



DECENTRALIZATION IN NAMIBIA

SITUATION ANALYSIS

**MINISTRY OF REGIONAL,
LOCAL GOVERNMENT
AND HOUSING**

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Acronyms

ACR	The Association of Regional Councils of Namibia
ALAN	The Association of Local Authorities of Namibia
CBOs	Community Based Organizations
CDCs	Constituency Development Committees
LADCs	Local Authorities Development Committees
MOF	Ministry of Finance
MOJ	Ministry of Justice
MRLGH	- Ministry of Regional, Local Government and Housing
NGOs	Non Governmental Organizations
NPC	National Planning Commission
OPM	Office of the Prime Minister
PSC	Public Service Commission
RDC	Recruitment and Disciplinary Committee
RDCCs	- Regional Development Coordinating Committees
SWAPO	- South West Africa Peoples Organization
TOR	Terms of Reference
UN AM	University of Namibia
UNDP	United Nation Development Program

Executive Summary

Namibia has adopted decentralization as a state policy with the overall aim of ensuring economic, cultural and socio economic development and providing the people at the grass root level the opportunity to participate in their own decision making and extending democracy to them as a right based on national ideas and values.

The government of Namibia has consciously and consistently taken actions in developing and refining its decentralization policy. Wide consultations with all key stakeholders were carried out in a bid to gain their input and consensus in the decentralization process. The effective date for implementation of the policy started on 1st April 1998 although the official launch of the same was on 30/03/1998.

Experiences with decentralization policy reform however indicate that the most difficult part of the reform process is implementation. Once decentralization of some functions is agreed upon, then the central government must provide adequate institutional support in strategic areas. The center must be able and willing to steer the reform processes and keep it on course within the overall national political objectives.

The experiences on the ground in the case of Namibia however indicate that the implementation of decentralization policy is going to be a challenging one and indeed along process. This is evident from the following:

- While it has been agreed in principle that under financial decentralization funds shall have to follow functions, technical details regarding modality of financial transfers remain to be worked out with the Ministry of Finance.
- In principle it has been agreed that under personnel decentralization, regional councils and local authorities shall have the power to hire and fire their employees/ staff and also manage cash limited payrolls. It has also been agreed in principle that where a function or service is decentralized, then the personnel associated with the operational aspect of the service/

function shall have to follow the function or service. However necessary arrangements for the smooth transfer of the affected staff from the central government establishment to regional councils and local authorities have to be worked out before such transfer is effected.

- Decentralization enabling legislation is yet to be put in place although the draft bill for the same has been produced and is being subjected to wide consultations with all stake holders.
- The introduction of decentralization has coincided with other public sector reforms such as the civil service reform program, macro economic reform, democracy, good governance, human rights and poverty alleviation. This is however an advantage and the reforms should not be allowed to act in parallel. Decentralization is going to be the main event such that all the other reforms must take account of decentralization reform. Key coordinating ministries namely Ministry of Regional Local Government and Housing (MRLGH), Ministry of Finance (MOF), Ministry of Justice (MOJ), the Public Service Commission (PSC), and the Office of the Prime Minister (OPM) should be able to work in unison.
- Some line Ministry officials are still opposed to and are strongly resisting the changes to be brought in by the policy.
- Assignment of functions to the various levels of government has been agreed upon in principle but specific activities to be decentralized within functions (e.g. Public Health Care) remain contentious in most cases.
- Arising from the above and as an interim measure, functions agreed upon for immediate devolution have with effect from 01/04/98 been delegated to regional councils and local authorities who are to act as principal agents.

The successful implementation of the decentralization policy in the country is going to depend to a large extent on a very strong political will at the national level and an unrelenting central government support. In the immediate and medium term, definitive positions are called for in the following areas:

With the commencement of the implementation process, the center should give both political and administrative support to the reform process so as to sustain the tempo and momentum of implementation.

The proposed Directorate of Decentralization in the Ministry of Regional, Local Government and Housing should be instituted without any further delay to spear head the implementation process. It should have experts in various disciplines e.g. finance management, personnel management, regional development planning, etc. The existing task force could form a nucleus of the Directorate.

To bolster the implementation process, procurement of short term consultancy for specific aspects should also be considered.

Review of existing legislation is required with a view to identifying legislation which impede decentralization implementation strategy and process. Specifically it would be prudent to review the legal framework for decentralization especially the Regional Councils and Local Authorities Acts so as to avoid being vague on assignment of responsibilities and resources to the various levels of Governments. Main concern should be to consolidate the law and this should be treated as a priority. Its mainly consolidation and harmonization and not necessarily making them uniform.

The Ministry of Regional, Local Government and Housing would have to be restructured so as to gain preparedness as the lead agency in decentralization implementation process and chief advocate and coordinator of the decentralization policy and its implementation.

As part of awareness creation and consensus building on the decentralization policy and its implementation, there would be need to undertake country-wide sensitization of regional councils, local authorities, local community (in settlements and villages), line ministries as well as Non Governmental Organizations, (NGOs) and Community Based Organizations (CBOs). Identification of cadre of trainers to be trained for conducting sensitization training is required. The focal point

officers in the line Ministries could form the basis for trainers.

Eventually developing user friendly operational and contextual manuals to be used by the various implementers and trainers.

Institution of political and/or administrative structures in the regions for the purpose of providing linkages between regional councils and villages/settlements as well as the general populace. In this regard the approved establishment of Constituency Development Committees (CDCs), Local Authorities Development Committees (LADCs), Village Development Committees (VDCs) and Settlement Committees (SCs) should be expedited. These institutions once established would require induction and sensitization to facilitate their operations.

Accessing regional councils and local authorities with requisite resources. Any formula designed for intervention should take account of disparities among regions (i.e. askew investment as a consequence of colonial experience).

The prospect of decentralizing further on delegation basis certain functions as an interim measure to some regions/municipalities by functions be explored and used as trial ground for eventual devolution, to be replicated based on experiences to be gained.

The main worry of line Ministries on the looming loss of power has to be recognized, appreciated and deliberate efforts made to gain/win over their support.

The pending establishment of the Recruitment and Disciplinary Committee (RDC) for every region for the purpose of handling matters relating to the recruitment and discipline of staff in the regions be speeded up. All the other issues relating to personnel decentralization such as agreement on the status of the regional officer, modality for transfer/ de-linking of staff from the central government establishment and determining the ideal establishment for regional councils should be finalized to pave way for effective personnel decentralization.

- The impression given of lack of capacity for implementation should not be accommodated. For functions agreed upon both by Act and the Constitution, there is no need to wait before implementation starts. Capacity Building is not a once for all activity but rather a process, which can be initiated at the start of the implementation process and continued on a case by case basis once performance gaps have been identified.
- Strategic transfers of staff to ensure that sitting capacity exist in strategic departments in the regions be effected after making all the necessary arrangements such as resolving the issue of residential/office accommodation in the regions for such staff.
- Strategic capacity building initiatives should be undertaken.
- Further study tour to some of the countries implementing decentralization as a policy be undertaken aimed at enrichment of the implementation process in the country.

The start of decentralization implementation process in the country and sustaining the reform process therefore poses a great challenge which may appear insuperable but can actually be managed given the evident strong political will in support of the policy. With the start of the implementation process, there should be general re-alignment of citizens/leadership attitude. Regional and local governments shall have to see themselves as principal actors and beneficiaries in the management of the change process. They have to emerge out of the "centralist box" and get accustomed to being self-reliant in management of their affairs with the center playing facilitation role. The center on its part should be willing to let go the patronizing mentality/orientation over regional and local governments. Decentralization is to result in consequential center- local relations with the center playing advisory and supportive role under the implementation process.

1. BACKGROUND

1.1 Namibia has adopted decentralization as a state policy and instituted its implementation effective 1/04/1998. The introduction of decentralization policy in Namibia should be viewed against the background of what obtained in the governance of the country prior to the attainment of independence in 1990.

Before the attainment of independence, the people of Namibia were engaged in a protracted struggle against colonialism, racism and apartheid, all of which had denied the majority of the people democracy and development. The people of Namibia therefore did not have power to make decisions on matters that affect their lives and were also not able to determine their own destiny.

1.2 The now ruling party, South West Africa Peoples Organization (SWAPO) party, expressed the vision for decentralization policy in Namibia as early as 1989. SWAPO in its election manifesto of 1989, chapter 12, on Local Government and Housing provided that, "under a SWAPO Government, independent Namibia will have democratically elected local authorities, both in rural and urban areas, in order to give power to the people at the grass-root level to make decisions on matter affecting their lives". This vision of SWAPO was later to be translated into reality in Namibia's independence Constitution.

1.3 The political leadership in Namibia has chosen the path of decentralization to enhance and guarantee democratic participation of the people at the lower / grass-root level in order to achieve sustainable democratic development. The vision of the political leadership in Namibia in the attainment of participatory democracy is that decentralization is an instrument the state can use to bring about democratic participation to the people at the lower level. The theme of decentralization policy in Namibia is therefore "Decentralization, Development and Democracy".

1.4 The policy of decentralization in Namibia has its origin / root in the supreme law of the land, the Constitution, chapter 12. There is however no specific Article in the Constitution including provisions under both chapters 11 (Principles of State Policy) and 12 (Regional and Local Government) under which the word or concept of "decentralization" is mentioned as a principle of state policy or as an integral part of regional and local government system in the country. Notwithstanding the above, provisions under chapter 12, Article 102 of the Constitution adequately provide the basis for the institution of decentralization policy in the country. The provisions under chapter 12 of the Constitution on regional and local government embraces some of the basic characteristics of a devolved or decentralized governance system namely,

- A corporate identity (legal basis). Regional councils and local authorities in Namibia are body corporate (can sue and be sued).
- Form of elected assembly. Regional and local authority councils in Namibia comprise directly elected councilors who get elected at regular intervals.
- Ability to buy, sell and hold property. Regional councils and local authorities in Namibia have the competence to buy, sell and hold property.
- Independent budget and bank account. Regional councils and local authorities in the country have the competence to open and operate own bank account and to draw and approve their budgets (only local authorities make own independent budgets as of now).
- Independent financial resources. In principle both regional and local authorities councils in Namibia are expected to have own financial resources while in practice it is the local authorities especially municipalities which at the moment do have

independent financial resources and are exploiting the same.

- Appointment of staff. Regional councils and local authorities have the competence to appoint their own staff, (hire and fire).

1.5 To enhance the institution of democratic decentralization Namibia and in putting into affect the Constitutional provisions under chapter 12, the Namibia National Parliament enacted three key legislation namely, the Regional Councils Act, 1992, the Local Authorities Act, 1992 and the Traditional Authorities Act, 1995. Decentralization enabling legislation is in a draft form and expected to be ready by the close of the 1998/99 financial year.

The Regional Councils and Local Authorities Acts provide for determination and establishment of regional and local authorities councils, powers, duties and functions of the councils as well as financial matters. The Traditional Authorities Act, 1995 provides for the establishment of traditional leaders; defines their functions, duties, and powers.

1.6 The policy of decentralization as conceived in Namibia ultimately aims at devolution but within the framework of a unitary state. Its implementation is to be phased in systematically. The Ministry of Regional, Local Government and Housing (MRLGH), is the central government institution responsible for spear heading the implementation process. A task force to kick-start implementation was established and focal point officers appointed in line ministries and in the regions to be responsible for coordinating decentralization implementation in their respective line ministries and regions respectively.

LEGAL FRAMEWORK OF DECENTRALIZATION

2.1 The Principal Legal Basis for the decentralization policy in Namibia are:

- (i) The Constitution.
- (ii) The Regional Councils Act, 1992.
- (iii) The Local Authorities Act, 1992.
- (iv) The Traditional Authorities Act, 1995.
- (v) The proposed Decentralization Enabling Legislation.

2.2 Decentralization as a policy is provided by the Namibia Constitution, chapter 12. However while the Constitution sets the basis for instituting decentralization policy, it does not provide in details for the following:

- ◆ Principles and structures of the system of regional and local government.
- ◆ Finances of regional and local authorities especially matters relating to modality of intergovernmental transfers under decentralization (fiscal decentralization).
- ◆ Regional and local government public service.

Parliament is however required / mandated to make legislation in putting into effect the Constitutional provisions for decentralization.

2.3 It should however be noted that while the three Acts referred to under 2.1 above provide for establishment of regional councils, local authorities and traditional authorities and define their functions, responsibilities and centre - local and local - local relationships, the Acts basically remain as separate legislation for regional councils, local authorities and traditional authorities. Whereas they provide a basis for decentralization, there is need to consolidate and harmonize them into decentralization legislation.

2.4 In 1996, Cabinet approved decentralization policy for Namibia and directed among others that the Regional Councils Act, 1992 and the Local Authorities Act, 1992 be amended to give effect to

decentralization. Anew legislation for decentralization shall be the outcome of the amendment. The new legislation should be an enabling law which provides for a continuous process of decentralization whereby functions, powers and responsibilities are transferred from the central government to regional and local governments in a coordinated manner in order that governmental decisions are taken as close as possible to the people.

- 2.5 More attention has been given to the proposed new legislation in the subsequent parts of this booklet including the section on recommendations.

OBJECTIVES AND KEY ELEMENTS OF THE DECENTRALIZATION POLICY

3.1 Objectives of Decentralization

Decentralization in Namibia aims to ensure economic, cultural, and socio-economic development, providing people at the grass-root level the opportunity to participate in their own decision making and extending democracy to them as a right based on national ideas and values.

Decentralization in Namibia is therefore designed to achieve the following objectives:

- ◆ To extend, enhance and guarantee participatory democracy
- ◆ To ensure, and safeguard rapid sustainable development.
- ◆ To transfer powers to the regions and local authorities based on national ideas and values.
- ◆ To improve the capacity of regional and local government councils to plan, implement, monitor and manage delivery of

services for their constituents.

In a nutshell decentralization seeks to transfer political, administrative, legislative, financial and planning authority from the center to regional and local authority councils. It strives to promote participatory democracy, empower the local population to make their own decisions and determine their own destiny. It also aims at improving public sector management so that in the long run there is close linkage between taxes paid by the people and the quality of services provided. The local people shall be able to hold both their appointed and elected leaders accountable.

3.2 Key Elements of Decentralization Policy

The key elements of the Decentralization Policy in Namibia are:

- Decentralization in Namibia while it may go through various other interim stages, ultimately aims to devolve agreed powers, responsibilities, functions, and resources capacity to regional and local levels of government within the framework of a unitary state based on national ideas and values.
- It has of necessity, and as part of a strategy to be phased in systematically.
- There will be need for institutional and organization changes as well as legislative and other rationalization.
- For it to be developmental, decentralizational will have to be cost effective.
- Decentralization is to be carried out in a coordinated manner.
- Relationship between regional councils and local authorities to be based on principle of non-subordination. Functional

relationship to be based on collaboration and cooperation with regional councils having coordinating and residual functional responsibilities of an agent in lieu of central government.

THE DEVELOPMENT OF DECENTRALIZATION POLICY

The government of Namibia has consciously and consistently taken actions in developing and refining its decentralization policy. Right from the inception of the policy in 1989 to - date there has been wide consultations with all the stakeholders as a deliberate initiative to gain their input and consensus in the whole process. A series of important preparatory activities have taken place in readiness for the implementation stage. The hallmarks of consultation and preparatory activities include cabinet approval of the policy in 1996; its adoption by National Assembly 1997 as a National policy; the approval by Cabinet in March, 1998 of the decentralization implementation strategy and work plan and the historic launch of decentralization program for the country on 30/03/98.

The sequence of preparatory activities prior to the official launch of Decentralization in Namibia are as follows:

- ◆ In 1989 the Constitution of the Republic of Namibia was accepted and adopted as the fundamental law of the sovereign and independent Republic. Chapter 12, Article 102 of the Constitution provides the basis for decentralization by providing for establishment of regional and local governments.
- ◆ In 1992 Parliament in putting into effect the provisions of Article 102 (4), Chapter 12 of the Constitution enacted two key legislation namely;
 - The Regional Councils Act, 1992 and
 - The Local Authorities Act, 1992.

Both Acts provide for determination and establishment of councils, qualification and election of councils, management committees of councils, chief executive officers and other officers/employees of the councils, powers, duties, functions, rights and obligations of councils and financial matters in respect of each of the councils.

- ◆ In 1995 Parliament enacted the Traditional Authorities Act, 1995 which provides for establishment of traditional authorities; the designation and recognition of traditional leaders; the functions, duties and powers of traditional leaders and councils of traditional leaders.
- ◆ In June 1996, a Task Force of the Ministry of Regional, Local Government and Housing under the chairmanship of the permanent secretary was established and charged with the responsibility for spearheading the policy process. The Terms of Reference (TOR) of the task force included inter alia, providing conceptual and operational leadership to the policy review and implementation process; development of the policy and all aspects leading to that; preparation for the Secretaries and Ministers seminars / meeting / consultations; developing of an implementation strategy for decentralization including capacity building strategy.
- ◆ During the remaining part of 1996 the Task Force commenced policy review.
- ◆ In July 1996, a consultative seminar for regional governors and officers was held for the purpose of gaining their input and consensus in the policy review process. The objectives of the seminar were inter alia:
 - (i) To develop a common understanding of decentralization among regional political and administrative leadership.
 - (ii) To ascertain their appreciation of the stage at which the policy had reached and what needed to be done either to develop it

further or implement it.

(iii) For them to use a common understanding and assessment to decide what they wanted decentralized to themselves and how this decentralization should happen and make clear recommendations to government on the way forward.

- ◆ On 23/08/96, a Permanent Secretaries' seminar was held with the objective of reviewing the policy proposal. The seminar assessed and endorsed the policy proposal as relevant, appropriate and can be implemented. It was also agreed that the roles delineated there in, the functions to be decentralized, the approach proposed for each function and how these would be synchronized across the country were adequate and realistic.
- ◆ On 12/09/96, a Minister's seminar attend by both Deputy Ministers and Permanent Secretaries was held. The principle objective of the seminar was to familiarize the Ministers with decentralization policy and related issues, the policy process, its objectives in the context of Namibian democracy and their conceptual and philosophical basis. Extensive discussions were held by the Ministers after which the policy proposals were adopted / endorsed and speedy presentation to cabinet urged.
- ◆ In 1996 as part of feedback to regional councils, a conference for the Association of Regional Councils in Namibia (ARC) was held in which draft policy document on decentralization was presented, discussed and endorsed.
- ◆ In 1996 as part of consultation with local authorities, seminars for local authorities were held during which the draft policy document were presented, discussed and adopted reflecting views of the local authorities.
- ◆ On 11/12/1996, Cabinet approved the decentralization policy subject to the following conditions:

- That the Ministry of Regional, Local Government and Housing is allowed to make provisional financial allocations for the initial phases of the program in the 1996/98 financial year which will be used for capacity building prior to the implementation of Decentralization Policy.
- That the capacity building effort in support of Decentralization Policy is split up into:
 - Base line data for all regions;
 - Financial training for regional accountants / economist;
 - Training of administrators/ regional officers;
 - Review of all government policies and laws, related to decentralization;
 - The provision of infrastructures where they do not exist and
 - Conducting of necessary scientific research in all 13 regions.
- That the aforementioned preparation and training are carried out by the Ministry of Regional, Local Government and Housing, under the sponsorship of the National Planning Commission (NPC) through the use of consultants, and the University of Namibia (UNAM) through their Management Program, all of which must be coordinated by the Office of the Prime Minister.
- That appropriate incentive packages are worked out for the officials to be trained for the Decentralization exercise and its implementation for a minimum period of ten years in the employment of the Public Service.
- That the Ministry of Regional, Local Government and Housing is allowed to recruit a consultant who will assist the Ministry in

the overall implementation of the Decentralization Policy.

- That support is given to create new local authorities in the Northwest and Northeast, viz: the proclamation of towns, villages and settlements, as well as the training of needed personnel for local authorities, which should be done in co-operation with the Association of Local Authorities in Namibia (ALAN).
- That pilot projects operating within the concept of Decentralization take place in the regions even before the actual implementation of the Decentralization Policy.
- That the Regional Councils Act of 1992 and the Local Authorities Act of 1992 are amended to give effect to Decentralization.
- That a Fund for Regional Development and Equity Provisions are created.
- That a donor conference with the assistance of United Nations Development Program, (UNDP) is organized around October, 1997.
- That due to the importance of the Decentralization Policy, the policy be tabled in Parliament in the form of a White Paper prior to its ultimate enactment.
- That the whole process of Decentralization be supervised by the Office of the Prime Minister.

In April, 1997 Focal persons were appointed from various line ministries to serve as contact points in their ministries with regard to decentralization implementation.

In April, 1997 the policy was presented to National Assembly and

subsequently adopted as a national policy.

In April, 1997 a workshop for focal persons was held with the objectives of introducing them to the decentralization policy in general and their roles as focal persons in particular.

In April, 1997 a draft action plan for decentralization was made in which all the line ministries are requested to indicate the functions to be decentralized from their sectors together with budgetary implications.

In September, 1997 the policy was presented to National Assembly and subsequently adopted as a National policy.

In November, 1997 in putting into effect the cabinet decision, the Ministry of Regional, local Government and housing recruited a consultant to assist the ministry in the overall implementation of decentralization policy.

In December, 1997 the consultant submitted a situation analysis report on Decentralization in Namibia with specific recommendations.

In February 1998, a study tour to Uganda and Ghana was undertaken by a delegation from Namibia headed by the Minister of Regional, Local Government and Housing, Hon. Dr. Nickey Iyambo. The aim of the study tour was to afford members of the delegation the opportunity to learn from the two countries their experiences under decentralization, focusing on milestones/challenges encountered by them under decentralization reform. It is hoped that the experiences and lessons learnt during the study tour would help guide Decentralization Policy implementation process in Namibia.

In March 1998, Cabinet approved the decentralization implementation strategy and work plan.

- ◆ On 30/03/98, Decentralization program for Namibia was officially launched.

5. CURRENT SITUATION / PERFORMANCE OF DECENTRALIZATION PROGRAMME

5.1 In making a review of the current situation / performance of decentralization programmer in the. country, note should be taken of the following:

- ◆ Technical details regarding financial and personnel decentralization remain to be worked out.
- ◆ Decentralization enabling legislation is yet to be put in place although the initial draft bill for the same has been produced.
- ◆ The introduction of decentralization has coincided with other public sector reforms such as the civil service reform program, macro economic reform, democracy and good governance, human rights and poverty alleviation which should all be supportive of decentralization.
- ◆ Some line Ministry officials are still opposed to and are strongly resisting the changes to be brought in by the policy.
- ◆ Assignment of functions to the various levels of government has been agreed upon in principle (as in Appendix 1) but specific activities to be decentralized within function e.g. (Public health care) remain contentious in most cases.
- ◆ Arising from the above, functions agreed upon for immediate decentralization / devolution have with effect from 1/04/98 been delegated to regional councils and local authorities who are to act as principal agents.

5.2 Key Areas of Review

5.2.1 Policy and Legal Framework

Decentralization is government policy. Its basis is provided for under chapter 12 of the Constitution. Cabinet approved decentralization policy on 11/12/96 and its implementation commenced on 1/04/98 through delegation. The policy of decentralization as conceived in Namibia is aimed at devolution but within the framework of a unitary state based on national values and ideas. Its implementation is to be phased in systematically. The policy was subjected to wide consultation with all the stakeholders such as the Association of Regional Councils of Namibia (ARC), the Association Local Authorities of Namibia (ALAN), line ministries, etc so as to gain their inputs and consensus in the development of the policy.

Parliament in putting into effect the provision of the constitution enacted three key legislation on regional and local governments namely, the Regional Councils Act, 1992, the Local Authorities Act, 1992 and the Traditional Authorities Act, 1995. These legislation while providing a basis for decentralization policy do not in anyway give full effect to decentralization.

The cabinet directive regarding the amendment of the Regional Councils Act, 1992 and the Local Authorities Act, 1992 to give effect to decentralization policy is yet to be implemented. The process of amending both Acts has been instituted and a draft bill for the same produced. The outcome of this would be a new legislation on decentralization, a decentralization enabling legislation.

Experiences under decentralization reform process indicate that without the power of the law no decentralization can

occur. The law provides a firm basis for the settlement of dispute over contested area of responsibility throughout the system as well as policing the conduct of both central and lower levels of governments. For example in Uganda whereas the policy of decentralization was conceived way back in 1986 and refined over the subsequent years, it was only with the enactment of the Local Government (Resistance Council) Statute, 1993 that decentralization got on course and gained momentum.

While prior to the official launch of decentralization program on 30/03/98 there had been concern about decentralization not taking place despite the existence and approval of the policy by both cabinet and National Assembly, one of the probable underlying causes of the same could as well have been the absence of decentralization law.

One of the prerequisites for effective kick starting and sustaining implementation of decentralization in the country therefore is to be the power of the law - the existence of a sound legal basis / framework for decentralization.

Recommendation

It is recommended that in putting into effect the cabinet directive on the amendment of the Regional Councils Act, 1992 and the Local Authorities Act, 1992 to give effect to Decentralization, the proposed new decentralization enabling legislation should as a matter of priority be enacted to provide for a consolidated and harmonized legal framework for decentralization in the Country subject to the following considerations:

- ◆ *There should be wide consultations with all key stakeholders in amending and streamlining the existing laws on regional, and local governments so as to gain*

their input and consensus in line with the governments ideals on participatory democracy.

- ◆ *The new legislation should be an enabling law which provides for a continuous process of decentralization whereby functions, powers and responsibilities are transferred from central government to regional and local governments in a coordinated manner in order that governmental decisions are taken as close as possible to all those involved. It should also provide for the transfer of resources i.e. human, financial, and material to enable regional councils and local authorities effectively and efficiently carry out the responsibilities and functions assigned to them.*
- ◆ *The new legislation should specify in very clear terms functions assigned to the various levels of government as well as resources including finances; specify the rights and obligation of all officers and structures in the system bearing in mind that its to be a reference point in the settlement of disputes over contested areas.*
- ◆ *The new legislation should in keeping in line with the provision of the constitution provide for affirmative action in favour of marginalized groups especially women.*
- ◆ *The new legislation should provide for clear separation of functions and services between the central, regional and local governments. The powers for regional and local governments to plan for their development, make and approve budgets, make local laws, have autonomy over their finances should all be clearly spelt out.*
- ◆ *The new legislation should also spell out provision for adequate resource transfers from central government to*

regional and local governments including determining and setting tax levels /rates to enable them measure to the challenges of decentralization program. Focus here should be on both vertical and horizontal transfers. Vertical transfers here refer to appropriation of funds in the national budget for regional councils and local authorities while horizontal transfers refer to distribution of the funds among regional councils and local authorities; i.e. allocation to each regional and local government.

The new legislation should also spell out very clearly the modalities for resource management involving financial management and accountability by regional and local governments. Institutions for financial management and accountability should be fully provided for.

The new legislation should make it mandatory for central government and its agencies to provide technical support, support supervision, capacity building including training to regional and local governments. It should also provide for inspection and supervision of regional and local governments by the ministry responsible for regional and local governments and other relevant line ministries for the purpose of promoting adherence to the law by regional and local governments.

In the new legislation regional and local governments should be empowered to make laws which must not be inconsistent with the constitution or any other law enacted by Parliament.

A taskforce from the Attorney-General's office /Ministry of Justice or a short term consultancy is recommended for the drafting of a consolidated bill taking into account the relevant sections of the existing Acts relating to regional

and local governments.

- ◆ *Once the draft of the new legislation is produced after being subjected to wide consultations with all the interested parties i.e. stakeholders so as to gain their inputs and consensus on the same, the draft bill should then be submitted to cabinet for approval/endorsement.*

5.2.2 Political decentralization

Political decentralization in Namibia seems to be on the right track. All the sub national level governments (regional and local authorities councils) have governmental character and are body corporate. Local authorities especially part I municipalities have autonomy over their planning and financial matters in relation to central government.

Regional Development Coordinating Committees (RDCCs) are to be established in every region for the purpose of effective coordination of the planning and development the area while Development Committees (DCs) shall be established in every constituency, local authority area and settlements for effective coordination of the planning and development of the areas. The composition and functions of the RDCCs and DCs are as in Appendix II.

Political leaders for both regional and local authority councils gain office through direct elections held regularly with members of regional councils holding office for a period of six years. The size of a local authority council (municipality and town) vary from 7-15 (seven to fifteen) members / councilors, while the village council is fixed at 5 (five) members.

It is however important to note that municipalities elect both mayors and deputy mayors as well as chairpersons and vice

chairpersons of the councils from among the council members who hold office for a period of one year and may be re-elected for another term. The mayor is however a ceremonial one and has no executive function to the extent that convening council meetings is the responsibility of the Town Clerk. He / she is basically a figure head and weak mayor as opposed to an executive mayor.

In the case of regional councils, the Chairperson (also called Governor) presides at council meetings. The Governor is the political head of the region and represents central government in the region. Regional councils however do not have any lower level council or administrative unit / body to provide a vital link between the regional councils and the settlements, villages and the local community. The pending establishment of Constituency Development Committees is to provide the much needed linkage.

Recommendation.

On the basis of the above, its recommended that in the proposed new legislation for decentralization, the position of the Mayor should be clearly defined. How the Chairperson / Governor and Mayor would relate to each other as well as their center - local relationship should also be clearly spelt one in the new legislation. The relationship between these political heads with their chief executive officers (regional officer in case of the governor and town clerk in case of the mayor) should also be made clear in the proposed legislation.

Its further recommended that the pending creation / establishment of Constituency Development Committees to provide the much needed linkage between the regional councils and the villages, settlements and the community should be expedited.

5.2.3 Financial Decentralization

Financial decentralization is another key aspect under decentralization. One of the guiding principles under decentralization is that funds / financing authority must always follow functions, i.e. there should be no unfunded mandates or assigning functions / responsibilities to sub-national governments without matching resources for effecting implementation.

In the context of decentralization in Namibia there is no agreed definitive position as yet regarding financial arrangements and transfers under decentralization. Under delegation as an interim measure, the centre shall continue to provide the funds for the delegated functions, both recurrent and development. It has been agreed in principle that under devolution funds shall have to follow functions. However technical details regarding the modality of financial transfers under both delegation and devolution are yet to be worked out and agreed on with Ministry of Finance.

The current position is such that regional councils rely heavily on central government for their finances. This reliance greatly undermines their independence. A regional council is entitled to sharing the revenue raised by the central government in its area (based on derivation principle) and to 5% of the property taxes levied by local authorities in the respective region. Mechanism for sharing of revenue between central government and regional councils have not yet been worked out. On the other hand the 5% entitlement favor regional councils where there are well-established local authorities. In regions where there are no local authorities, such regions are left in the cold in as far as the 5% entitlement is concerned. Municipalities especially part I Municipalities enjoy a great degree of autonomy in regard to their finances. Lower level local authorities especially the

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towns and villages to a great extent rely on appropriation of funds from the central treasury.

Intergovernmental fiscal arrangements under decentralization can be considered under three categories, all of which must be fully backed by the power of the law namely:

- ◆ Assignment of expenditure responsibilities (functions devolved to sub-national governments).
- ◆ Tax responsibilities of both central and sub-national governments.
- ◆ Grants availability to local governments to run decentralized services as well as for addressing fiscal imbalances (may be formula based).

While in principal local governments (lower level governments) revenue may be either locally raised revenue or central government grants, the practice and reality under decentralization indicate that for effective decentralization to occur, there must be among others transfer of sufficient authority to mobilize financial resources to sub-national levels of government. This must be supported with existence of adequate physical infrastructure, transportation and communication linkages to facilitate resource mobilization. There must also be a sound financial management system in place as well as financial oversight/watchdog institutions to ensure transparency and accountability in utilization of financial resources.

Options of Local (Own) Revenues Sources for Local Governments

Local revenue sources for local governments can be looked

at under four main types as follows:

- ◆ Charges for services
- ◆ Fees and licenses
- ◆ Local taxation and
- ◆ Borrowing

◆ **Charges for Services**

Local governments should and do levy user charges for specific services as prices charged to pay all or part of the cost of providing those services in line with the benefit principle. Water charges, is a clear example of user charge. The levying of water user charges by local governments would serve dual purposes namely;

- ◆ The consumers of water face the true costs of consumption, thereby creating an incentive for efficient use, and reduce wasteful use and;
- ◆ Funds are secured for production and operation / maintenance cost of the facility.

Levying user charges in a way ensures that services by local governments cease to be charitable ones and their management approximate business management. In the case of public goods / services such as water, if its production is wholly financed with tax revenue, users / consumers would have no incentive to limit its use, believing that it is "free". However, when the same water is sold to users, citizens face the true cost of their consumption decisions, thereby creating an incentive for efficient use. Service charges / fees therefore provide equitable source of revenue (those using the services pay in proportion to the benefits they receive) while at the same time promoting efficiency in discouraging wasteful

use of government services.

In the case of services which are of a public nature, there would of course be compassionate consideration for those in need of services who are unable to afford them. In case of water for example, free stand pipes, or low charges for basic needs through house connections are ways to address compassionate considerations.

Fees and Licenses

Fees and licenses constitute the most numerous resources of local revenue but rates charged should not be so high as to defeat the purpose of the activity. For example if it's considered appropriate to have registration of births, marriages and deaths, legal insistence and enforcement coupled with a small fee is quite in order. However excesses on the fees charged may be counter productive and it is likely to create evasion from the public and thus lead to a reduction in expected revenue.

Licenses on the other hand are often levied for a variety of undertaking such as motor vehicle use (road license), retail and wholesale trade, hawking, boat license, charcoal, burning, brick making etc (basically informal trading sector).

Local Taxation

A common form of local tax is the property tax - tax on real property. For example in the context of Uganda property tax benefits urban areas most and is levied as a percentage of an officially assessed property valuation. The valuation may represent a rental or a capital value and may or may not include land and / or buildings.

Property tax on real estate is a suitable instrument that can be used by local governments to raise substantial revenue, which can be conveniently used to recover costs of public service provision related to properties. Candidates for property tax include but are not limited to the following: land and its improvement, non-residential assessments such as electric power, telephone, cable lines, and gas pipelines. In rural areas, an agricultural land tax could also be imposed. In fact lower levels of government can generate the much needed revenue through levy of property tax on central government building in their localities.

In Uganda however local governments have a unique source of local tax known as graduated tax. Graduated tax, which is by far, the greatest source contributing to the local revenue of local governments is a refinement of the poll tax, originally levied in colonial times. The contributions of graduated tax to local revenue vary from between 60% - 85% of the local revenue. Graduated tax is a sort of local income tax for those who do not get captured within the national income tax bracket.

- **Borrowing**

Borrowing as a source of local revenue for local governments is not a very popular option especially where borrowing by a local government is viewed as being detrimental to macro-economic stability. The borrowing powers of local governments are usually controlled by the central government.

Revenue base and financial capacity of regional and local authorities councils

In order to be able to provide the services that are to be

devolved to them including paying salaries for their staff, regional councils and local authorities must have a sound financial base. The proposed new legislation must provide for own sources of revenue for regional councils and local authorities. Having own sources of revenue in the case of regional councils shall however require overcoming some challenges.

The problem likely to be faced by regional councils and local authorities shall relate to their inability to raise sufficient revenue from their own local sources once identified. Method of collection and the spending modality including accountability shall have to be given due attention. Its therefore imperative that the new law not only makes provision for regional councils and local authorities to raise revenue, but it must also spell out the methods of control of expenditure and accountability. Institutions for financial control, accountability and transparency must also be provided.

Mobilization and increasing regional councils and local authorities revenue sources is quite significant under decentralization especially where financial self reliance is being emphasized. Financial self reliance would enable regional councils and local authorities take greater responsibility for the management of their affairs.

Recommendation

On the basis of the above, it is recommended that there should be a definitive agreed position on financial decentralization especially the mode of transfers under devolution. Concern here are numerous but the principal ones include increasing/expanding the tax base of regional and local authorities, matching the revenue needs of a region with its responsibilities, the kind of

borrowing powers which regional and local authority governments should have and macro - economic impact of decentralization. The macro - economic impact should be viewed under conditions where pressure to finance local government services leads to borrowing by either central government or local government with consequent increase in the money supply and possible subsequent price inflation.

It is further recommended that building the financial capacity of regional councils and local authorities should be taken seriously. Possible areas of assistance should include but are not limited to:

- resource mobilization*
- development of local tax base*
- institution and enhancement of sound financial reporting*
- identification of training program for financial managers at the local level*
- recruitment and training of revenue collectors*
- recruitment and training of tax assessors*
- training of accountants in all regional and local governments.*
- retooling and equipment support to all regional councils and local authorities to include items such as motorcycles, safes, bicycles, type writers, computers, etc.*

There is however a major challenge relating to the question of exploiting revenue potentials for regional councils. Its not debatable that for decentralization to succeed in the country, substantial financing of regional and local authority councils activities shall have to be met from oiaL sources of revenue such as property tax and informnaMector levying of taxes, user charge fees and

licenses.

But the dilemma of exploiting revenue potential of regions lie in the fact that many Namibians have for time immemorial been totally dependent on central government for financing of public services. The dependency syndrome has been such that people expected and still expect the center to provide all, although in some cases this was never to be. Paying taxes / user charge or fees for financing provision of services is therefore "Greek" to the general public/**community**.

The biggest challenge therefore lies in putting a halt to and reversing this state of affairs and inculcating in the population the logic/merit of paying taxes and user charges or fees.

Recommendation

The success of the decentralization program will depend on the strengthening of the revenue generation capacity at the regional level. Therefore priority should be given in the implementation strategy to provide for sources of local revenue, developing and budgeting for funds collected and enhancement of capability to manage the budget and the funds collected.

A lot of sensitization/ awareness creation for the local community should be undertaken as a prelude to the introduction of taxes and user charges/fees. Any thing short of this is likely to meet stiff resistance and agitation from the potential taxpayers, as has been the case recently in Zimbabwe where government was forced to withdraw some of the taxes, which had been introduced.

5.2.4 Personnel decentralization

In the decentralization policy document it is mentioned that personnel would follow the functions to be devolved. What is not specified or made clear is "how" personnel are to follow the functions, or simply the personnel option to be adopted under decentralization.

According to the decentralization implementation strategy under delegation, regional officials of the delegated functions shall be placed under the overall charge and supervision of regional officers. It is envisaged that come devolution all government personnel in the above category shall become regional government employees but under the same public service rules and regulation. The terms and condition of service of regional and local government staff are to conform with those prescribed by the Public Service Commission for the public service generally. Further more its envisaged that a Recruitment and Disciplinary Committee (RDC) consisting of at least three (3) and not more five (5) appointed officials of the council and three councilors from other regions shall be established for each region for the purpose of handling matters relating to recruitment and discipline of staff in the region.

The current practice is that both regional councils and local authorities are employers in their own rights. Regional councils have the power to appoint regional officers (chief executive officers for councils) and other officers and employees. In the case of the regional officer however, regional councils appoint him/her after consultation with the minister. The respective regional council however reserves the right to retain the regional officer in service at the expiry of his/her term of office which is two years after the general election of members of regional councils has taken place.

There also exists a parallel personnel system in the regions in that central government employees belonging to sector line ministries are deployed and serve in the regions. Regional councils however, have no direct control or supervision over these categories of personnel. The supervision and control is carried out by the remote headquarters of the respective line ministry based at Windhoek.

The above category of personnel are the ones who are most scared and worried about their position under the decentralization process. In any case additional personnel from ministries headquarters would also require either shading off, or would have to be re-deployed in the regions where functions are to be devolved. It is actually stated in the decentralization implementation strategy that senior professional officers should be posted from line ministries headquarters to regions where they are lacking after necessary arrangement have been made.

While the provisions of both the Regional Councils and Local Authorities Acts, 1992 are clear on personnel matters for the two institutions, a definite stand has to be made regarding personnel decentralization especially the category to be transferred from the central government establishment.

Personnel decentralization is one of the key aspects of decentralization. If properly thought out and designed, personnel decentralization has the potential of easing pressure on central government's bloated establishment where the option of down/right sizing the public service through laying off/retrenchment of the excess staff is neither preferred nor advisable.

Personnel decentralization is often accompanied by a reduction in the number of officers employed by the central government and a sudden increase in the number of officers

working at the local government levels. For example, in Uganda before decentralization the total number of central government staff including those deployed in local governments was 170, 764 while the total number of local staff for the local governments before decentralization was 25,000 employees. With decentralization the total number of staff of local government rose to 122,977 as at June 1996 (an increase of 97,977) while the number of staff for the central government has dropped to 45,844 as at 30th November 1997. (a reduction of 124,920.)

Depending on the option of personnel decentralization adopted the "excess" personnel from central government can always be absorbed in the local governments as "seed capacity". In this case central government need not worry itself about laying off/retrenching the excess officers on the payroll as a consequence of a blotted establishment. Central government would simply "shade off" the excess staff to the sub- national levels of government.

The absorption of the excess staff from central government to the local governments in this respect has dual advantages namely;

- ◆ It saves central government the worry of retrenching/laying off the excess staff, which in the first instance may be too costly in terms of compensation and secondly may not augur well for national unity and reconciliation.
- ◆ It enhances good governance especially where the changes in the staffing pattern are part and parcel of a massive and carefully thought out and designed local government capacity building program. The capacity of local governments would have been enhanced leading to improved efficiency and effectiveness in service delivery

while at the same time maximizing benefits to the poorest of the poor who are found in the lower levels.

It should however be noted that the absorption of the excess staff from central government would depend on the capacity of the local governments to sustain the excess staff (paying salaries), that is, on the financial viability of local governments.

Options in Personnel Decentralization

Basically there are three options under personnel decentralization as reflected hereunder. The choice of which option is adopted depends on the political objective and national state policy and principles under decentralization. The choice of option is also country specific in the sense that a given country may opt not to operate a pure system but rather blend the options thus leading to existence of a hybrid system.

The options are:

a) Separate System

Under separate personnel system, local governments have the competence to employ own staff/employees; hire and fire their employees; establish or abolish offices but not functions (determine staff establishment) and initiate process relating to recruitment, promotion discipline.

While the separate personnel system guarantees undivided loyalty of local government staff to the local government, virtually all central government officers deployed in the field and the excess staff at the central

payroll who are meant to be de-linked under the separate system are bound to express displeasure with personnel decentralization under the separate system. Instead of a separate personnel system they prefer a unified local government personnel system. This feeling of hopelessness gets compounded by the failure of line ministries to sustain pre-decentralization levels of field support supervision visits.

b) Unified System

Under unified personnel system, local government officers are appointed, promoted and disciplined by a National or Local Government Service Commission; Local governments remain the employers but staff are organized on a national basis and deployed in the regional and local governments. Central government officers deployed in the field and the excess staff from the center who are meant to be de-linked under personnel decentralization prefer the unified personnel system. This is because while the unified system encourages loyalty to the local councils, the staff are provided with appeals institutions in the case of victimization, oppression, nepotism and unfair play contrary to the principle of natural justice. In practice the unified system works under the control and direction of two national bodies namely, a commission consisting of either ministerial or presidential appointees. The two bodies ordinarily define the terms of service, recruitment, procedures, discipline, promotion, etc.

c) Integrated System

Under integrated personnel system, officers belong to the central government cadres but serve local governments on secondment or are posted more or less like field

administration officials. Main issue of concern here is the divided loyalty and accountability of officers which gets divided between the local governments which they serve and the central government which pays them and is responsible for their careers.

Recommendation

As pointed on earlier, personnel decentralization is one of the key aspects of decentralization. The choice of the personnel system to be adopted must be made clear right from the design stage of the policy.

As it is apparent from the decentralization implementation strategy/option that a separate personnel system is the personnel option to be adopted, it's recommended as follows:

- ◆ *The envisaged establishment of the Recruitment and Disciplinary Committee for every region should be expedited so as to pave way for the effective operation of the separate personnel system. The committees once established should be inducted and sensitized in preparation for the challenges that lie ahead of them.*
- ◆ *All the required necessary arrangements should be put in place to pave way for posting of senior professional staff from line ministries headquarters to the regions where they are lacking.*
- ◆ *In the interim period under delegation, regional officers and indeed regional councils should demonstrate a sense of maturity and responsibility in the supervision of the staff of delegated functions who are to be placed under the overall charge and supervision of regional officers. Any false start in*

handling the delegated staff who are expected to become the employees of the councils under devolution shall only confirm the already existing fears of these officers regarding their working relationship with the councils. It would indeed send a very wrong signal to the staff who may be contemplating joining the service of regional councils.

What should be of utmost concern to both central and regional/local governments is the creation of an enabling environment for regional/local governments to absorb and retain or attract the excess staff from the central government payroll including those deployed in the field and are meant to be de-linked. With the option for separate personnel system a lot should be done to demonstrate that the recruitment and disciplinary process, procedures and substantive decision are not only fair but are seen to be so. Confidence building and assurance measures must be put in place founded on the principle of natural justice and the rule of law.

5.2.5 Capacity building

One of the challenges bound to be encountered by the country in its quest for democratic decentralization especially in the implementation process is the issue of development of capacity.

The capacity building effort in support of Decentralization Policy in the country has been split into:

- base line data for all regions
- financial training for regional accountants/economists
- training of administrators/regional officers
- review of all government policies and laws related to

decentralization

- the provision for infrastructure and other resources for regions where they do not exist; and
- conducting of necessary scientific research in all the 13 regions.

The question of development of capacity should be viewed in a wider context. Regional councils are new entrants in the local government system in Namibia. There is therefore absence of qualified personnel in regional councils while the political leaders are also totally new in the game of decentralization. In some regional councils, offices are non-existent while in others offices are lacking in basic tools and equipment. Debate has therefore raged in some circles in the country as to whether decentralization implementation should not be shelved for the time being until capacity is built. Extreme pessimists have the view that decentralization implementation should stay on hold until the year 2020.

The political leadership in the country on the other hand has rightly observed that the argument of lack of capacity for decentralization implementation is not a new phenomenon because the issue of lack of capacity was also advanced for delay in granting independence. It is recognized that capacity building is a dynamic process and not a once for all undertaking. The consensus in recognition of this position seems to be that capacity building is to be tackled concurrently as the implementation process gets underway.

Experiences with decentralization reform process indicate that the most difficult part in the reform process is implementation. Once decentralization of some functions and assignment of resources (including human, financial and material resources) are agreed upon, then the central government must be able to kick-start the process through provision of adequate institutional support to sub national

governments in such areas as:

- Human resources development including staff development/training
- Production of operational manuals
- Technical assistance support
- Support supervision and monitoring
- Financial support
- Mentoring
- Equipment support, retooling and tooling

All the above initiatives are geared towards enhancing and strengthening the capacity of sub national governments in the decentralization process.

The success in decentralization implementation in Namibia shall depend inter alia on the capacity/competence of both local politicians and employees of regional and local authority councils to serve as good stewards for their councils. It shall also depend on the capacity/ability and willingness of central government (represented by the Ministry of Regional, Local Government and Housing, MRLGH) to steer the reform process and give necessary support and guidance to regional and local governments. Capacity building and institutional development are therefore major areas of concern for MRLGH under the decentralization process.

Recommendation

As capacity building is viewed as central to the success of the decentralization implementation process, it is recommended that deliberate and systematic effort should be taken in the area of capacity building using both local and donor funding. Capacity building initiatives should include both human resources development and equipping, retooling and

tooling.

Candidates for capacity building should include but not be limited to:

- ◆ *Ministry of Regional Local Government and Housing and its staff. Concern here is to strengthen the capacity of MRLGH as a lead agency in steering the implementation of decentralization process. The ministry must be prepared to shoulder its changed role under decentralization. Tailor made short, medium and long courses in areas of policy formulation, coordination, advocacy, training, inspection and support supervision should be undertaken. Systematic training needs assessment for the ministry's staff is therefore required.*
- ◆ *Regional and local governments leaders, both appointed and elected. Under decentralization all operational matters for devolved functions are the responsibilities of regional and local governments. The capacity of regional and local governments to measure to the challenges of decentralization therefore constitute a critical area for action.*
- ◆ *The Association of Regional Councils (ARC) and the Association of Local Authorities (ALAN). The capacity of the two associations in advocacy and negotiation skills and representing the interests of their members should be given due attention.*
- ◆ *The Centre for Public Service Training (CPST). As a National training institution, the CPST requires an enhanced and strengthened capacity for design and delivery of training programs under decentralization.*
- ◆ *The general public who are the principal beneficiaries*

under the decentralization program. There is need to empower the general public who are vital oversight institutions to enable them have the capacity to hold their leaders (both elected and appointed) accountable.

Staff development of regional and local government officials should target both appointed and elected officials, focusing on sensitization (awareness creation) and skills development. For elected officials (Councilors) training should focus on sensitization, induction and orientation seminars and workshops about the policy of decentralization, the new institutional framework and their relationship and the emerging center-local relationship. It should be noted that capacity building for councilors is crucial since new local authority councilors have been elected in office early this year and new ones in the case of regional councils shall be elected to office towards the end of the year. General sensitization training workshops/seminars should be conducted for all levels of regional and local government councils as a mechanism for inducting the elected leaders on decentralization programs, challenges and their roles and responsibilities.

For appointed officials focus should be on skills development programs through seminar, workshops. Short and long courses should be for targeted officials especially regional officers, town clerks, accountants, planners, internal auditors, personnel officers, chief control officers, etc. For the general public (youth women groups/organizations, local farmers, community based organizations, etc.) training should focus on sensitizing them on issues of decentralization with special emphasis on their rights and responsibilities as members of the civil society in a decentralized system. The need for them to function as vital oversight institutions would have to be emphasized.

Infrastructure development including construction of regional offices where they are non existent should be urgently looked into. On the other hand provision of equipment/logistical support to both Ministry of Regional, Local government and Housing and regional councils and local authorities should include but not be limited to vehicles (for training, support supervision and inspection of regional councils and local authorities in the case of Ministry of Region, Local Government and Housing and for field operations in the case of councils), computers with accessories (especially for planning units of regional councils), filing cabinets, faxes machines, etc.

All the above represent a summary of the overall capacity building intervention which are required under the decentralization process.

5.2.6 Implementation Strategy and Work Plan

The Decentralization implementation strategy and work plan are all clearly laid out in the booklet entitled "Decentralization in Namibia, the Policy, its Development and Implementation". Provisions are made in the implementation strategy covering the following areas:

- Implementation option, which provides that in the interim period, functions agreed for immediate devolution shall with effect from 01/04/98 be delegated to regional councils and local authorities, who shall act as principal agents.
- Centre - Local Relations under which detailed relationship between regional councils, local authorities and the central government and its line ministries and agencies under delegation are outlined covering such areas as activities of line ministries, communication

channel, establishment of minimum standards, public accountability, etc.

- Administrative machinery for effecting delegation
- Finance relations under delegation including intergovernmental transfer
- Inter-Governmental relations
- Central implementing organs
- Activities and actions that must be taken to bring into effect the policy decisions relating to Decentralization.
- For the purpose of assigning responsibilities and giving a time frame for implementation, there is a well thought out and clearly laid down implementation work plan covering a period of one year effective 30/03/98.

Recommendation

As pointed out earlier the most difficult and challenging aspect of decentralization reform is implementation. The onus therefore is on the Ministry of Regional, Local Government and Housing as a lead agency spearheading decentralization to ensure that the implementation strategy and work plan get converted into action. The momentum and heat of decentralization which was turned on at the time of the official launch of the policy should be kept on and sustained. Successes to be registered at the initial stages of the implementation process would help build confidence in the reform process.

6. IMPLEMENTATION CHALLENGES

- 6.1 Cross-country experiences with decentralization policy indicate that the most important prerequisite for the success with the policy includes inter alia having a very strong political will and commitment from the higher levels of political and administrative leadership. Political will has its roots in the National Political Objectives, which comes out of the conviction of the desirability to decentralize power and authority to lower levels.
- 6.2 The political will has to be backed up with appropriate institutional arrangements for effecting the decentralized governance system together with a clear assignment of functions/responsibilities and spending authority between the various levels of governments. Further more the competence of local governments to measure to the challenges of implementation (in terms of technical competence and resource availability) is also instrumental to the success of decentralization.
- 6.3 Last but not least there must be an unwavering central government support at the national level. For decentralization (which entails loss of power and control by central government functionaries) to succeed, the central government must be willing and able to steer the reform process and behave in a way that does not impede decentralization. Central government officials must learn when to intervene in the process and must refrain from tendencies, which inhibit emergence of good governance at the local level.

6.4 Directorate of Decentralization

The experiences on the ground indicate that implementation of decentralization policy is going to be a challenging one an indeed along the process. It will require the collaboration of the office of the Prime Minister, the National Planning Commission, the Public Service Commission and other key stakeholders not specifically mentioned here. Above all it requires a full time body of specialist

who will have to be formed for spear-heading the implementation process and giving support to regional councils and local authorities.

Recommendation

The proposed setting up of a Directorate of Decentralization in the Ministry of Regional, Local Government and Housing to manage the programme is recommended and should be expedited. The Directorate would require adequate staffing, funding and equipping and tooling and its operation would have to be "freed" from the traditional public service bureaucratic machinery.

Once established the Directorate should swiftly move to:

- ◆ *Review progress achieved so far in the implementation process.*
- ◆ *Expedite the drafting, revision and amending of the Regional Councils Act, 1992 and Local Authorities Act, 1992 to give effect to decentralization. The proposed new legislation should be exposed to wide consultations as possible.*
- ◆ *Provide detailed guidelines defining the most critical role relationship in the interim period in the proposed decentralization system among both central government institutions and regional councils and local authorities.*
- ◆ *Set up Task Forces/Committees required for appropriate action to be chaired by the MRLGH with respect to the following key activities:*
 - *Task Force for developing a National Training Strategy for decentralization*
 - *Task Force for regional council review to comprise inter alia: Review consultant and Human Resources Management*

specialists.

- *Task Force on the proposed new decentralization legislation*
- *Task Force to develop guidelines for management of the separate personnel system for regional councils under decentralization.*
- *Task Force to develop materials for sensitization of central government officials, councilors and officials of regional councils and local authorities and the general public.*
- *Task Force to work out and design modality for intergovernmental transfers under decentralization.*

The task forces to be established would be chaired by the Ministry of Regional, Local Government and Housing.

6.5 Decentralization Policy Implementation Committee

The successful implementation of decentralization policy would by and large depend on strong political will at the national level and an unrelenting central government support. According to the decision of the cabinet the whole process of decentralization is to be supervised by the office of the Prime Minister.

Recommendation

It is recommended that, for effective supervision of the implementation process and to ensure the much needed central government support in the decentralization implementation process, the establishment of Decentralization Policy Implementation Committee (DPIC) to be chaired by the Prime Minister s office comprising key ministries including Ministry of Regional, Local Government and Housing, National Planning Commission, Ministry of Finance, Public Service Commission and

Ministry of Justice should be expedited. The Decentralization Policy Implementation Committee could meet once every month during the initial phase of implementation to review implementation progress and give policy guidance and back up to the implementation process.

6.6 Restructuring Ministry of Regional, Local Government and Housing

Recommendation

Once the Directorate of Decentralization has been instituted and agreed functions of the ministry devolved, then there shall be need to restructure the ministry so as to have it well placed and prepared to assume its changed role as a lead agency in the decentralization process.

The restructuring of the ministry should however be carefully carried out taking into account the overall civil service reform strategy. At the same time designing an appropriate capacity building strategy should be undertaken to ensure that the new structures in the ministry together with the officers to be in post can measure to the challenges that lie ahead of them in the decentralization process.

6.7 Study of Decentralized Systems of Local Governments

Decentralization as a concept and policy is being implemented in a number of countries world wide, in both the developed and the so-called developing countries. Experiences in the countries implementing decentralization vary from country to country and so are the circumstances and environment in which the policy is being implemented. Cross-country experiences can therefore enrich the policy, its planning and implementation process in a given country.

Recommendation

It is recommended that in as far as possible further cross country study of decentralization systems of local governments be undertaken as the country has moved into the implementation stage of the policy. From a learning point of view the sharing of experiences would enrich the decentralization implementation process in the country; enable the main actors in the implementation process including policy makers to be well informed of practices in other countries with or without similar political, economic and social environment/background. This would offer the opportunity to re-think about the approach being adopted in the country and improve on performance and above all would enrich the policy, planning and implementation process in the belief that from a policy review point, there is always a better way of implementing the policy.

SUMMARY OF RECOMMENDATIONS

7.1 Policy and Legal Framework

Recommendation

It is recommended that in putting into effect the cabinet directive on the amendment of the Regional Councils Act, 1992 and the Local Authorities Act 1992 to give effect to Decentralization, the proposed new decentralization enabling legislation should as a matter of priority be enacted to provide for a consolidated and harmonized legal framework for decentralization in the Country subject to the following considerations:

- ◆ *There should be wide consultations with all key stakeholders in amending and streamlining the existing laws on regional, and local governments so as to gain their input and consensus in line with the government's ideals on participatory democracy.*

- ◆ *The new legislation should be an enabling law which provides for a continuous process of decentralization whereby functions, powers and responsibilities are transferred from central government to regional and local governments in a coordinated manner in order that governmental decisions are taken as close as possible to all those involved. It should also provide for the transfer of resources i. e. human, financial and material to enable regional councils and local authorities carry out the responsibilities and functions assigned to them effectively and efficiently.*
- ◆ *The new legislation should specify in very clear terms functions assigned to the various levels of government as well as resources including finances; specify the rights and obligation of all officers and structures in the system bearing in mind that its to be a reference point in the settlement of disputes over contested areas.*
- ◆ *The new legislation should in keeping in line with the provision of the constitution provide for affirmative action in favour of marginalized groups especially women.*
- ◆ *The new legislation should provide for clear separation of functions and services between the central, regional and local governments. The powers for regional and local governments to plan for their development, make and approve budgets, make local laws, have autonomy over their finances should all be clearly spelt out.*
- ◆ *The new legislation should also spell out provision for adequate resource transfers from central government to regional and local governments including determining and setting tax levels/rates to enable them measure to the challenges of decentralization program. Focus here should be on both vertical and horizontal transfers. Vertical transfers here refer to appropriation of funds in the national budget for regional*

councils and local authorities while horizontal transfers refer to distribution of the funds among regional councils and local authorities, i. e. allocation to each regional and local government.

- ◆ *The new legislation should also spell out very clearly the modalities for resource management involving financial management and accountability by regional and local governments. Institutions for financial management and accountability should be fully provided for.*
- ◆ *The new legislation should make it mandatory for central government and its agencies to provide technical support, support supervision, capacity building including training to regional and local governments. It should also provide for inspection and supervision of regional and local governments by the ministry responsible for regional and local governments and other relevant line ministries for the purpose of promoting adherence to the law by regional and local governments.*
- ◆ *In the new legislation regional and local governments should be empowered to make laws which must not be inconsistent with the constitution or any other law enacted by Parliament.*
- ◆ *A task force from the Attorney-General's office/Ministry of Justice or a short term consultancy is recommended for the drafting of a consolidated bill taking into account the relevant sections of the existing Acts relating to regional and local governments.*
- ◆ *Once the draft of the new legislation is produced after being subjected to wide consultations with all the interested parties i.e stakeholders so as to gain their inputs and consensus on the same, the draft bill should then be submitted to Cabinet for approval/endorsement.*

7.2 Political Decentralization

Recommendation

It is recommended that in the proposed new legislation for decentralization, the position of the mayor should be clearly defined. How the Chairperson/Governor and Mayor would relate to each other as well as their center-local relationship should also be clearly spelt out in the new legislation. The relationship between these political heads with their chief executive officers (regional officer in case of the governor and town clerk in case of the mayor) should also be made clear in the proposed legislation.

It's further recommended that the pending creation/establishment of the Constituency Development Committees to provide the much needed linkage between the regional councils and the villages, settlements and the community be expedited.

7.3 Financial Decentralization

Recommendation

(i) It is recommended that there should be a definitive agreed position on financial decentralization especially the mode of transfers under devolution. Concern here are numerous but the principal ones include increasing/expanding the tax base of regional and local authorities, matching the revenue needs of a region with its responsibilities, the kind of borrowing powers which regional and local authority governments should have and macro - economic impact of decentralization. The macro - economic impact should be viewed under conditions where pressure to finance local government services leads to borrowing by either central government or local government with consequent increase in the money supply and possible subsequent price inflation.

is further recommended that building the financial capacity of regional councils and local authorities should be taken seriously. Possible areas of assistance should include but are not limited to:

- ◆ resource mobilization*
- ◆ development of local tax base*
- ◆ Institution and enhancement of sound financial reporting*
- ◆ identification of training program for financial managers at the local level*
- ◆ recruitment and training of revenue collectors*
- ◆ recruitment and training of tax assessors*
- ◆ training of accountants in all regional and local governments.*
- ◆ retooling and equipment support to all regional councils and local authorities to include items such as motorcycles, safes, bicycles, typewriters, computers, etc.*

(ii) The success of the decentralization program will depend on the strengthening of the revenue generation capacity at the regional level. Therefore priority should be given in the implementation strategy to provide for sources of local revenue, developing and budgeting for funds collected and enhancement of capability to manage the budget and the funds collected.

A lot of sensitization/awareness creation for the local community should be undertaken as a prelude to the introduction of taxes and user charge/fees. Any thing short of this is likely to meet stiff resistance and agitation from the potential taxpayers, as has been the case recently in Zimbabwe where government was forced to withdraw some of the taxes, which had been introduced.

7.4 Personnel Decentralization

Recommendation

Personnel decentralization is one of the key aspects of decentralization. The choice of the personnel system to be adopted must be made clear right from the design stage of the policy.

As its apparent from the decentralization implementation strategy that a separate personnel system is the personnel option to be adopted, it's recommended as follows:

- ◆ *The envisaged establishment of the Recruitment and Disciplinary Committee for every region should be expedited so as to pave way for the effective operation of the separate personnel system. The committees once established should be inducted and sensitized in preparation for the challenges that lie a head of them.*
- ◆ *All the required necessary arrangements should be put in place to pave way for posting of senior professional staff from line ministries headquarters to the regions where they are lacking.*
- ◆ *In the interim period under delegation, regional officers and indeed regional councils should demonstrate a sense of maturity and responsibility in the supervision of the staff of delegated function who are to be placed under the overall charge and supervision of the regional officers. Any false start in handling the delegated staff who are expected to become the employees of the councils under devolution shall only confirm the already existing fears of these officers regarding their working relationship with the councils. It would indeed send a very wrong signal to the staff who may be contemplating joining the service of regional councils.*

What should be of utmost concern to both central and

regional/local governments is the creation of an enabling environment for regional/local governments to absorb and retain or attract and retain the excess staff from the central government payroll including those deployed in the field and are meant to be de-linked. With the option for separate personnel system a lot should be done to demonstrate that the recruitment and disciplinary process, procedures and substantive decision are not only fair but are seen to be so. Confidence building and assurance measures must be put in place founded on the principle of natural justice and the rule of law.

7.5 Capacity Building

Recommendation

As capacity building is viewed as central to the success of the decentralization implementation process, it is recommended that deliberate and systematic efforts should be taken in the area of capacity building using both local and donor funding. Capacity building initiatives should include both human resources development and equipping, retooling and tooling.

Candidates for capacity building should include but not be limited to:

- ◆ *Ministry of Regional, Local Government and Housing and its staff. Concern here is to strengthen the capacity of MRLGH as a lead agency in steering the implementation of decentralization process. The ministry must be prepared to shoulder its changed role under decentralization. Tailor made short, medium and long courses in areas of policy formulation, coordination, advocacy, training, inspection and support supervision should be undertaken. Systematic training needs assessment for the ministry's staff is therefore required.*

- ◆ *Regional and local government leaders, both appointed and*

elected. Under decentralization all operational matters for devolved functions are the responsibilities of regional and local governments. The capacity of regional and local governments to measure to the challenges of decentralization therefore constitute a critical area for action.

- ◆ *The Association of Regional Councils (ARC) and the Association of Local Authorities (ALAN). The capacity of the two associations in advocacy and negotiations skills and representing the interests of their members should be given due attention.*
- ◆ *The Centre for Public Service Training (CPST). As a National training institution, the CPST requires an enhanced and strengthened capacity for design and delivery of training programs under decentralization.*
- ◆ *The general public who are the principal beneficiaries under the decentralization program. There is need to empower the general public who are vital oversight institutions to enable them have the capacity to hold their leaders (both elected and appointed) accountable.*

Staff development of regional and local government officials should target both appointed and elected officials, focusing on sensitization (awareness creation) and skills development. For elected officials (Councilors) training should focus on sensitization, induction and orientation seminars and workshops about the policy of decentralization, the new institutional framework and their relationship and the emerging centre- local relationship. It should be noted that capacity building for councilors is crucial since new local authority councilors have been elected in office early this year and new ones in the case of regional councils shall be elected to office towards the end of this year. General sensitization training workshop/seminars shall have to be conducted for all levels of regional and local government

councils as a mechanism for inducting the elected leaders on decentralization programs, challenges and their roles and responsibilities.

For appointed officials focus should be on skills development programs through seminars, workshops. Short and long courses should be for targeted officials especially regional officers, town clerks, accountants, planners, internal auditors, personnel officers, chief control officers etc. For the general public (youth women groups/organizations, local farmers, community based organizations, etc.) training should focus on sensitizing them on issues of decentralization with special emphasis on their rights and responsibilities as members of the civil society in a decentralized system. The need for them to function as vital oversight institutions would have to be emphasized.

Infrastructure development including construction of regional offices where they are non existent should be urgently looked into. On the other hand provision of equipment/logistical support to both Ministry of Regional, Local Government and Housing and regional councils and local authorities should include but not be limited to vehicles (for training, support supervision and inspection of regional councils and local authorities in the case of Ministry of Regional, Local Government and Housing and for field operations in the case of the councils), computers with accessories (especially for planning units of regional councils), filing cabinets, faxes machines, etc.

7.6 Implementation Strategy and Work Plan

Recommendation

As pointed out earlier the most difficult and challenging aspect of decentralization reform is implementation. The onus therefore is on the Ministry of Regional, Local Government and Housing as a lead agency spearheading decentralization to ensure that the

implementation strategy and work plan get converted into action. The momentum and heat of decentralization which was turned on at the time of the official launch of the policy should be kept on and sustained. Successes to be registered at the initial stages of the implementation process would help build confidence in the reform process.

1.1 Directorate of Decentralization

Recommendation

The proposed setting up of a Directorate of Decentralization to manage the programme is recommended and should be expedited. The Directorate would require adequate staffing, funding and equipping and tooling and its operation would have to be "freed" from the traditional public service bureaucratic machinery.

Once established the Directorate should swiftly move to:

- ◆ *Review progress achieved so far in the implementation process.*
- ◆ *Expedite the drafting, revision and amending of the Regional Councils Act, 1992 and Local Authorities Act, 1992 to give effect to decentralization. The proposed new legislation should be exposed to wide consultations as possible.*
- ◆ *Provide detailed guidelines defining the most critical relationship in the interim period in the proposed decentralization system among both central government institutions and regional councils and local authorities.*
- ◆ *Set up Task Forces/Committees required for appropriate action to be chaired by the MRLGH with respect to the following key activities:*
 - *Task Force for developing a National Training Strategy for*

decentralization.

- *Task Force for Regional Council review to comprise inter alia Review consultant and Human Resources Management specialists.*
- *Task Force to develop guidelines for management of the separate personnel system for regional councils under decentralization.*
- *Task Force to develop materials for sensitization of central government officials, councilors and officials of regional councils and local authorities and the general public.*
- *Task Force to work out and design modality for intergovernmental transfers under decentralization.*

The task forces to be established would be chaired by the Ministry of Regional, Local Government and Housing.

7.8 Decentralization Policy Implementation Committee

Recommendation

It is recommended that, for effective supervision of the implementation process and to ensure the much needed central government support in the implementation process, the establishment of the Decentralization Policy Implementation Committee (DPIC) to be chaired by the Prime Minister's office be instituted comprising key ministries including Ministry of Regional, Local Government and Housing, National Planning Commission, Public Service Commission and Ministry of Justice. The Decentralization Policy Implementation Committee could meet once every month during initial phase of implementation to review implementation progress and give policy guidance and back up to the implementation process.

7.9 Restructuring of Ministry of Regional, Local Government and Housing

Recommendation

Once the Directorate of Decentralization has been instituted and agreed functions of the ministry devolved, then there shall be need to restructure the ministry so as to have it well placed and prepared to assume its changed role as a lead agency in the decentralization process.

The restructuring of the ministry should however be carefully carried out taking into account the overall civil service reform strategy. At the same time an appropriate capacity building strategy should be designed to ensure that the new structures in the ministry together with the officers to be in post can measure to the challenges that lie ahead of them in the decentralization process.

7.10 Study of Decentralized Systems of Local Governments

Recommendation

It is recommended that in as far as possible further cross country study of decentralization systems of local governments be undertaken as the country has moved into the implementation stage of the policy. From a learning point of view the sharing of experiences would enrich the decentralization implementation process in the country; enable the main actors in the decentralization implementation process including policy makers to be well informed of practices in other countries with or without similar political, economic and social environment/background. This would offer the opportunity to re-think about the approach being adopted in the country and improve on performance and above all would enrich the policy, planning and implementation process in the belief that from a policy review point, there is always a better way of implementing the policy.

APPENDIX I

**MINISTRY OF REGIONAL,
LOCAL GOVERNMENT
AND HOUSING
APRIL, 1998**

FUNCTIONS TO BE DECENTRALIZED TO REGIONAL COUNCILS AND LOCAL AUTHORITIES

When taking into account all the issues regarding direction and pace of Decentralization to the regions, and as a result of extensive consultations with the regional and local authorities, it has been decided that the following functions will be decentralized, within the time frames indicated and to the type of councils as shown below. Technical details will be agreed upon with the individual council.

1. Functions for Immediate Decentralization to Regions

- 1.1 Community Development and Early Childhood Development
- 1.2 Administration of settlement areas
- 1.3 Rural Water Development and Management
- 1.4 Management and control of communal lands
- 1.5 Responsibility over personnel, including paying salaries
- 1.6 Primary health care
- 1.7 Pre-primary education
- 1.8 Conservation
- 1.9 Forest development and management
- 1.10 Physical and economic planning (including capital development projects)

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1.11 Emergency management

1.12 Resettlement, rehabilitation and housing

1.13 Agency services to villages and settlements

2. Functions to be Decentralized in the Intermediate Terms because they need further work, study etc.

2.1 Regional assets management now under the Ministry of Works, Transport and Communication

2.2 Small miners development

2.3 Informal trade licences

2.4 Informal market dues

2.5 Rural electrification

3. Functions not likely to be Decentralized to Regional Councils in the near future (long-term)

3.1 All agreed government function being implemented by line-ministries at regional levels should eventually be decentralized to Regional Councils.

3.2 There will always be those functions which can never be decentralized in a unitary State.

3.3 All those functions, or parts of functions, which in theory can be decentralized, according to the above criteria, but are not listed above, will continue to be carried out by line-ministries in the foreseeable futures.

3.4 For that to happen, line-ministries should be organized so that

their representatives have specific regional responsibilities, and regional councils should know what these are and which region (s) they are responsible for.

4 Functions to be Decentralized to Local Authorities

- 4.1 Local authorities in Namibia already carry out certain functions assigned to them by the Local Authorities Act 1992. Which ones they carry out depends on their grading in terms of the above Act.
- 4.2 In general, it is expected that those municipalities with the highest grading, part one, will take on full responsibility in their communities for all the functions defined in terms of the criteria of Decentralization as outlined above. The smaller the local authority, the more direct involvement and support of the state and / or the regional council there will be.
- 4.3 In principle where the relationship between local authorities and Central Government remains a strong one in functional and funding terms, such a relationship could be exercised through regional councils.

5. Functions to be Decentralized immediately or immediate to intermediate terms by level of municipality.

5.1. PART ONE MUNICIPALITIES

- 5.1.1 (a) Traffic control
 - (b) Vehicle testing and licensing
- 5.1.2 Community development (e.g. early childhood development)
- 5.1.3 Responsibility and accountability of electricity

distribution

- 5.1.4 Responsibility and accountability of water provision
- 5.1.5 Collection of assessment rates and taxes
- 5.1.6 Refuse collection fees
- 5.1.7 Non-personal health services
- 5.1.8 Liquor licensing
- 5.1.9 Full responsibility for environment and conservation
- 5.1.10 Business registration
- 5.1.11 Housing
- 5.1.12 Primary Health Care
- 5.1.13 Social Services Schemes (e.g. pensions, orphanage, street children, disability programs etc.)
- 5.1.14 Youth, sport and recreational activities
- 5.1.15 Libraries
- 5.1.16 Control of aerodromes

5.2 PART TWO MUNICIPALITIES

- 5.2.1 Full responsibility for environment and conservation
- 5.2.2 Housing
- 5.2.3 Responsibility and accountability for electricity

distribution

- 5.2.4 Water service collection fees
- 5.2.5 Refuse service collection fees
- 5.2.6 Collection of assessment rates and taxes
- 5.2.7 a) Traffic control
 - b) Vehicle testing and licensing
- 5.2.8 Primary health care
- 5.2.9 Social services (e.g. pensions, orphanage, street children, and disability programs etc.)
- 5.2.10 Community development (e.g. early childhood development.)
- 5.2.11 Youth, sport and recreational activities
- 5.2.12 Non-personal health services
- 5.2.13 Libraries
- 5.2.14 Liquor licensing
- 5.2.15 Business registration
- 5.2.16 Control of aerodromes

5.3 TOWNS

- 5.3.1 (a) Traffic control

(b) Vehicle testing and licensing

5.3.2 Distribution of electricity

5.3.3 Distribution of water

5.3.4 Collection of assessment rates

5.3.5 Refuse collection fees

5.3.6 Control of aerodromes

5.3.7 Libraries

5.3.8 Budgeting responsibility (with subsidy form Central Government in special cases only).

5.3.9 Sport and recreational facilities

5.4 VILLAGES

5.4.1 Collection of Grazing fees

5.4.2 Recreational facilities

5.4.3 Control of aerodromes

5.4.4 Water services collection fees

6. Functions to be Decentralized in the Intermediate to Long-term

6.1 PART ONE MUNICIPALITIES

6.1.1 Primary education

6.1.2 All Primary Health Care

6.1.3 Libraries

6.1.4 Policing

6.1.5 Informal trade licenses

6.1.6 Market dues

6.1.7 Street vendors levy

6.2 PART TWO MUNICIPALITIES

6.2.1 Policing

6.2.2 Museums

6.2.3 Tourism, management of tourist resorts

6.2.4 Nursery school, school hostels

6.3 TOWNS

6.3.1 Market dues

6.3.2 Street vender's levy

6.4 VILLAGES

6.4.1 Informal trade licenses

6.4.2 Market dues

6.4.3 Control of small scale mining within the village area

6.4.4 Public transport for villagers

6.4.5 Tourism management

7. Functions to be decentralized to Local Authorities in the Long-term

7.1 All agreed government functions being implemented by line-ministries or regional councils at local authorities levels should eventually be decentralized to local authorities.

7.2 There will always be those functions which can never be decentralized in unitary state or if decentralized, are better carried out at regional than at local authority level.

7.3 All those functions, or parts of functions, which in theory can be decentralized, according to the above criteria, but not listed above, will continue to be carried out by line ministries or by regional councils for the foreseeable future.

7.4 For that to happen, line ministries and regional councils should recognize the local authority areas as an entity, exercises responsibility for specific functions. The local authority in question has an interest and right to influence the exercise.

B FUNCTIONS THAT ARE PERFORMED CURRENTLY BY VARIOUS LOCAL AUTHORITIES, ARE AS FOLLOWS:

1. Trade Account

1.1 Water

1.2 Electricity

1.3 Sewerage

1.4 Refuse

Rates and General Account

2.1 Assessment rates

2.2 Sale of evaluation roles and valuation certificates

2.3 Rental of kiosks

2.4 Commission on salary deductions

2.5 Discount on store payments before certain dates

2.6 Interest on investments

2.7 Diary lines

2.8 Business registration forms

2.9 Burial charges

2.10 Grave maintenance

2.11 Cremation fees

2.12 Sale of tickets at swimming pools

2.13 Sale of Tender Documents

2.14 Building plans and drainage Inspection fee

2.15 Rent of expropriate properties

- 2.16 Rent of staff housing
- 2.17 Laboratory test
- 2.18 Rent of food stands
- 2.19 Lease of townlands
- 2.20 Sale of bus tickets
- 2.21 Fire brigade fees
- 2.22 Ambulance fees
- 2.23 Dog license
- 2.24 Taxi and cartridge license
- 2.25 Parking meters
- 2.26 Rent of parking areas
- 2.27 Lease of community hall
- 2.28 Rent on building and housing

3. PART ONE MUNICIPALITIES

- 3.1 Recurrent Budget
- 3.2 Capital Budget

4. PART TWO MUNICIPALITIES

- 4.1 Recurrent Budget

4.2 Capital Budget

As it can be seen from sub-heading "B" above, local authorities in this country, have already taken over the bulk of functions and there shall be no reason why they can't take over additional responsibility, once the technical responsibility are worked out by Central Government during this financial year.

APPENDIX II

ESTABLISHMENT OF COORDINATING AND DEVELOPMENT COMMITTEES

A. REGIONAL DEVELOPMENT COORDINATING COMMITTEES (RDCCs)

For the purpose of effective regional development planning and coordination there shall be established in every region a Regional Development Coordinating Committee (RDCC).

Composition of Regional Development Coordinating Committees

A Regional Development Coordinating Committee shall consist of -

- a) The Regional Officer of that region who shall be the Chairperson.
- b) Heads of Departments of line ministries in that Region.
- c) For **annual planning purpose** only, two members ' from each recognized traditional authority in the region
- d) One designated member of each local authority in the region.
- e) One representative of Non Governmental Organizations (NGOs) and Community Based Organizations (CBOs) operating in the region

Functions of Regional Development Coordinating Committees

The Regional Development Coordinating Committee (RDCC) shall be responsible for the effective planning and coordination of the development of the region and shall -

- a) Facilitate the establishment of a sound management information system in the region.
- b) Prepare and evaluate development proposals / plans for the region for approval by the Regional Council.
- c) Supervise/oversee, monitor and evaluate the implementation of the development plans as approved by the regional council.
- d) Discuss, evaluate and monitor implementation of regional projects, which are funded by the central government.
- e) Offer guidance to the Constituency Development Committees.
- f) Coordinate the development planning of the region and integrate all the development proposals / plans from the Constituency Development Committees for presentation to the Regional Council.
- g) Be responsible for monitoring day to day emergency occurrences including natural (e.g. drought) and man made (e.g. wild fire) disasters and take account of the number of people that would be affected by such emergency occurrences.
- h) Be the secretariat to service the Regional Council for the purpose of Planning and Development.
- i) Generally monitor the implementation of projects and other activities undertaken by Government, and Local authorities, Non-Governmental Organizations and Community Based Organizations in the region.
- j) Carry out any other duty as may be authorized by the Regional Council or any law.

B. CONSTITUENCY DEVELOPMENT COMMITTEES (CDCS)

For the effective coordination of the planning and development of the region at the constituency level, there shall be established a Constituency Development Committee (CDC) in every constituency. Each Constituency Development Committee shall comprise of not less than seven (7) and not more than (17) members.

Composition of Constituency Development Committees

A Constituency Development Committee shall consist of-

- a) The Chairperson who is also the Constituency Councilor for the area.
- b) Two members of the recognized traditional authorities (headmen) in that area.
- c) One representative of Non-Governmental Organizations (NGOs) in the area.
- d) One representative of Community Based Organizations (CBOs) in the area.**
- e) A representative of government service providers in the area in respect of each sector.
- f) Three persons with disabilities representing persons with disabilities in the constituency.
- g) Two youth members representing the youth in the constituency, one of whom shall be a female.
- h) At least 1/3 of the members of the Constituency Development Committee shall be women and

- i) The members of the CDC shall elect from amongst themselves a secretary who shall be responsible for recording the proceedings of the committee.

Functions of the Constituency Development Committee

The Constituency Development Committee (CDC) shall be responsible for the effective coordination of the planning and development of the region at the constituency level and shall -

- a) Facilitate the establishment of a community-based management information system in the area.
- b) Identify and assess community needs / problems to be considered for both constituency development proposals / plans and capital projects.
- c) Prepare and evaluate development proposals/plans for the constituency for submission to the regional council.
- d) Initiate, encourage, support and participate in communities self-help projects and mobilize people, material, financial and technical assistance in relation thereto;
- e) Monitor and evaluate the implementation of the development plans as approved by the regional council and write reports.
- f) Assist in the maintenance of law, order and security
- g) Be responsible for monitoring day to day emergency occurrences including natural (e.g. drought) and man made (e.g. wild fire) disasters and take account of the number of people that would be affected by such emergence occurrences.
- h) Serve as the communication channel between the regional councils and people in the constituency.

- i) Generally monitor the administration of its area and report to the regional council or local authority.
- j) Generally coordinate and monitor projects and activities undertaken by government, government agencies, regional councils, local authorities, Non-Governmental Organizations and Community Based Organizations in the area.
- k) Carry out other functions which may be imposed by law or incidental to the above.

C. LOCAL AUTHORITY DEVELOPMENT COMMITTEES

A Local Authority Development Committee (LADC) shall be established in every local authority for the purpose of effective co-ordination of the planning and development of the local authority. The committee shall consist of not less than 5 members and not more than 17 members in the case of a municipality and / or town and not less than 15 in the case of a village council. 1 or 2 constituency councilors in a municipality / town shall be members of the local authority development committee.

Composition of Local Authority Development Committees

A Local Authority Development Committee shall consist of-

- a) The Chairperson who is also the Mayor of the local authority. The Village Council Chairperson shall also be the Chairperson of the Village Development Committee.
- b) 1 or 2 constituency councilors in the area. In the case of the Village Development Committee, the constituency councilor in the area shall be a member.
- c) One representative of Non-Governmental Organizations (NGOs)

in the area.

- d) One representative of Community Based Organizations (CBOs) in the area.
- e) Heads of Departments of the local authority council.
- f) Two youth members representing the youth in the area, one of whom shall be a female.
- g) The Town Clerk who shall also be the Secretary to the Committee
- h) At least 1/3 of the members of the Local Authority Development Committee shall be women.

Functions of the Local Authority Development Committee.

A Local Authority Development Committee shall be responsible for the effective co-ordination of the planning and development of the local authority area and shall -

- a) Facilitate the establishment of a community - based management information system in the area.
- b) Identify and assess community needs / problems to be considered for both local authority development proposals / plans and capital projects.
- c) Prepare and evaluate development proposals/ plans for the local authority for approval by the councils management committee / council.
- d) Initiate, encourage, support and participate in communities self-help projects and mobilize people, material, financial and technical assistance in relation thereto;

- e) Monitor and evaluate implementation of development plans as approved by the local authority council and write reports.
- f) Discuss, evaluate and monitor implementation of projects for the area which are funded by government.
- g) Discuss, evaluate and recommend for approval to the management committee of the council investment proposals for the area.
- h) Generally co-ordinate and monitor projects and activities undertaken by Government, Government Agencies, Non-Government Organizations, Community Based Organizations and Investors in the areas.
- i) Carry out any other duty as may be authorized by the local authority council or any law.

VILLAGE DEVELOPMENT COMMITTEES

A Village Development Committee (VDC) shall be established in every village for the purpose of effective coordination of the planning and development of the village. The committee shall consist of not less than 5 and not more than 15 members.

Composition of the Villages Development Committee

A Village Development committee shall consist of-

- a) The chairperson who is also the chairperson of the village council
- b) The constituency councilor in the area.
- c) One member of recognized traditional authorities in the area where applicable.

- d) One representative of each line ministry in the area where applicable
- e) Not more than five members from the community
- f) The village council secretary who shall also be the secretary to the committee.

Functions of the Village Development Committee.

The functions of the committee shall be to -

- a) Facilitate the establishment of a community - based management information system in the area.
- b) Identify, assess and evaluate community needs / problems to be considered for development proposals / plans by the village council and Constituency Development Committee.
- c) Resolve problems identified at that level.
- d) Monitor and report to the regional council the possibility of the village to develop into a town.
- e) Initiate, encourage, support and participate in communities self-help projects and mobilize people, material, financial and technical assistance in relation thereto;
- f) Assist in the maintenance of law and order and security.
- g) Serve as a communication channel between the regional council and the people in the area.
- h) Generally monitor the delivery of services within its area and report to the regional council.

- i) Carry out any function that may be assigned to it by the regional council.
- j) Carry out any other function which may be imposed by law or incidental to the above.

E SETTLEMENT COMMITTEES

A Settlement Committee (SC) shall be established in every settlement area for the purpose of effective coordination of the administration and development of the settlement.

Composition of the Settlement Committee

The Settlement Committee shall consist of-

- a) The officer in charge of the settlement who shall also be the chairperson of the committee.
- b) One member of recognized traditional authorities in the area where applicable.
- c) One representative of each line ministry in the area where applicable.
- d) Not more than five members from the community.

Functions of the Settlement Committee

The functions of the settlement committee shall be-

- a) To draw the attention of the Constituency Councilor and / or the Regional Officer to any matter that rouses their concern or interest or relating to the management and administration of the settlement.

- b) To facilitate the establishment of a community - based management information system in the area.
- c) To resolve problems identified at that level.
- d) To identify, assess and evaluate community needs / problems to be considered for development proposals / plans by the regional council.
- e) To initiate, encourage, support and participate in communities self help projects and mobilize people, material, financial and technical assistance in relation thereto;
- f) To assist in the maintenance of law and order and security.
- g) To serve as a communication channel between the regional constituency and the people in the area.
- h) To generally monitor the delivery of services within its area and report to the regional constituency.
- i) To carry out any function that may be assigned to it by the regional constituency.
- j) To carry out any other function which may be imposed by law or incidental to the above.

WARD DEVELOPMENT COMMITTEES

A ward Development Committee (WDC) shall be established in every ward of a local authority area for the purpose of effective coordination of the planning and development of the wards. The Committee shall consist of not less than 5 and not more than 9 members.

Composition of Ward Development Committee

A ward Development Committee shall consist of -

- a) The Chairperson who is also the ward local councilor.
- b) The regional councilor of the constituency in which the ward is located to be an ex-officio member.
- c) Not more than seven members from the ward community.

Functions of the Ward Development Committee

A Ward Development Committee (WDC) shall be responsible for the effective coordination of the planning and development of the local authority at the ward level and shall -

- a) Facilitate the establishment of a community - based management information system in the area.
- b) Identify and assess community needs / problems to be considered **for development proposals / plans by the local authority.**
- c) To resolve problems identified at that level.
- d) Monitor and evaluate implementation of development plans as approved by the local authority council and write reports.
- e) Discuss, evaluate and monitor implementation of projects for the area which are funded by government.
- f) Discuss, evaluate and recommend for approval to the management committee of the council investment proposals for the area.
- g) Generally co-ordinate and monitor projects and activities undertaken by Government, Government Agencies, Non-

Government Organizations, Community Based Organizations and Investors in the areas.

- h) Carry out any other duty as may be authorized by the local authority council or by any law.