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IMPACT OF INVESTING IN CITIES AND LOCAL GOVERNMENTS PROGRAM REVIEW

The Making Cities Work (MCW) indefinite delivery, indefinite quantity contract (2014–2024) aims to provide access to short- and long-term technical services, training, and capacity-building in areas related to improving urban and local governance. MCW issued 18 task orders (TOs), to advance urban governance work, investing over \$500 million and enabling the U.S. Agency for International Development (USAID) to address the challenges and opportunities presented by the unprecedented pace of global urbanization and advance USAID’s implementation of its Sustainable Service Delivery in an Increasingly Urbanized World policy.

THE PROGRAM REVIEW ORGANIZED MCW OUTCOMES INTO FIVE AREAS:



Improved urban and local government public service delivery with an emphasis on transportation, water and sanitation, and solid waste management (SWM).



Enhanced ability of urban and local governments to adapt to climate change, improve environmental management practices, and expand pollution control systems. Better urban and local government disaster preparedness, response, and recovery.



Greater autonomy, transparency, responsiveness, and accountability of urban and local governments.



Strengthened urban and local government finance, creditworthiness, and borrowing.



Stronger cross-sectoral integration between other key USAID development sectors, namely economic development, health, and education.

RECOMMENDATIONS

Based on a review of relevant literature and program documents, as well as Key Informant Interviews with select stakeholders and implementers, and implementers, the following recommendations were identified:



Continue funding mechanisms like MCW that address linked issues.



Harness strategic savvy of investments in local government.



Build a new generation of decentralization programming.



Pursue co-design strategies that foster ownership by municipalities and strengthen the prospects for sustainability.



Continue progress on digital development.



Integrate corruption awareness.



PUBLIC SERVICE DELIVERY

- Provided clean water to previously underserved areas, resulting in significant improvements in residents' quality of life and financial savings.
- Supported the formulation and prioritization of national action plans on plastic waste management.
- Trained local government officials, the informal waste sector, and local organizations in SWM.
- Formalized county service charters, resulting in government accountability for effective service delivery.

CONTRIBUTORS TO SUCCESS

- Directing funds through approaches such as grants under contract to local organizations, in-kind grants to local governments, and buy-ins from USAID Missions.
- Employing an integrated approach to service strengthening.
- Engaging the private sector and municipalities in job creation and service delivery.

LESSONS LEARNED

- Support LG counterparts in improving and expanding data systems to track service delivery metrics.
- Address human and fiscal resources concurrently.
- Inconclusive evidence of a link between governance interventions and service delivery improvements.
- Clarify expectations about using funding for infrastructure investments and equipment procurement.
- Continue to track indicators of service delivery improvement following governance interventions.



AUTONOMY, TRANSPARENCY, RESPONSIVENESS, AND ACCOUNTABILITY OF URBAN AND LOCAL GOVERNMENTS

- Developed coordination frameworks between municipalities, public utility companies, and national agencies to standardize and facilitate collaboration across local, regional, and central levels.
- Promoted systemic and transparent processes of deployment, promotion, redeployment, and recruitment of local government staff.
- Institutionalized multi-year budgeting, gender-responsive budgeting, and organizational charts for municipal financial affairs departments.
- Supported the development of citizens' budgets and monitored the council budget's implementation.
- Developed communication tools, plans, and guides for local governments to share information and news with their communities.
- Supported the creation, approval, and implementation of municipal transparency programs to increase community access to social auditing, accountability events, and public information.
- Facilitated citizen participation in participatory development planning, leading to the funding of citizen priorities.
- Promoted the use and enforcement of modernized financial management information systems, reducing opportunities for mismanagement and corruption.

CONTRIBUTORS TO SUCCESS

- Building government partner ownership.
- Fostering community ownership and involvement.
- Linking material support to municipal improvement.

LESSONS LEARNED

- Pursue phased approaches to decentralization cautiously.
- Manage complexity.
- Invest in initial assessment periods.



CLIMATE CHANGE, ENVIRONMENTAL MANAGEMENT, POLLUTION CONTROL, AND DISASTER RESILIENCE

- Conducted capacity-building workshops in risk assessment and climate prediction, enabling participants to identify the most significant climate risks, assess the frequency of their potential consequences, and plan for infrastructure to maintain its resilience in the face of expected climatic changes.
- Remediated and closed legacy open dumps, making improvements to resolve leachate and methane emissions.
- Recovered and diverted plastic and other waste from landfills.
- Facilitated participatory city mapping, which helped build cities' capacities to respond to disasters.

CONTRIBUTORS TO SUCCESS

- Using social and behavior change approaches.
- Forging partnerships with local governments and private sector partners to build sustainable, circular economies.

LESSONS LEARNED

- Foster partnerships between local governments, the private sector, and communities to address resource constraints in combating climate change.



URBAN AND LOCAL GOVERNMENT FINANCE, CREDITWORTHINESS, AND BORROWING

- Assisted municipalities in amplifying their own-source revenue, notably through enhanced local tax and service fee recovery mechanisms.
- Mapped cities to improve public service delivery, natural disaster preparedness, and property tax revenue collection.
- Coached and mentored staff at partner municipal local development units to enhance their technical skills in transforming investment ideas into properly written and presented project profiles and feasibility studies for new local projects to generate investment revenue for the municipality.
- Built and strengthened online revenue collection and management systems.
- Created a tool for analyzing and identifying savings by targeting inefficiencies and new funding options.

CONTRIBUTORS TO SUCCESS

- Having substantial opportunities in resource mobilization.
- Improving municipal revenue strengthens local government autonomy.

LESSONS LEARNED

- Pursue blended finance options to incentivize private sector investment.
- Recognize that municipal finance is political.



CROSS-SECTORAL INTEGRATION

- Integrated economic development into programming by coordinating with a diverse array of stakeholders at various levels, which catalyzed substantial progress in areas like multi-year budgeting, gender budgeting, and economic development planning.
- Adapted programs to allow activities to continue despite the COVID-19 pandemic, including mobilizing support to municipalities to provide non-medical personal protective equipment sprayers and cleaning supplies.
- Undertook street naming and building numbering, which increased access to financial services, enabled internet service expansion while reducing costs, and improved health delivery as emergency services like police and ambulances are now better able to get to those needing their services.
- Prioritized youth engagement to amplify SWM and recycling efforts within households and communities.

CONTRIBUTORS TO SUCCESS

- Making complementary investments.

LESSONS LEARNED

- Expect tradeoffs between of national and local LED initiatives.