiveness of local governments by promoting and sustaining local economic development.

USAID Practice Areas

Principal areas of practice and illustrative activities include:

- Creation of appropriate legal and policy environments for democratic decentralized governance;
- Developing and strengthening associations of local governments and/or local government officials to act as effective lobbyists for local government interests;
- Supporting fiscal decentralization and development of the planning, budgeting, management and accounting skills that necessarily accompany it;
- Ensuring that local governments are entrusted with and effectively promote local economic development;
- Building the capacities of local governments and local government officials to plan, manage, deliver and account for local public goods and services; and
- Supporting the interaction of civil society groups and local government officials in participative processes designed to effectively reveal citizens' preferences for local government services and policy positions.

Lessons Learned

- It is easier to increase the capacity of local government administrations to do strategic planning, budgeting, asset management, and accounting than it is to convince and assist national governments to move forward with fiscal decentralization and increased empowerment of local governments. USAID should only support national level decentralization policy/legislation when the government is clearly committed to the process.
- Decentralization should only occur when there are commensurate steps by the national government to oversee the performance and accounts of local governments. Pushing for local government to have more resources and authority without putting adequate checks in place often leads to more corruption.
- The most commonly encountered weakness in USAID decentralization and local governance strengthening project design is a tendency to "cherry pick" participating local government entities. Random selection of eligible local governments is the best way to insure that USAID project activities are suited to the needs of "average" local government entities. "Cherry picking" may increase the likelihood of project success, but it is also likely to decrease spontaneous (non-project assisted) replication of results.

Technical Leadership

The [Democratic Decentralization Programming Handbook](#) (DDPH), released in June 2009, provides guidance to address decentralization challenges. In addition, Strategic Decentralization Assessments, which are based on the guidance from the DDPH, and the design of monitoring and evaluation systems that are capable of measuring impacts of USAID decentralization projects, are also available to support USAID missions.

Since USAID's development programs are increasingly linked to U.S. strategic interests and diplomatic efforts, USAID must seek knowledge of the requisites and requirements of decentralization in conflict/post-conflict settings, in fragile states, and in transformational development states.

How to Obtain Services

Missions and other USAID entities may obtain decentralization and local governance services under the following indefinite quantity contracts (IQCs):

- **Democratic Local Governance and Decentralization IQCs:**
Edwin F. Connerley, PhD, Contracting Officer's Technical Representative (COTR)
The ordering period for these awards runs through June 2010. IQC holders include: ARD, Inc.; PADCO-AECOM International, Inc.; Development Alternatives, Inc.; Research Triangle Institute; and The Urban Institute – Contract numbers: DFD-I-00-05-00121, 125, 127, 128, 129. The implementation period for these contracts runs through June 2011.
- **Sustainable Urban Management II IQCs:**
Mike Keshishian, COTR
The ordering period for task orders ends on March 2011. Task orders may run three years beyond that or until March 2014. IQC holders include ARD, Inc.; The Louis Berger Group; Mendez, England and Associates (small business); Planning and Development Collaborative International; Research Triangle Institute; and The Urban Institute – Contract numbers: EPP-I-00-04-00035, 027, 030, 026, 037, and 036.

Information on DCHA/DG mechanisms and details on how to access the IQCs are available to USAID personnel through the User's Guide to DG Programming.

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