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MEASURING AND STRENGTHENING LOCAL GOVERNANCE CAPACITY: THE LOCAL GOVERNANCE BAROMETER

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Lead Authors: Evan Bloom, Amy Sunseri, Aaron Leonard



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¹ LGB Implementation Process Handbook and Example Questionnaire included as attachments

Executive Summary

Those working to achieve the Millennium Development goals increasingly recognize good governance as a fundamental requirement for reducing poverty and achieving sustainable human development. With decentralization and devolution efforts on the rise in many countries, the ability of local officials to adequately manage their governments and meet the needs of their constituents is essential. However, many local governments lack the experience and capacity to carry out their increased responsibilities and to respond to citizen expectations and demands.

As governments, institutions, and donors continue to search for successful models of decentralized governance, the lack of relevant tools and strategies to analyze local governance effectiveness becomes evermore apparent. Local governance cannot be measured simply through quantifiable indicators, but must include the perceptions of the citizens and the government, and the relationships all actors have with each another. The process of building the capacity for good local governance is equally complex, since it involves a cross-section of actors that includes the government itself, the private sector, and civil society at large.

The Local Governance Barometer

In response to these challenges, Pact joined forces with its Impact Alliance partners, SNV and IDASA, to develop the Local Governance Barometer (LGB), with an aim of achieving the following objectives:

- Ensure the participation of principal actors during the design of governance models as well as the collection, processing, and analysis of the information collected
- Arrive at quantitative measures for good governance indicators to enable a comparative analysis between different situations, an understanding of the evolution of factors of governance, and evaluate the impact of interventions

Since early 2006, the Local Governance Barometer has been in its Piloting and Testing Phase. Over the last year, SNV, Pact, and IDASA have undertaken fifteen pilots in six countries including South Africa, Botswana, Cameroon, Ecuador, Ghana, and Tanzania.

"Good Governance" from an Informed, Participatory Local Perspective

Many local governance models are top down, expert driven, best practice checklists. In contrast, the LGB puts a premium on locally defined criteria and participatory processes for assessing local governance. This promotes ownership of the results as well as consensus in taking steps forward from a multi-stakeholder perspective and not solely from the local government's point of view and responsibilities.

While the process is locally driven, it is informed by regional, national and international best practices that have successfully addressed governance in themes such as participation, equity, rule of law, effectiveness and accountability. Through the LGB, local governments help coordinate stakeholders to assume collaborative roles in addressing governance issues. Citizens, government employees and elected officials help define what is meant by good governance and monitor progress across a broad range of critical success factors.

Findings and Initial Results

In February 2007, the LGB's Core Development Team met in Nairobi to discuss key findings from the 15 pilots and how they can be used to improve the Local Government Barometer. The findings included:

1. The assessment process must allow users to model mission-critical behaviors and processes, such as data-based decision-making, open dialogue, respectful listening, non-hierarchical communication, transparency, and participatory planning.
2. Capacity assessment processes should be designed to yield easy-to-use, helpful information that informs decision-making around mission-critical issues.
3. The integrity of an assessment process is closely linked to the characteristics of the environment in which that process unfolds.
4. Develop assessment techniques that provide for the generation of data that is both prescriptive and descriptive.
5. Use assessment techniques that build trust, cohesion and a shared sense of purpose.
6. Use assessment techniques that foster diverse perspectives.
7. A process that integrates assessment with other aspects of organizational transformation will be most powerful if it helps users identify standards that are change drivers.
8. Financial sustainability and program replication are closely interconnected. High implementation costs and levels of complexity slow the potential for broad adoption of new practices.

The LGB initiative has generated over \$500,000 in donor support since its launch 18 months ago. During the six-country pilot effort, groups have found the process deeply empowering and, although it is much too soon to definitively assess impacts, initial results indicate that our original impact predictions are being proven true, including:

- Enhanced functionality and responsiveness of democratic local government through the application of lessons learned, including addressing gaps in service delivery and applying new knowledge in policy making. It has also encouraged rival government actors to collaborate around new, shared goals such as improving citizen participation in local government;
- Development of strategies, programs, and practices that seek to increase citizen participation and empower participant citizens—specifically to increase the direct and indirect participation and empowerment of women and other formerly disenfranchised groups in local government decision-making; and
- Provision of technical assistance and training to support planning and implementation of local economic development strategies

Additionally, the process has helped participating Civil Society groups and citizens to identify advocacy and lobbying issues and develop strategies to address them.

Future of the LGB

As the pilot phase of the Local Governance Barometer winds down, the LGB's Core Development Team is working to apply lessons learned and to engage in dialogue around methodological refinements. The Pact Capacity Building Services Group (CBSG) is currently experimenting with reporting templates that yield easy-to-use, helpful information for decision-making around mission-critical issues. Additionally, many exciting opportunities for scale-up of the LGB lay on the horizon. These include expanding the LGB to Malawi this year, adapting the LGB to create sector-specific applications to measure local governance for Disaster Risk Reduction, and developing an online portal to facilitate virtual data entry and processing.

I. Introduction

It is becoming widely accepted that good governance is essential for poverty reduction and to attain sustainable human development. As such, good governance is garnering increasing attention as a critical condition for achieving the Millennium Development Goals. The UN document *Governance for the Millennium Development Goals: Core Issues and Good Practices* explains why: “The direct linkage between achieving the MDGs and economic and political governance is established via the following critical dimensions of good governance: a pro-poor policy framework, public administration and civil services, decentralization and delivery of services. The cross-cutting dimensions include accountability and transparency, rule of law, human rights and the role of civil society².”

Similar emphasis has been placed on “localizing” the MDGs. The UNDP *Toolkit for Localisation of the Millennium Development Goals* emphasizes good governance at the local level as “a fundamental requirement for ensuring an effective strategic and practical response to the MDGs” since, “as providers of key services, improved local governance and management can contribute significantly to poverty reduction.”

Decentralization and devolution efforts are on the rise as many countries shift power to local and sub-national government units. However, many of these institutions lack the experience and capacity to carry out their increased responsibilities and to respond to citizen expectations and demands. Governments and donors continue to search for successful models of decentralized governance. The immediate challenge facing these institutions is the development of relevant tools and strategies to analyze local governance effectiveness, with the aim of identifying ways to develop the capacity of local government actors to promote and sustain democratic process and service delivery.

While there are well-established norms for what constitutes good governance, the ability to capture and measure local governance remains elusive. The following description from the UNDP provides some insights into this challenge:

Local governance comprises as set of institutions, mechanisms and processes, through which citizens and their groups can articulate their interests and needs, mediate their differences and exercise their rights and obligations at a local level. The building blocks of good local governance are many: citizen participation, partnerships among key actors at the local level, capacity of the local actors across all sectors, multiple flows of information, institutions of accountability and a pro-poor orientation.³

From this definition, we see that local governance cannot be measured simply through quantifiable indicators, but must include the perceptions of the citizens and the government, and the relationships all actors have with each another. The process of building the capacity for good local governance is equally complex, since it involves a cross-section of actors that includes the government itself, the private sector, and civil society at large. Thus, “for good governance to

² UNDESA (2007) *Governance for the Millennium Development Goals: Core Issues and Good Practices*. <http://unpan1.un.org/intradoc/groups/public/documents/UN/UNPAN025110.pdf>

³ UNDEP (2005) *Toolkit for Localising the Millennium Development Goals*. Original source: DFID (2001) *Meeting the challenge of poverty in urban areas*. UK Department for International Development.

work there is a need for greater ‘mutuality’ between these groups - equality and respect to be sought, to establish shared objectives, assign respective rights and responsibilities, as well as mechanisms for cooperation” (UNDP 2005).

In response to these challenges, Pact joined forces with its Impact Alliance partners, SNV and IDASA, to develop the **Local Governance Barometer (LGB)**, with an aim of achieving the following objectives:

- Ensure the participation of principal actors during the design of governance models as well as the collection, processing, and analysis of the information collected
- Arrive at quantitative measures for good governance indicators to enable a comparative analysis between different situations, an understanding of the evolution of factors of governance, and evaluate the impact of interventions.

The following is a brief summary of the main features of the **LGB** tool, which will be explained in detail subsequently:

- Promotes decision-making:
 - Comparison of good governance performance indicators in terms of time and place
 - Establishment of a baseline to define a governance situation
 - Simulation and projection of future scenarios
- Adaptability
 - Applicable to all levels (national, regional & local) and all sectors (municipal management, decentralization, environment, health, infrastructure, etc)
 - Integrates quantitative data and qualitative observations
- Participation
 - Representative involvement from all actors (government, civil society, private sector) during all phases of implementation

II. Evolution of the Local Governance Barometer

Pact and the Impact Alliance sponsored the first Local Governance Laboratory in Pretoria in April 2005. At the event, eight Impact Alliance partners joined Pact in a review of local capacity building approaches for local governance and identified new and promising practices. The Local Governance Barometer was conceived as a potential breakthrough capacity building tool. A subsequent “Reflection Workshop” held in Madagascar in July 2005 led to an initial framework and local governance model, which was the starting point for the USAID PVC funded action research project.

A second Local Governance Laboratory was held in Quito, Ecuador in late November of 2005. At the Ecuador LGL, 120 participants

The Impact Alliance

The Impact Alliance (www.impactalliance.org) is an international community of organizations and individuals that combine talents to strengthen civil society organizations and local governments. We believe that through the power of networked knowledge, collaborative innovation and joint action we can scale-up our collective social impact.

Today, the Impact Alliance partnership brings together 14 partner organizations with more than 3,500 people mobilizing over \$250 million in annual programming in more than 50 countries. Our broader membership connects over 160 organizations from almost every region of the world and engages more than 4,000 monthly through email newsletters and an online knowledge base accessible in three languages.

from government, CSOs, the private sector and the donor community from Latin America discussed the complex issues that influence good local governance. The conference offered opportunities for local municipalities and associations of municipalities to comment on critical issues facing managers and government institutions and laid the initial groundwork for the Local Governance Barometer.

Following the four-day public event of the LGL in Ecuador, the Pact team established a Core Development Team comprised of SNV, Pact, and IDASA. The Core Development team enables inter-organizational collaboration, ensures goal congruence, and overall stewardship of a global and participatory dialogue across Impact Alliance partners and other participating institutions. The knowledge generated at the Pretoria and Ecuador Local Governance Laboratories served as criteria for the **Global Model of Local Governance**, the methodological core of the Local Governance Barometer (see section on Methodology that follows). The partners of the Core Development Team then met once again in Pretoria, South Africa in February 2006 to validate the Global Model and finalize the LGB tool.

This same group of Impact Alliance partners led the testing of the LGB through pilot implementations over the last year. Within the Core Development Team, Pact's Madagascar country office was tasked with a knowledge engineering function: incorporating input from diverse actors into a logical local governance model using NetWeaver.

Pilot Phase of the Local Governance Barometer

Since early 2006, the Local Governance Barometer has been in its Piloting and Testing Phase. Over the last year, SNV, Pact, and IDASA have undertaken fifteen pilots in six countries. The chart below provides a summary of the implementations to date. Case studies for three of these pilots are included later in this report.

Table 1

CURRENT APPLICATIONS OF THE LGB <i>15 Pilots in 5 Countries</i>			
Country	Pilot Sites	Lead Organization	Current & Next Steps
South Africa	<u>4 municipalities:</u> - Greater Tazaneen - Umzimvubu - Kopanong - Ubuhlebezwe <u>2 districts:</u> - UGU (Kwa-Zulu Natal Province) - Nkangala (Mpumalanga Province)	IDASA	Data Processing Presentation & analysis of results Capacity reinforcement plan development
Botswana	<u>2 localities:</u> - Central District - Gaborone City Council	IDASA	Data Processing Presentation & analysis of results Capacity reinforcement plan development

Cameroon	<u>2 Localities:</u> - Kumbo Council - Yagoua Council	SNV Cameroon	Presentation & analysis of results Capacity reinforcement plan development
Ecuador	<u>2 municipalities</u> - Cascales, Province of Sucumbios - Joya de los Sachas, Province of Orellana,	Pact Ecuador	Capacity reinforcement
Ghana	<u>3 Districts:</u> - Kumasi - MWEDA - West Gonja	SNV Ghana	Presentation & analysis of results Capacity reinforcement plan development
Tanzania	1 District - Mbulu	SNV Tanzania	Data Collection Data Processing Presentation & analysis of results Capacity reinforcement plan development
	Education Sector Application: Mvomero District Council	SNV Tanzania	Data Collection Data Processing Presentation & analysis of results Capacity reinforcement plan development

III. Methodological Approach

As previously discussed, local governance is about how people make decisions to determine how they live and work together in a community or a group of communities. It involves local stakeholders interacting to determine the local development agenda and to manage resources for implementing development priorities. The Local Governance Barometer (**LGB**) subscribes to the same notion: that governance works only when it is owned and driven by those whom it is meant to benefit.

The LGB embraces this concept by involving a cross-section of actors -local government, private sector, civil society organizations, and others - in a participatory process to generate a model of good governance through which the local government in question is assessed by the same group of stakeholders. Rather than a top down, expert driven checklist, the LGB process promotes dialogue, shared learning, ownership of the results, and collaboration in addressing short-comings. In this way, the LGB process simultaneously *builds* and *measures* local government capacity while also promoting consensus around alternative interventions.

While the process is locally driven, it is informed by regional, national and international criteria for good governance. The point of departure for the LGB assessment is a “**Global Model**” (Figure 3, p11) of good local governance, which was developed through dialogue with subject matter experts during the Local Governance Laboratories in South Africa and Ecuador, and validated through secondary data.

How is the Local Governance Barometer Unique?

- One of very few tools focused on measuring governance at the local level
- Generates a knowledge base of local governance data from around the globe
- Allows for comparisons of local governance performance across localities and contexts
- Subject matter experts from around the world are connected to a shared platform
- Multi-stakeholder, participatory approach promotes dialogue and is action-oriented
- An assessment tool that promotes transformative change
- Blends perceptions of performance with objective level data on performance
- Measures perception of performance across various stakeholders, including state, citizens, and private sector
- The Global Model can be revised through findings from applications over time
- A cross-section of stakeholders are brought together to determine what good governance means in their specific context and assess themselves accordingly
- Can be used to benchmark performance over time through time-series analysis
- Has the potential to inform, and be informed by existing tools

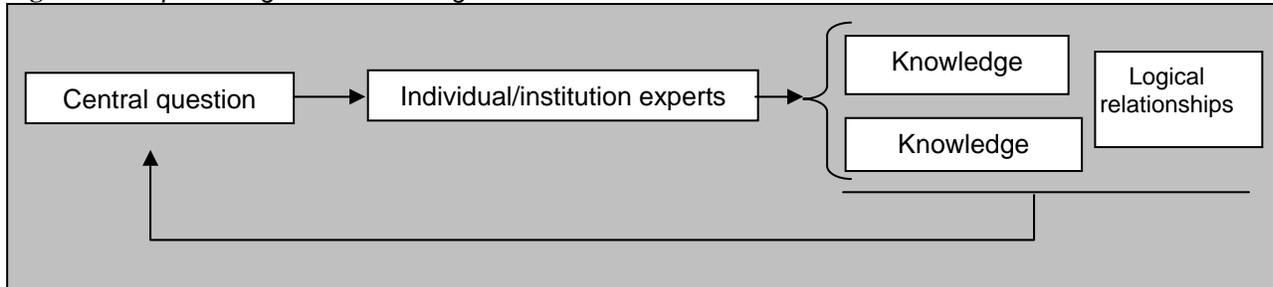
How do expert knowledge and global standards inform the LGB? A Knowledge Base is a set of knowledge related by logical relationships and organized around - and in response to - a central question. It represents the set of knowledge of several expert individuals and/or institutions around this question. This is the system used to design, manage and update the Local Governance Barometer.

For the purpose of our work, a knowledge base is understood as a “body of knowledge that has been organized within a formal syntactic and semantic framework that allows formal inferencing about the problem at hand.” (Miller and Saunders, 2002)⁴. A knowledge base is thus, **(1) a set of knowledge related by (2) logical relationships and organized around and in response to (3)**

⁴ Miller B.J., Saunders M.C., 2002, *NetWeaver Reference Manual. A compendium of NetWeaver and NetWeaver related terms, concepts, and functions*. Penn State University and The Heron Group LLC.

a central question. It represents the set of (4) knowledge of several expert individuals/companies around this question. These four elements constitute the foundation of the knowledge base. A knowledge base *system* is the system that allows designing, managing and updating this knowledge base⁵.

Figure 1: Simplified Figure of Knowledge Model



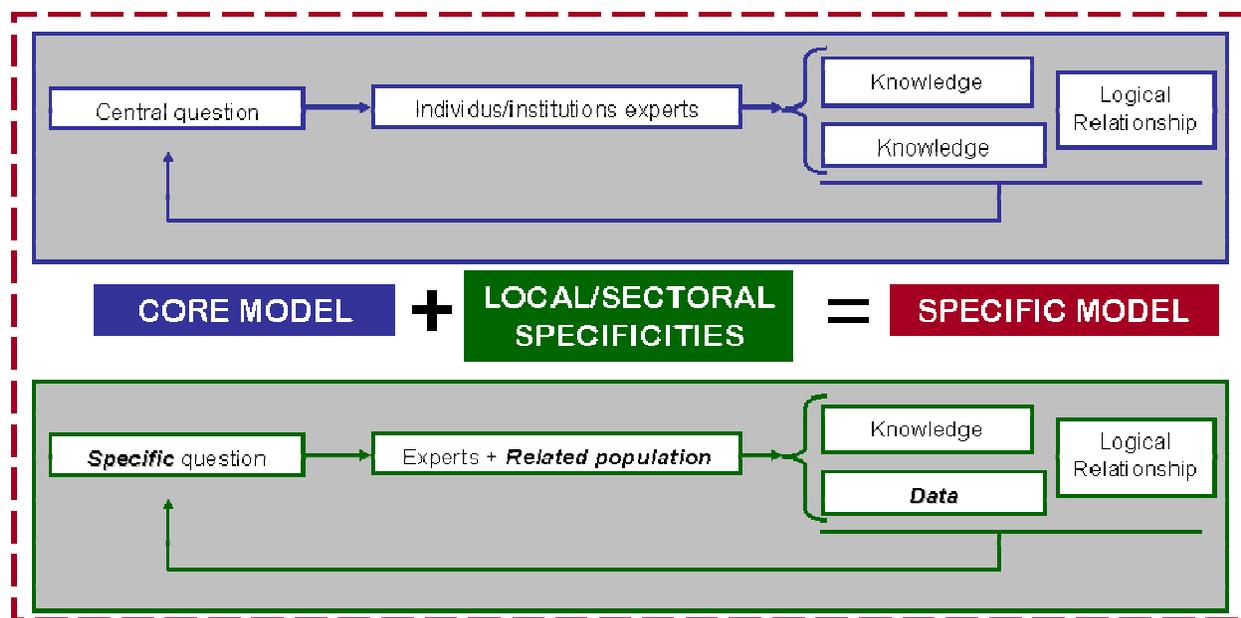
In the context of the LGB Global Model, the KB consists of a set of criteria for the evaluation of the quality of governance, organized into a flow chart with several levels interconnected by logical relationships. Without pretending to be exhaustive, the designed model has tried to summarize main concepts and criteria of good governance (*the knowledge*) derived from dialogue with subject matter experts and secondary data.

The central question of the LGB knowledge model is: **What is the level of performance in terms of good governance of a given situation?** As previously explained, the *global model* was drafted among a group of governance experts. It is based on the group’s knowledge and from results of previous studies conducted on governance – all in response to the central question.

When applied to the analyzed country/region/sector, it becomes the **specific question**, i.e. the adaptation of the model to the studied context. At this level, the knowledge also includes indicators/data. Thus, we have designed a generic model out of which the **specific model** is derived but is then enriched by the uniqueness of the locality or the sector studied. The major criteria of the global model remain as the foundations of the specific model, but the global model is adapted to the context through criteria and sub-criteria that are specific to the studied sector/locality. The *specific model* is also made up of elements that are interconnected between by logical relationships. Figure 2 below illustrates the LGB knowledge base.

⁵The LGB utilizes NetWeaver software, a knowledge base system developed for Microsoft Windows that provides the Pact team a graphical environment in which to construct and evaluate a set of assumptions about local governance. NetWeaver provides the optimal platform for expressing the degree to which an observation on some variable belongs to a concept critical to high performing local governments. The use of NetWeaver’s fuzzy logic capabilities reduces bias in data collection that is inherent in a complex system such as local government. The NetWeaver inference engine was developed at Penn State University by Michael C. Saunders and Bruce J. Miller.

Figure 2: KBS and LGB – Global Model and Specific Model

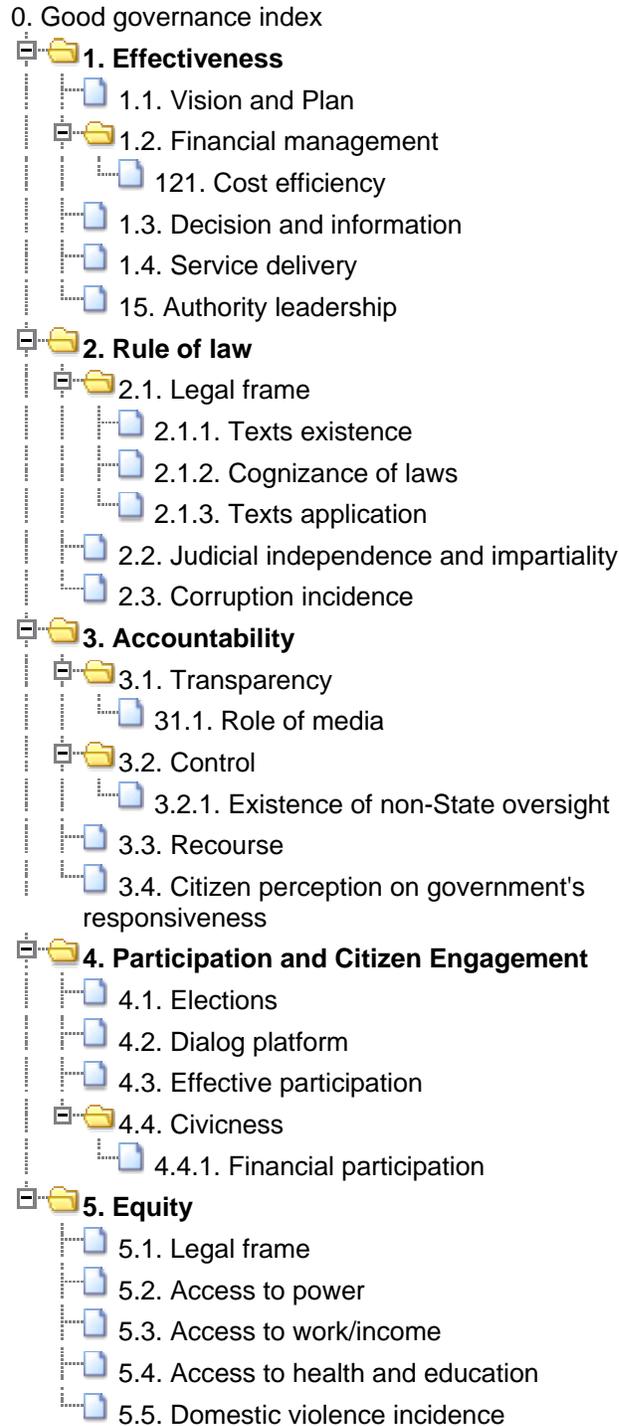


Using a knowledge base system for the LGB has several advantages. First and foremost, it allows data to be aggregated into a shared global platform that allows for analysis of governance trends and better informed decision making on regional and national public policy as well as on donor investment priorities. Secondly, it permits the stratification of perspectives of different stakeholder groups including women and marginalized groups. Additionally, the knowledge base system allows users to:

- have an integrated view of governance across sectors and divisions,
- capitalize on the knowledge and experience of the expert individuals/companies in each included field,
- integrate qualitative, as well as, quantitative data, ensuring that the perceptions of concerned citizens and conditions difficult to quantify and capture are included,
- provide a model that is flexible and easily modified, depending on the scale or sector studied,
- reinforce the participative approach. It constitutes a mobilization tool to gather involved actors, as well as, expert individuals/institutions in different fields, to reflect together around a common question,
- build the capacity of in addition to the actors of the scale/sector studied by improving their understanding of the issue and of the means to address it.

FIGURE 3 - THE GLOBAL MODEL

As delineated below, the global model for the Local Governance Barometer is driven by five key factors that are “cornerstone” criteria for good governance.



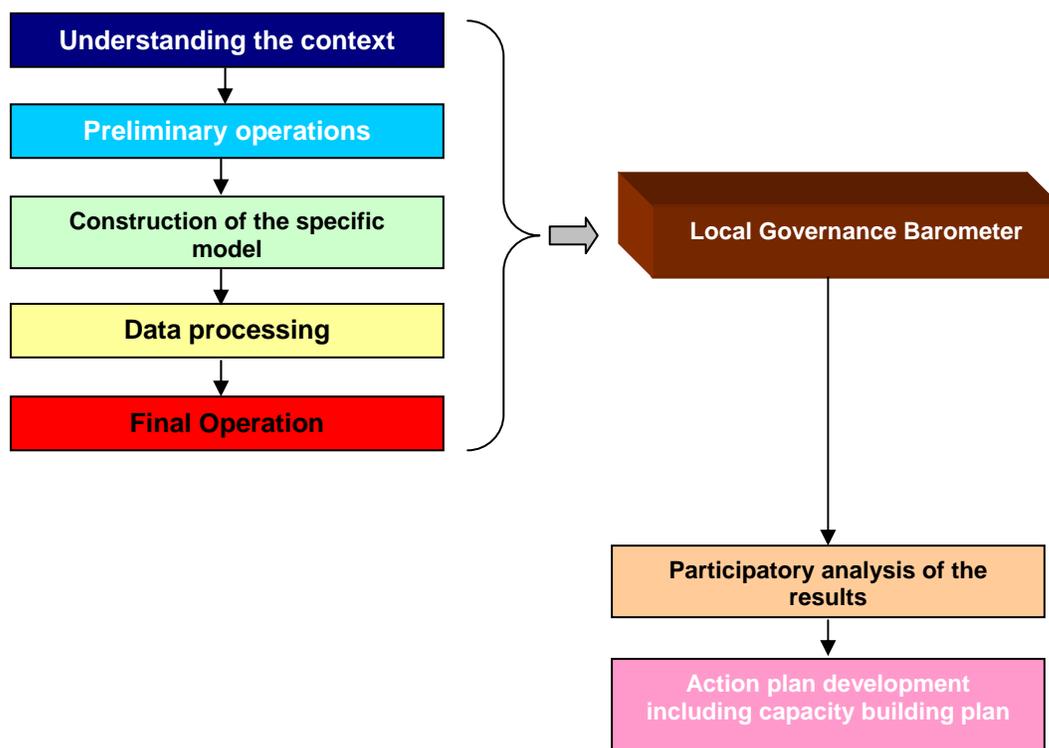
IV. The LGB Implementation Process

The implementation of the LGB is summarized by the following table and diagram. For detailed information, please refer to the *LGB Implementation Process Handbook, Attachment 1*.

Table 2: Summary of the Phases for the Implementation of the LGB

Steps	Activities	Individual in charge
Understanding the context	<ul style="list-style-type: none"> - Definition of the main objective of the model: drafting the central question - Identification of the issues and problems - Identification of the client's expectations - Evaluation of other existing tools 	Lead - Client
Preliminary phase	<ul style="list-style-type: none"> - Choice of local technical partners - Training of local technical partners - Identification of stakeholders 	Lead - Local Technical Partners
Drafting the specific model	<ul style="list-style-type: none"> - Drafting of the methodology: bibliography, series of workshops - Definition of criteria and data selection - Data collection: bibliography and surveys - Data processing 	Lead - Local Technical Partners
Final phase	<ul style="list-style-type: none"> - Giving out the 1st results - Discussions and validation - Review of data and re-processing - Giving out final results - Identification of the axes of intervention to improve the situation of governance 	Lead - Client - Local Technical Partners- Stakeholders

Figure 4: Summary of the Phases for the Implementation of the LGB



V. Case Studies

LOCAL GOVERNANCE BAROMETER: PARTICIPATIVE CONSTRUCTION OF INDICATORS FOR TRANSPARENT MUNICIPAL MANAGEMENT

CASE STUDY—ECUADOR

The Local Governance Barometer (LGB), developed by Pact Madagascar and its Impact Alliance partners Idasa and SNV, was piloted by Pact Ecuador from March-September 2006 in the Cascales municipality of Sucumbios province, and Joya de los Sachas municipality of Orellana province, with the participation of approximately 80 social organizations and local government representatives.

The process was implemented through six participative workshops, where, besides establishing the concepts of Governance in each municipality, the main areas, topics and strategic lines were established. It was meant to confront corruption, politically educate citizens and local authorities in democracy, and strengthen the social relations between government and citizens. This last element was identified by the various actors as a priority in building a participative democracy.

Governance in Ecuador:⁶

In December 2005, Quito hosted the “International Laboratory of Local Governance and Millennium Goals,” which emphasized the need for accountability in local governance, and how institutional and managerial weaknesses can lead to debilitating consequences like corruption. In Ecuador, this case is highlighted by the construction sector, where local governments often hire under-qualified contractors, the bidding and licensing processes lack transparency, and estimating procedures ignore social and economic profitability criteria. This example demonstrates the weakness of social control and indicates a citizenry that is not able to fully participate in its government by demanding the fulfilment of its rights.

The Conference thus generated considerable debate regarding the need for a collaboratively developed tool to measure the quality and characteristics of good governance, and at the same time, develop a system for sharing regional experiences. Measurement requires an agreed-upon definition of good governance and the establishment of its key factors in a municipal context. So good governance, or “the exercise of local authority of the power conferred with the purpose of promoting local development in an effective, participative, and transparent manner,” must include factors such as effectiveness, efficient management, transparency, participation, equality, focalization of efforts and resources, and a state of law among others that should later be analyzed and be interrelated.

Good Governance is understood not only as the directed efforts to fight against corruption, but also in respect to human rights and the fundamental liberties, the participation of all citizens in the transparent election of their government officials, the authorities that are accountable for their own acts before a parliament and electors, the access of everyone to justice, education and health without gender distinction, ethnic-national origin, age, religious belief, political ideology or sexual preference.

⁶ Ecuador is divided geographically and politically into 22 provinces, 210 municipalities and 834 rural parishes. Its authorities are directly elected through a global vote and, depending on their position, exercise their duties for a period of two or four years.

The Basic Conditions—Why Joya de los Sachas and Cascales?

The Ecuadorian program on Governance Participation and Development (GPD) determined that the Mayors and Municipal Councils of Joya de los Sachas and Cascales met the LGB pilot project criteria by demonstrating openness and the political will to develop activities directed at achieving horizontal relations between citizens and authorities. It is important to note that beyond the willingness of these local governments to make their public management transparent, that the social organizations in these areas are strengthened or undergoing a strengthening process, and that the citizenry is interested in increasing their participation and incidence in transcendent public decision making.

In regards to planning achievements, it was also important that both of these municipalities had their own Development Plans, elaborated with the participation of social and political actors. In the same way, it was key that during the selection of the municipalities, they had space for agreements between authorities and citizens, which both Joya de los Sachas and Cascales did.

Political and Institutional Situation

In the last years, topics related to citizen participation have gained special importance in all of Latin America. Particularly in Ecuador, this reality has had several scenes and actors that have contributed to demonstrate the necessity of political democracy and its generalization among a population that is gradually initiating itself in the exercise of its rights and responsibilities.

The northern region of Ecuador, particularly the provinces of Esmeraldas, Orellana and Sucumbios, is territorially significant due to its size, as well as because of its social, biotic, and economical diversity. Its abundant natural resources, such as petroleum and precious minerals, add to the geopolitical importance derived from the situation in the boarder with Colombia, a country that continues to struggle in a prolonged internal armed conflict.

In the territory's totality more than six hundred thousand people live here, which represents approximately 5% of the country's population. A region that according to all social and economic indicators is characterized by high levels of poverty, poor health, extreme marginalization, nepotism, authoritarian government, and a lack of transparency that concentrates economic and decision-making power in the hands of the economic, social and political elite.

This situation has proven favorable for corruption, social demobilization and resulted in an apathetic population, which worsens the conditions of marginalization of major sectors of the population. However, large citizen sectors, social organizations and governors have not stopped questioning this reality, and at the same time have looked to establish new conditions that lead to the transparency of social relations in between the different local actors.

The above shows the different shades of the realities and the local perceptions, all with



their own particularities and in constant flux. This premise is fundamental to understanding the social dynamics and the power relations among social and political actors.

In the case of Cascales municipality, the presence of a Kichwa Indigenous, Edmundo Vargas, as Mayor constitutes a historical event for the indigenous town and much of the rural *mestizo* population that is betting on a change in direction. Under Mayor Vargas, the Cascales government has initiated a process of strengthening political leadership and promoting citizen participation as a way of supporting municipal management.

Ecuador has been characterized by an absence in the construction and permanency of social public policies, in the case of Cascales, the municipal government has made an effort to implement local policies and plan interventions in a more organized and focused manner among other actions directed to create the basis for alternative economic and social development.

The local government model proposes to impel the development of enclosures, communities, and parishes of Cascales, the same that is considered by the civil society through agreement tables and validation assemblies. The challenge is to include the population, so that the decision making can be arranged.

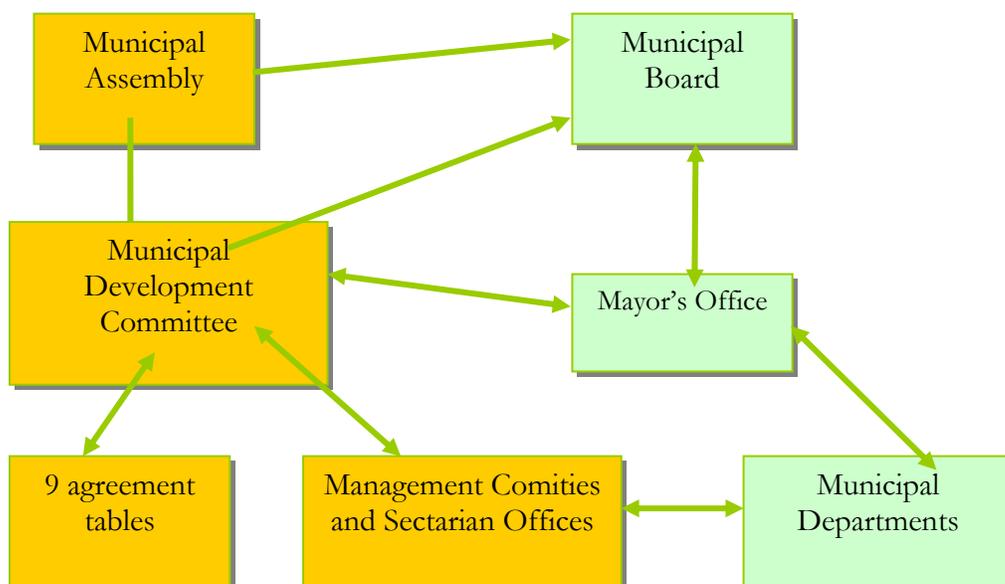
The Citizen Participation Model in both Municipalities

In the case of Joya de los Sachas municipality, the processes of citizen participation, social control, and the construction of a social network are different from the Cascales in the sense that the different sectors have developed a vaster and more complex social system.

The participative management model proposed has not only generated expectation among social and political actors, but also in important instances of social representation that have functioned as true counterparts of the local government. Within the agreement and citizen participation arena we can find the Municipal Assembly, the Management Committee, and the Municipal Agreement Tables.

The model promotes co-management of the development process and involves diverse actors in all stages: Planning, Budgeting, Execution, Evaluation and Social Control.

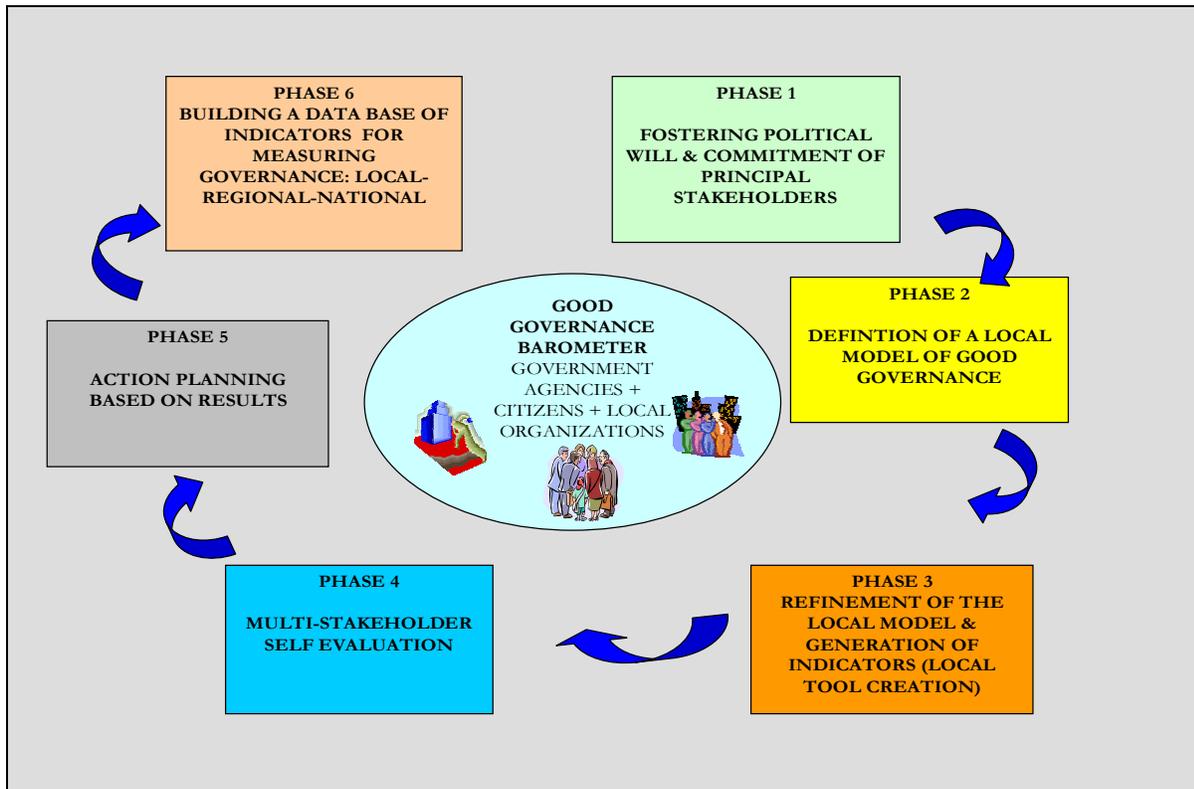
The authorities of Joya de los Sachas Municipality try to promote integral local development in an effective, participative, and transparent manner, and in so doing, hope to achieve the best quality of life and services for its inhabitants.



Finally, it is important to note that in the process of implementing the Good Governance indicators, *Governing* is perceived as a vertical, non-inclusive relationship that promotes hierarchies within the society, and is based on realities and factors that prioritize external, non-local criterion.

Process, Methodology, and Actors in the construction of the Local Governance Barometers

The construction process consists of the following implementation phases:



Creating the conditions: Political Involvement in the Process

In coordination with CARE, Pact negotiated with the respective Mayors, who, after analyzing the proposal, signed a compromise agreement and requested to be the coordinating and implementing process partner.

It is important to highlight that PACT contributed in the generation of the conditions through the *Citizenry Formation of Participation Governance & Development (PGD)* project, an ongoing effort with local CSOs and municipal authorities that contributed with the theoretical and conceptual elements concerning citizen rights and responsibilities and mapped social players. This process helped guarantee that the different sectors found themselves represented in the process.

Lessons Learned: What Makes the Barometer Work?

The following represent the principal theoretical learnings, methodologies, and focused teachings that will guide future users of the LGB while taking into account social, cultural, economic, and specific political conditions and situations.

For Actors:

- The LGB generates the timely and positive encounters between different actors, links them, and clearly establishes each individual's role and how it relates to local development. In so doing, it improves the efficiency and viability of local governance.
- In Joya de los Sachas, the process, by focusing on improving citizen participation in local governance, built bridges between the Local Government authorities and their opposition, lead by the Management Committee Coordinator. Still, some civil society sectors, who feel threatened by a changing municipal social and political dynamic, will try to obstruct the advancement of the Barometer construction process.
- The LGB process promotes horizontal articulation, consolidation and the strengthening of social networks, which expands its field of action and widens the horizon of representation.
- The participants identified the necessity for better communication between organizations. In the same way, participants identified those actors that are truly representative as well as the possible actors that could best form the local technical team and help assure the sustainability of the process.

Focus on Development Initiatives

- The building of a new vision and relationship between the social players and the local authorities beyond the formal institutional structures.
- The process will continue with the consolidation of concrete, practical and viable actions, as much technical as political, that lead to the designing of strategies and public policies that will solve multiple problems previously identified in the diagnostic Auto Evaluation Tool. In this manner, a constant procedure of grading achievements and difficulties is being put into motion that will help to establish commitments.
- The focus on management strengthens local development that is based on the participation of all the players. This means that the authorities and the population together establish their own concept of governance, design a model of development that includes its principal attributes and success factors, and finally, they set the indicators of sound governance.

Participation

- The process implementation promotes the motivation and commitment of the citizenry to participate, by enabling citizens to contribute their ideas and efforts in the construction of the municipality where they live.
- The inclusion of all sectors, adequately represented, implies the valuation and the recognition of the diversity of the participating social groups.
- A key proof is that in order to succeed in the construction of the barometer, the focus of all actors must be on development. This requires that there be a working, positive relationship between government authorities and social organizations and implies that citizens are equally responsible for their own governance.

- Government planning must be shared between the citizenry and the municipal Government—a situation that transforms it into the basic instrument for the sound management of resources.

Abilities Strengthening

- The Local Governance Barometer falls in the praxis of all players to reach integral and human development, consolidating a solid institutional system that articulates the levels of government, public and private interests.
- In the same way, the LGB allows the abilities of local management to increase, by facilitating greater civic participation and social control and generating new sources for economic development in the local environment.
- The process strengthens abilities based on a definition of the necessities and quality standards from the local perspective.

Learning

- The participatory and systematic nature of constructing and assessing the indicators of good governance necessarily leave lessons behind. It helps in maintaining an adequate control over the results from the LGB and allows for a correct appreciation of the cost–benefit relationship.

LOCAL GOVERNANCE BAROMETER (LGB)

DEVELOPMENT AND IMPLEMENTATION PROCESS

CASE STUDY – SOUTH AFRICA

INTRODUCTION

IDASA, a South Africa based Impact Alliance partner, is working with PACT and SNV to develop the Local Governance Barometer (LGB)—a measurement tool designed to quantitatively and qualitatively express local governance capacity. The LGB is based on the five principle criteria for measuring good governance, or our “Global Model”: Efficiency & Effectiveness, Rule of Law, Accountability, Citizen’s Participation & Engagement, and Equity. This tool is unique in that it takes a bottom-up, participatory approach that promotes ownership of the results as well as consensus in taking steps forward from a multi-stakeholder (local government, private sector, civil society organizations, etc.) perspective.

This case study is intended to give an account of the development and application of the LGB in South Africa through two pilot approaches involving both the District Municipality and Local Municipality applications. It highlights successes and challenges in both approaches and draws lessons for future implementation of the LGB.

POLITICAL AND INSTITUTIONAL CONTEXT

South African legislation makes provisions for the two-tier system of local government which is constituted by both the District and Local Municipalities in non-metropolitan areas. The two-tier system shares certain powers and functions in the delivery of services as authorised by legislation and regulations. District Municipalities are responsible for bulk services and co-ordination of development planning processes. Each District Municipality has a number of Local Municipalities within its area of jurisdiction and they both have administrative and political arms. The administrative arm is constituted by employed officials and the political arm is constituted by elected representatives (councillors). Representatives are elected on a five-year term of office while administrative level senior management are employed on five-year renewable contracts. Both the District and Local Municipalities differ in terms of the number of political representatives and administrative officials; these are based largely on population size.

Pilot Sites

In the pilot application of the District Municipal approach, two District Municipalities were identified. The first district, UGU (Kwa-Zulu Natal Province), consists of six local municipalities, covers 4 744.3 km², and has a population of 704,028. The second district, Nkangala (Mpumalanga Province), had two local municipalities participating: Emalahleni and Emakhazeni, which cover a combined area of 6,669.7 km² and boast a population of 319,420.

For the Local Municipality approach, one municipality was identified in each of four additional pilot districts. The local municipalities include Greater Tzaneen Municipality (Mopani District of Limpopo Province: 2,874.3 km², population 375,585); Umzimvubu Local Municipality (Alfred Nzo District of the Eastern Cape Province 4,988.2 km², population 376,062); Kopanong Local Municipality (Xhariep District of the Free State Province 14,252.8 km² population 55,945); and Ubuhlebezwe Local Municipality (Sisonke District of Kwa-Zulu Natal Province 1,502.5 km², population 101,959).

STAKEHOLDERS INVOLVED

In the process of contextualising the Global Model of the LGB into the South African Local Model, a literature review was conducted of existing domestic tools such as the Local Government's Indicators, Department of Provincial and Local Government's (DPLG) Capacity Assessment Tool (CAT) and South African Local Government Association's (SALGA) Ideal Municipal Benchmark. IDASA then consulted with DPLG, SALGA, and the identified municipalities to ensure political buy-in. Each participating stakeholder group then appointed one official representative to the Local Design Team; these served as contact points in the National Project Advisory Committee and co-ordinated LGB activities within their own institutions.

ACCOMPLISHMENTS AND OUTCOMES

The First National Workshop of the Project Advisory Committee involved all relevant stakeholders and was held April 24–25, 2006. This resulted in a draft South African Local Model of the LGB and a finalized set of Measuring Statements, or “Statements of Excellence,” for each criteria and sub-criteria. This workshop was also attended by Impact Alliance partner Pact Madagascar who provided technical assistance as well as by IDASA's Local Technical Partner, the Nelson Mandela Metropolitan University. IDASA, in partnership with Pact Madagascar, developed a draft survey of 98 questions during May – June 2006 based on the statements of excellence as adopted by the National Project Advisory Committee.

The second National Project Steering Committee was held on July 20–21, 2006 to finalize the LGB Questionnaire and the application processes for the six pilot sites in both the District and Local approaches. In each of the six pilot sites, District Reference Groups were formed to drive the processes and manage the project activities. The groups organised stakeholder workshops in each of the six project sites between August and September 2006 with elected representatives, administration officials, and civil society organizations. Stakeholders agreed upon respondent profiles for each indicator, sample size, recruitment and training of research teams.

Pilots in the District Approach

Respondents (elected representatives, administration officials, and civil society representatives) were asked to answer the 98 survey questions. In each of these two districts the sample size differed. For example, Ugu District had an overall sample size of 163, with 79 Citizens, 58 Councillors and 26 Officials. The District Reference Group approved the recruitment and training of three research team members to collect data during September 2006. Data capturing was completed in October. Data analysis was conducted internally during the month of November 2006 and January 2007. The District Reference Group meeting was organised on the January 24–25, 2007 to discuss the Preliminary Report and the development of a draft Action Plan for Ugu District. A workshop was held February 19, 2007 with CSOs to seek their inputs prior to the formal presentation of the LGB Report to political executives and senior managers from Ugu District and its six Local Municipalities.

Pilots in the Local Approach

In this approach the survey questions were arranged and packaged for specific respondents with the assumption that they are subject-matter specialists. The arrangements and packaging of the questions as well as the sample size and research teams were agreed upon at the Local Stakeholder Workshops attended by councillors, officials and civil society representatives. In each of the four local pilots the recruitment and training of the research teams and finalisation of activity charts with allocation of responsibilities were finalised during September – October 2006. The research teams were formed by officials, community development workers, and civil

society representatives, which were confirmed by each municipality. In Kopanong Local Municipality for example, the team had 5 officials from the district and local municipalities, 7 community development workers, and 7 civil society members of which each team operated in pairs of two. The research teams collected data in each of the six pilot sites during November 2006 and interns were brought in to capture data during November 2006 to January 2007. Data analysis was conducted internally during January – February 2007 parallel to the writing of Preliminary Reports.

LESSONS FROM THE APPLICATION

Although the South Africa LGB pilot is still in progress, preliminary reports indicate a clear identification of key governance and capacity gaps that will inform future action plans. There is growing interest from within the National Government Department (which handles Local Government issues) for IDASA to share the findings more widely with the purpose of informing the National Capacity Building Programs for Municipalities.

District Pilots Approach

Respondents found answering all 98 questions took too much time and was exhausting. Some of the questions were not relevant for all respondents, because the subject-matter of the questions required specialized knowledge. Thus, for some questions respondents found it difficult and were uncomfortable providing their observations and value ratings. For some questions the respondents simply gave ‘Yes’ or ‘No’ answers without providing any explanation. With civil society representatives we took a focus group approach to reach consensus on observations, then had individual participants give their own value ratings. Data capturing was outsourced and both the qualitative and quantitative analysis were done internally to improve capacity. In these applications secondary data was not collected for validation. District Reference Groups were actively involved in the development of draft action plans, which were presented to Civil Society for inputs in January 2007. Reports and draft action plans are scheduled to be presented to the district political and administrative principals.

Local Pilots Approach

In this application the 98 questions were arranged and packaged according to subject-matter. Activity charts were drawn in November 2006 and research teams were allocated responsibilities in pairs of two for data collection. Despite the packaging, respondents were again unable to provide their observations and value ratings to some questions, while in others respondents simply gave ‘Yes’ or ‘No’ answers without providing any explanation. A focus group approach was employed for civil society representatives, and they were required to reach consensus on both observations and reference values per each question. This might have had an impact on the objectivity. In these applications secondary data was not collected for validation. Some research team members performed below expectations and this affected the results. Data capturing, qualitative and quantitative analysis were done internally to develop internal capacity. The process of preliminary report writing was scheduled for finalization by the end of February 2007 before presenting to the District Reference Groups in all four pilots for the drafting of Capacity Development Framework.

LOOKING AHEAD

Currently we are conducting an internal review of the LGB based on the experiences from the first round of applications in five municipalities. This process will inform the National Review meeting with stakeholders scheduled for April 18-19 where the SA Model of the LGB will be finalized before implementation in the next 12 municipalities in May. There will be a careful

selection and intensive training of research teams in the remaining pilot sites to improve the quality of data collection and process facilitation.

The second round of LGB application in 12 Local Municipalities will be based on the reviewed local model. The final report of the field application will be developed and a comparison will be made on the results of the six pilots and the second round of applications in the 12 local municipalities. The Local Design Team (NPAC) will meet during October – November 2007 to discuss the outcome of the applications, the local model, and the comprehensive capacity building framework based on the results. In this session the South African Model of the LGB will be launched with all partners and other interested stakeholders as part of marketing and promotion.

The capacity building framework will be shared with both South African Local Government Association (SALGA) and the Department of Provincial and Local Government (DPLG) through the country's Knowledge Sharing Management Facility housed in SALGA. The outcome of this LGB application will inform key components of project proposals which will be drafted for future application of the LGB and capacity building programs in the country.

Project Contact - Benjy Mautjane, IDASA

LOCAL GOVERNANCE BAROMETER—CAMEROON CASE

By Bakia Besong, Gaston Galamo, Jan Mollenaar, Merime Njietcheu, & Yaouba Kaigama

THE POLITICAL AND INSTITUTIONAL ENVIRONMENT

Located in Central Africa, Cameroon is at the meeting point of Equatorial Africa in the South and Tropical Africa to the North. Its 475.650 km² are divided into ten Provinces that are in turn divided into Divisions which also have Subdivisions. While awaiting the results of the last census of 2005, the population of the country is estimated at 18 millions inhabitants.

A council generally corresponds to the geographical boundaries of a subdivision. Big cities like Yaounde and Douala have more than one council. Regions are planned to correspond to the present provinces. This last local government structure is expected to be set up after the upcoming municipal election of 2007.

As parts of the executive, Governors, Senior Division Officers and Divisional Officers are appointed by presidential decree. Mayors are elected in the 339 councils of the country by the system of political party lists.

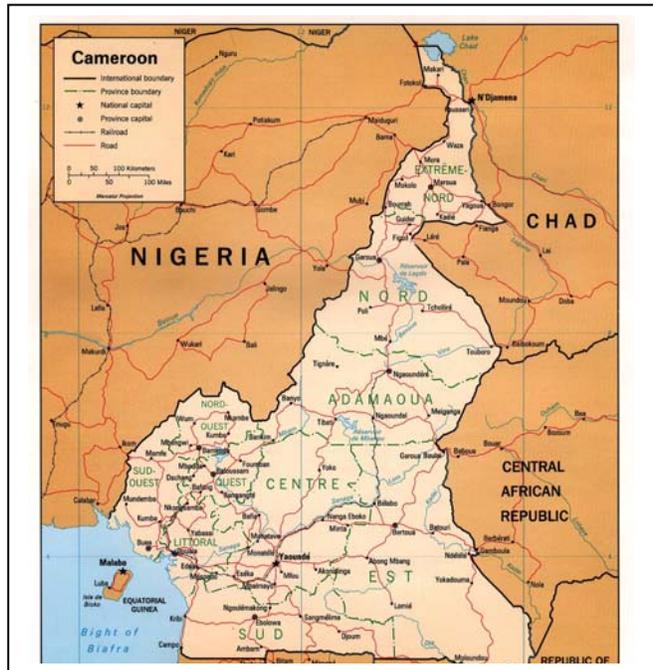
Under the new decentralization laws promulgated in 2004, the delivery of some basic services has been transferred from central government to local authorities. In practice, these laws have not yet been implemented due to lack of texts of application, still to be elaborated by the government. Till now, only 3% of the state budget is managed by councils. Government technical services⁷ do not work closely with Councils. They are more accountable to Senior Divisional and Divisional Officers and their line Ministries.

With more than 40% of its population living below the poverty line, the government of Cameroon drafted a Poverty Reduction Strategic Paper (PRSP) in 2003. In line with the Millennium Development Goals (MDGs), this strategic paper has been refined in consultation with the civil society and private sectors.

The national poverty profile has shown that access to basic services such as water, sanitation, education, health, energy and transport is an essential component of the poverty response in Cameroon. However, there is a consensus emerging on how the Millennium Development Goals can be met.

This emerging consensus can be defined with a simple mathematical formula:

$$\text{MDGs} = \text{Service Delivery} + \text{Infrastructure} + \text{Something else called 'Governance'}$$



⁷ Education, social, health, water and energy

How do we define “governance”?

Governance is how authorities use the power conferred to them by law in order to promote development in an effective, transparent, participative and equitable manner. The Millennium Development Goals cannot be met without the involvement and commitment of local stakeholders (authorities, elites, civil society and private sector).

Increasingly, international donors place governance as a condition for assistance. As an active practitioner in the domain of Governance for Basic Services, SNV works with more than 30 councils in Cameroon in order to improve the access of the population to water, health and education. As such, participation in designing an easy measure of local governance was an opportunity for our organization.

To test and localize the Local Governance Barometer tool, SNV selected two municipalities: Kumbo and Yagoua, respectively in North West and Far North provinces of Cameroon. This report on Cameroon’s contribution to the LGB pilot case presents the tool and localization process and shares lessons learned and recommendations for future testing.

Yagoua Rural Municipality

The Rural Municipality of Yagoua is located in the Far North Province of Cameroon. With 135.000 inhabitants, mostly Massa, Fulani, Kanouri and Toupouri, its socio political organization is based on the hierarchal system of chiefs. The main income generating activities are farming, cattle breeding, fishery and petit trade. The Council is ruled by CPDM, the ruling party.

Kumbo Urban Municipality

Located in the Western savannah highlands of Cameroon, Kumbo Urban Municipality was created in 1978. Its population is estimated at 100,000 inhabitants. The main activities in the municipality are agriculture (potato, maize, beans and pastoral agriculture) and petty trading with Nigeria and the other major towns. The Municipality has a good reputation for its confessional hospitals (Shisong, BBH) and schools (St Augustine, Presbyterian High school, School for the blind). The council is ruled by a second mandate of SDF, an opposition party.

THE LOCAL GOVERNANCE BAROMETER

Under the supervision of the Impact Alliance⁸, the Local Governance Barometer is a tool to assess *governance* in a certain area (community, municipality, region or country). The tool establishes the governance index using globally-accepted qualitative and quantitative indicators. This index is based on the following five core determinants: effectiveness in improving the living conditions or access of the population to services; rule of law and exercise of authority in accordance to law; accountability and ability of authorities to report their actions; participation and involvement in decision making and ownership of achievements; equity and fair repartition of resources and equal rights. Each of these core determinants has several criteria. Accountability, for example, can be assessed with respect to transparency, recourse and control mechanisms.

LGB AND STAKEHOLDERS

The localization process is the exercise of determining criteria and sub-criteria according to the local realities in a given place.

⁸ Network of 1500 worldwide Non Governmental Organizations

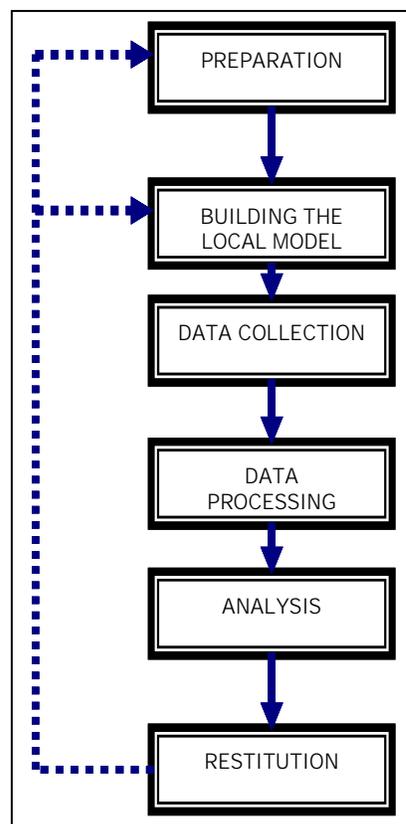
Localization process

In Kumbo and Yagoua, the teams adopted a similar approach consisting of the steps presented in the chart at right. The only significant difference between the two municipalities was a survey of 100 people carried out in Kumbo during the data collection process.

After the designation of SNV Technical Implementing Teams⁹ in charge of facilitating the pilot cases, meetings were held to explain the tool and agree on an action plan and budget.

A four month testing period from April through July was agreed upon, along with the establishment of a of 20 million Communaute Financiere Africaine Francs (FCFA)¹⁰ logistics budget, (approximately US\$40,000 total), for the initial four municipalities identified (Kumbo, Soa, Batouri and Yagoua). However, Only Kumbo and Yagoua were ready to carry out the test.

In order to own the tool, all advisors involved in this process were instructed to read documents presenting the background and process of tool localization. For better understanding, some questions were asked of the Cameroon focus group and others to the Core Technical Support Team (CTST) based in Pact Madagascar. In each team, advisors reflected on key actors or resource persons who could facilitate the process. Divisional Officers and Mayors seem to be the most relevant individuals.



In a trip to the respective municipalities, SNV advisors explained the tool and the testing approach to Mayors and Divisional Officers who were impressed and gave consent to proceed. During this session, we also agreed on relevant Government Technical Services (GTS)¹¹ and Civil Society organizations (CSOs) and Private Sector Organizations (PSOs) to work with.

During the one day plenary session, the LGB background and genesis, the Global Model¹², and the testing approach were presented to 35 representatives of GTS, CSOs, PSOs, and the Council. The Council was represented during this session by the Mayor, councilors and some staff.

After a refresher presentation of the Global Model, participants were divided into 3 groups (GTS, CSO/PSO and Council). They brainstormed ideas around possible determinants and related criteria, which were grouped and transcribed in sub-criteria. In a plenary session we validated these sub-criteria and reflected on reference values. Some issues like expediency in

⁹ Gaston Galamo and Jan Mollenaar in Yagoua, Bakia Bessong and Merime Njietcheu in Kumbo. Yaouha Kaigama acts as the Cameroon focal point.

¹⁰ 1USD is equal to 500 F CFA

¹¹ Water, Energy, Education, Health, Planning, Social, Agriculture, Livestock, Justice

¹² Comprising the five core determinants and criteria

the treatment of administrative documents, farmer-grazer conflicts, domestic violence and mob justice reflect local realities.

The determination of reference values was conducted differently in Kumbo and Yagoua. Kumbo used a two-range scoring system¹³, while Yagoua opted for a system with three reference values¹⁴. In fact, the handbook's proposed approach to determine reference values was overly complex and needs some adjustments to make it more effective in the field. The three days allocated to this step were not sufficient to have all the outputs planned. Some volunteers agreed to work late into the night to finalize the report and activities carried out during group work.

In three electrifying focus group sessions, representatives of GTS, CSOs and the Council scored the various indicators. After warm discussions, scores were consensually given for each criterion. It was a test of persuasion and negotiation. These scores were also followed by some explanations.

A survey was conducted in order to assess popular perceptions of authorities' leadership and accessibility to basic services. A questionnaire (see *Attachment 2* for an example questionnaire) was administered to 100 people in 3 clusters of Kumbo municipality. For the sampling, only two strata were used: sex and the location (urban and rural) of the respondent.

The secondary data were used to triangulate the perception of representatives and the population. The enumerators selected were associated quite at the beginning of the process and attended all the various sessions.

In order to address a lack of input from women in Yagoua municipality discussions, SNV organized a special meeting for women only.

¹³ From 0 to 10 and 0 to 100 , 0 for the worst situation and 10 or 100 for the ideal situation

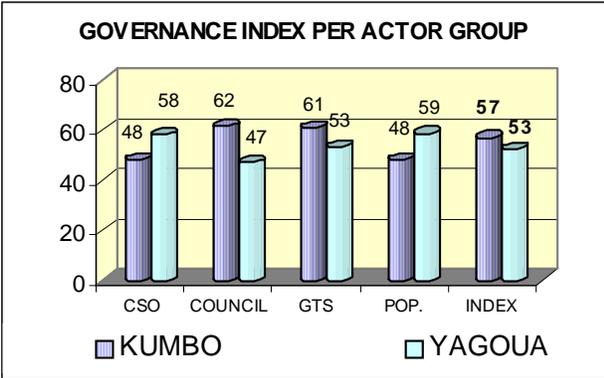
¹⁴ 1 = insufficient , 2 = average , 3 = good

Data processing

All the data collected were sent to Pact Madagascar for processing. In one week the results were sent back for analysis. Results included scores of determinants, criteria and sub-criteria.

Results analysis and Restitution

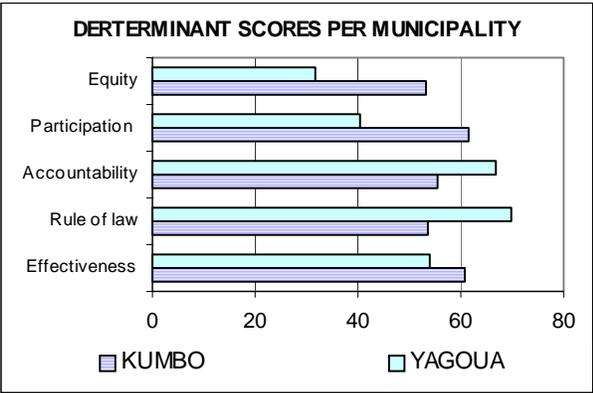
The Governance situation in the two councils is satisfactory. The Governance Barometer Index in Kumbo and Yagoua are 57 and 53 respectively. The difference between Kumbo and Yagoua can be partially explained by experience in participative development planning. Kumbo has finalized its second five-year development planning process while Yagoua is in the middle of its first process.



A main concern is the disparity of scores between different groups of actors. It was noted that in Kumbo, GTS and the Council, who can be considered services providers, scored governance indicators with more highly, while CSOs and those considered beneficiaries and mediators, tended to be very critical and provided much lower scores.

The Yagoua results showed the opposite, with CSOs and civilians providing high scores, while GTS and the Council scored more critically.

In terms of core determinants, effectiveness and participation are good in Kumbo while in Yagoua the determinants with good scores are accountability and rule of law. Equity and participation appear to be the main factors hindering good governance in Yagoua. This can be explained by the cultural and hierarchical society that inhibits women’s access to power and education. In Kumbo, much has to be done in terms of sensitization in order to improve the cognizance of law



Presentation of Results

The results were presented at two levels: in an international workshop, and within the municipalities. In August 2006, 100 participants, including technical resource persons from seven countries¹⁵ and potential institutional clients, attended a three-day workshop in Bamenda. The workshop highlighted best practices and lessons learned from the Kumbo and Yagoua projects, and was meant to increase awareness of the governance situation in those

¹⁵ Cameroon, Ghana, Madagascar, Burkina, Niger, Benin and Mali

municipalities. In order to get the opinions and criticisms of people on the tool and to get them to be committed and own the tool, additional participants were invited to the workshop. The presentations focused on:

- Giving highlights of the process, together with the key determinants and the various actors in the global process
- Presenting the various steps of the process from the choice of the local actors, through the formulation of a Local specific model to the collection and treatment of data.

The reaction from the population was very positive who felt that the results, to a very large extent, were reflective of the actual existing situation. Nonetheless, some participants challenged the veracity and authenticity of the survey, given the small size of the sample compared to the actual population. However, participants were made to understand that this was not the only source of information as other focus groups were contacted, with municipal councilors who understand the realities of the area.

There was heated debate on the way forward for using the tool, with everybody wanting to use it in their own organization. Some administrative authorities called on SNV not to limit the tool to the selected municipalities but to extend it to other municipalities. They had the opportunity to call on the participants, particularly those delivering services to the public, to work on improving the weaknesses identify and capitalize on their strengths so as to better satisfy the population and improve on the governance image of the State.

SUMMARY OF LESSONS LEARNED

1. Governance is not only a State issue; ***Governance is at all levels*** (family, organizations, local government, etc...).
2. The efforts taken to reach consensus within the focus groups brought to light the importance of ***dialogue*** in governance, coming with an opinion but leaving with a collective opinion. The LGB has created an informal dialogue platform.
3. The exercise promoted ***learning*** both from the tool literature and from peers. Participants had the opportunity to share experiences and accommodate the opinions of others especially when stimulated by skilled process facilitators.
4. The process of adapting the LGB to local realities increases the stakeholders' ***ownership*** of the tool. At all levels, GTS, CSO, and Council representatives as well as private citizens are committed to influencing governance.
5. The LGB stimulates the ***accountability*** of local authorities towards other actors.
6. The LGB testing is a long and heavy process that needs a lot of human and financial ***investment***.

RECOMMENDATIONS FOR FUTURE TESTING & APPLICATION

- a) A training of the Technical Implementing Team at national level by the Technical Support "core" Team before the localization of the tool would have made the process easier.

- b) LGB remains a tool used to diagnose a situation in order to improve performance. A certain balance has to be observed between the cost and the advantages this tool can offer.
- c) To avoid biased results, or defensive assessments, facilitators have to make sure that participants understand the aim of the exercise and participate fully in the process. More clarification may be needed to make sure that participants will not feel that they are auto-evaluating themselves.
- d) Facilitators must pay attention during the scoring step. Since the LGB is based on reaching group consensus, it is likely to be biased towards the leaders' opinions, and therefore sensitive to manipulation. This is especially true in autocratic or hierarchal societies.
- e) During the selection of participants, special attention should be paid to the most vulnerable groups as they suffer the greatest consequences under bad governance. The tool will also gain in legitimacy if a standardized approach is used to select a balanced platform of stakeholders (public and private).
- f) Once the indicators are selected, it appears to be difficult to assess specific issues such as levels of corruption, financial management and the judiciary system. Somehow, an alternative mechanism of cross-checking information seems to be necessary outside the plenary sessions. How to organize this is still an open question. For example the use of secondary data has to be explained.
- g) Facilitators have to keep in mind during the process that they are not promoting a simple tool of governance *for* governance, but a tool for governance with a direct relation to improved basic service delivery.
- h) A centralized distant data processing system poses a process bottleneck. A computer program or online system could improve the accessibility to the tool.
- i) A score of 0-10 could be used to express good governance levels and help in establishing a certified label useable in financial assistance requests.

VI. Synthesizing of Lessons Learned & Challenges of Implementing the LGB

The Core Development Team (CDT) met in Nairobi last month (February 2007) to discuss Key findings from the 15 pilots and their implications for the Local Governance Barometer development. They include the following:

9. *The assessment process must allow users to model mission-critical behaviors and processes.*

Major implications: Generally, these include data-based decision-making; open dialogue; respectful listening; non-hierarchical communication; transparency; and participatory planning. The LGB process must simultaneously *build* and *measure* local government capacity while also promoting consensus around alternative interventions.

10. *Capacity assessment processes should be designed to yield easy-to-use, helpful information that informs decision-making around mission-critical issues.*

Major implications: The design of the LGB must include gathering information on user needs, preferences and relevant mandates. Report readability and ease of data interpretation must be tested. The more useful and easy-to-use a tool appears, the more likely it is that the tool will be used appropriately.

11. *The integrity of an assessment process is closely linked to the characteristics of the environment in which that process unfolds.*

Major implications: Determine appropriate confidentiality policies and ensure compliance. Remember that confidentiality concerns are complex and multi-level (e.g., intra- and inter-government)

12. *Develop assessment techniques that provide for the generation of data that is both prescriptive and descriptive.*

Major implications: It is not enough to quantify performance; we also need to generate data that allow us to determine *why* prevailing patterns persist. Ideally, LGB results should help users select change strategies from a broad array of interventions.

13. *Use assessment techniques that build social capital (trust, cohesion and shared sense of purpose). An adequate stock of social capital is essential for any transformation plan to succeed.*

Major implications: The LGB should be divorced from the “blame game.” Open dialogue, personal reflection, information sharing, and the celebration of successes are the building blocks of social capital in the context of organizational transformation. Where pilot efforts struggle to create trust, an Appreciative Inquiry perspective should be woven into the assessment/transformation process. Information and sensitization are indispensable factors of success. The importance of lobbying for LGB at the local and macro levels (donors, central government etc...) should not be overlooked.

14. *Use assessment techniques that foster the exchange of, and respect for, diverse perspectives.*

Major implications: Individuals in high-ranking positions tended to dominate conversation and would often prejudice other focus group members towards scoring indicators the way (s)he indicated. Cross-hierarchical participation can create an environment that models mutual respect and sharing, however special steps may need to be taken such as protecting confidentiality and integrating affinity, group-type discussions into the assessment process. The LGB process and transformation strategies should help users to identify, celebrate and leverage strengths as well as to plan initiatives that help users to “begin with a win.”

15. *A process that integrates assessment with other aspects of organizational transformation will be most powerful if it helps users to identify standards that are the “drivers,” or “big levers,” for change.*

Major implications: Not all standards are equal. Ultimately the knowledge and insights generated by broad application of the LGB will strengthen the global model. The LGB should embrace an iterative learning process that serves to improve the rigor and impact of the process itself.

16. *Financial sustainability and program replication are closely interconnected. High implementation costs and high levels of complexity slow down the potential for broad adoption of new practices.*

Major Implications: The future sustainability and replicability of the LGB will be negatively affected by current administration costs and the perceived complexity of the approach. Efforts to reduce costs through local providers may hold the key to controlling costs and ultimately replicating the LGB worldwide.

VII. Preliminary Results

The LGB initiative has generated over \$500,000 in donor support since its launch 18 months ago. During the six-country pilot effort, groups have found the process deeply empowering and although it is much too soon to definitively assess impacts, initial results indicate that our original impact predictions are being proven true, including:

- Enhanced functionality and responsiveness of democratic local government through the application of lessons learned, including addressing gaps in service delivery and applying new knowledge in policy making. It has also encouraged rival government actors to collaborate around new, shared goals such as improving citizen participation in local government;
- Development of strategies, programs, and practices that seek to increase citizen participation and empower participant citizens—specifically to increase the direct and indirect participation and empowerment of women and other formerly disenfranchised groups in local government decision-making; and
- Provision of technical assistance and training to support planning and implementation of local economic development strategies

Additionally, the process has helped participating Civil Society groups and citizens to identify advocacy and lobbying issues and develop strategies to address them.

VIII. Looking Forward

Local governance is about how people make decisions to determine how they live and work together in a community or in group of communities. It involves local stakeholders interacting to determine the local development agenda and to manage resources for implementing development priorities. The LGB methodology subscribes to the same notion: that governance works only when it is owned and driven by those whom it is meant to benefit. Building an assessment approach that preserves local ownership while being informed by a global community of learners (through a global model) is therefore a considerable but worthy design challenge.

Through this applied research, Pact has collaborated with associations of municipal governments, leading local governance practitioners and institutions, local municipalities, and researchers and subject matter experts to develop consensus on the core elements of a local governance model.

As the pilot phase of the Local Governance Barometer winds down, the Core Development Team (CDT) of the LGB is working to apply lessons learned and to engage in dialogue around methodological refinements.

The Pact Capacity Building Services Group (CBSG) is currently experimenting with reporting templates that yield easy-to-use, helpful information for decision-making around mission-critical issues. A sample of these reporting templates created using *Crystal Reports XI* software is included in Appendices 1.1-1.4.

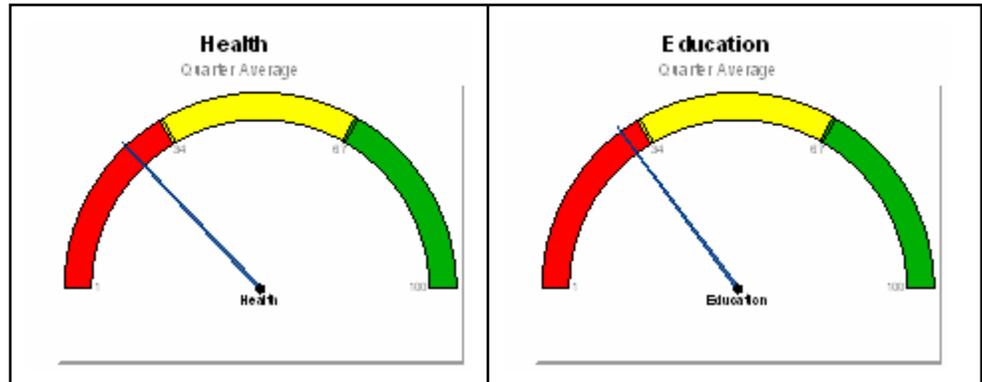
There are also many exciting opportunities for scale-up of the LGB on the horizon. These include expansion of the LGB to Malawi in 2007, the adaptation of the LGB to create sector-specific applications to measure local governance for Disaster Risk Reduction, and development of an online portal to facilitate virtual data entry and processing.

Example Case - 2006 - Rural Municipality

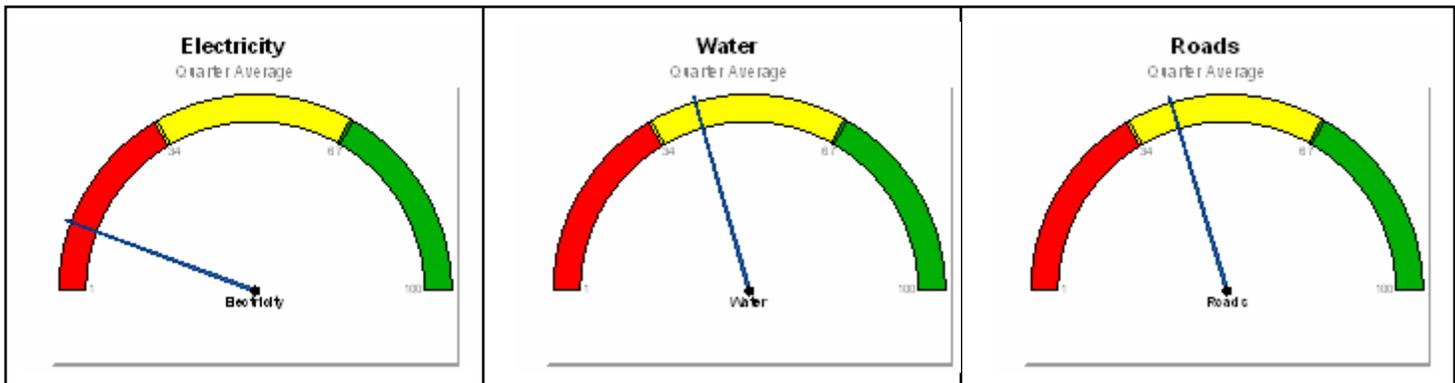
Quarter Average Index

Health	26.70
Education	30.30
Electricity	12.25
Water	41.70
Roads	41.40

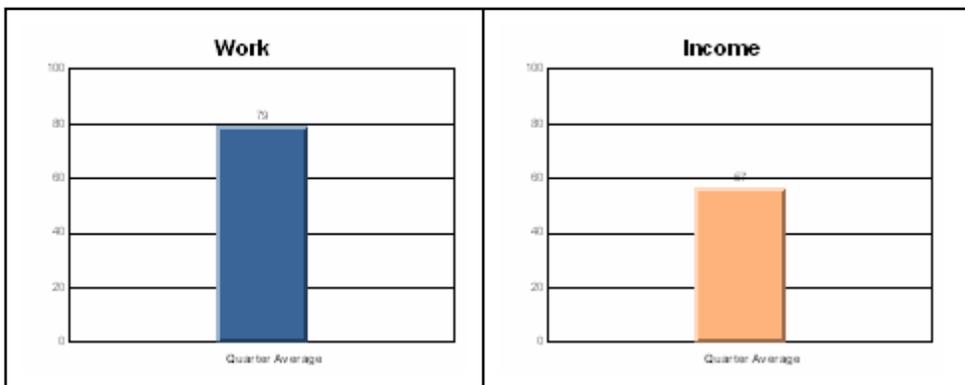
Social aspects



Services & Infrastructure



Social aspects

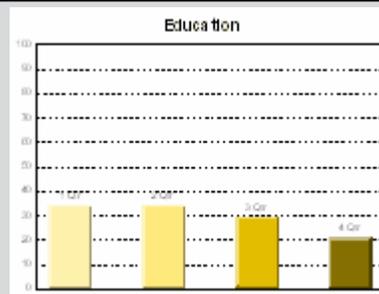
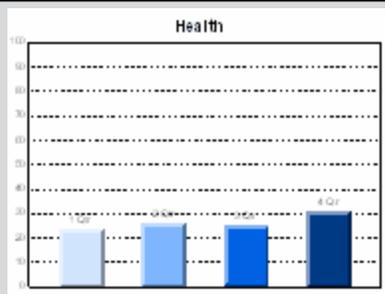


Comments

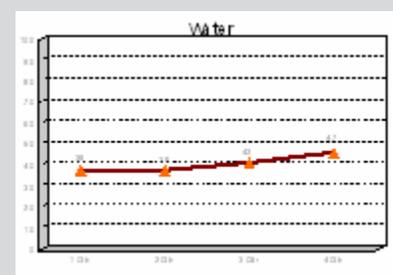
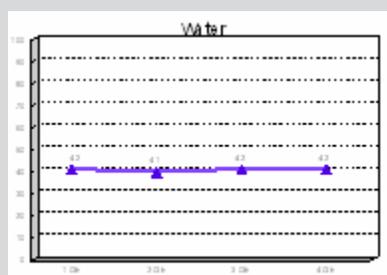
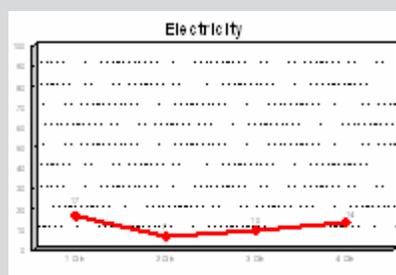
- Delivery of key social services needs to be improved. Collaborate with local NGOs
- Major infrastructure projects are required. Focus on international donors.
- Unemployment is still high. Promote local SMEs.

Example Case - 2006 - Rural Municipality - Quarterly Evolution

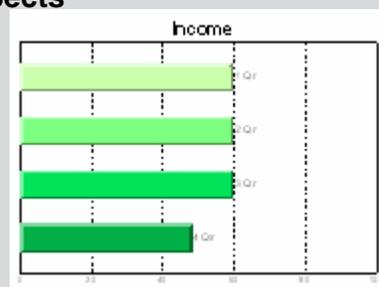
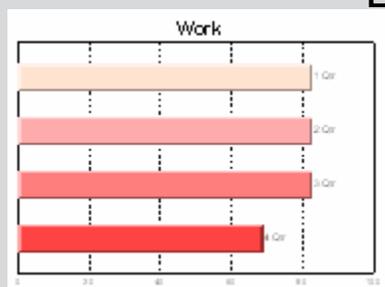
Social aspects



Services & Infraestructure



Economic aspects

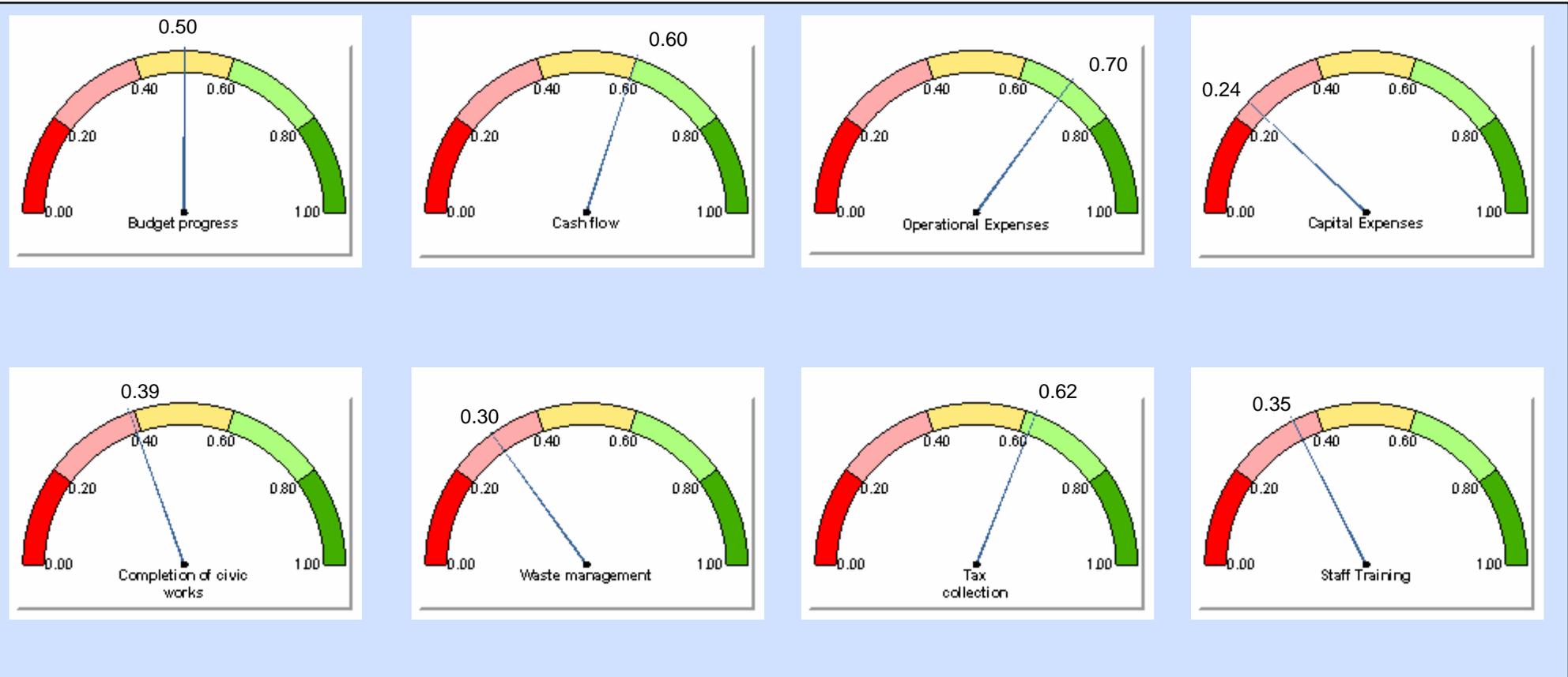


Area	1 Qtr	2 Qtr	3 Qtr	4 Qtr	Avg.	Description
Health	24.00	26.40	25.20	31.20	26.70	A pilot health project has been launched in quarter 4th.
Education	34.80	34.80	30.00	21.60	30.30	In the last quarter there were some floods so children stop classes
Water	42.00	40.80	42.00	42.00	41.70	No new project
Roads	38.40	38.40	42.00	46.80	41.40	A private company has built 40km of new roads (3rd and 4th quarter)
Electricity	17.25	7.25	10.25	14.25	12.25	Major problem in the transmission line in quarter 2nd.
Work	82.80	82.80	82.80	69.00	79.35	Floods inundated 500 acres of agriculture fields. Unemployment grew up.
Income	59.80	59.80	59.80	48.30	56.93	Low wages & loss of jobs for floods

Score: 0 = Bad 50 = Average 100 = Good

Example Case - 2006 - Rural Municipality - Quarterly Evolution

Management Variables



Good Governance - EXAMPLE Case

Stakeholders Appreciation - 2006

