

Participatory Local Governance (PLG)

Service delivery capacities of local governments in Khyber Pakhtunkhwa and Punjab meet local needs and priorities.

The challenge

Pakistan's local government system has undergone significant reforms, with the transfer of functions from the federal to provincial level and the introduction of new legislation in provinces like Khyber Pakhtunkhwa and Punjab. The Local Government Acts have transferred the responsibility of many government services to the subdistrict or town/tehsil level. However, the country's low tax-to-GDP ratio and limited citizen participation hinder the capacity of local governments to deliver good quality public services, while the merger of FATA with KP has introduced new challenges in areas where traditional tribal government structures prevail. The remoteness of the Merged Areas and the lack of efficient local administrative structures, however, impede the effective delivery of public services to the population.

Objective

The local authorities in the Khyber Pakhtunkhwa and Punjab regions have increased their capacities to provide local services in line with the needs and priorities of the citizens.

The provincial governments of Khyber Pakhtunkhwa and Punjab, as well as selected local governments, are supported through a multi-level approach that involves political and administrative actors, civil society groups, and public commissions to improve public services through local governments. The provinces of KP and Punjab differ significantly (e.g. political structure, population size, level of development, etc.). However, they also share important similarities in terms of local government structures. To contribute to bridging the development gap between the Merged Areas and the Settled Districts of KP, the programme also focuses on the Tribal Decade Strategy (2020-2030) with particular emphasis on districts Khyber and Mohmand.

In addition, the programme collaborates with civil society organisations as well as citizens in various formats for improved design and delivery of local services. The programme emphasises the

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| Lead executing agency | Ministry of Economic Affairs Division (EAD) Pakistan |
| Financial volume | EUR 15.9 million (co-financed by EU) |
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targeted participation of women as well as the young population and minorities.

Improving the Capacities for Core Government Functions with Focus on Tribal Decade Strategy

PLG provides technical support to local government departments and various other institutions in Khyber Pakhtunkhwa and Punjab to develop and revise regulations, aiming to improve inclusive service delivery. It also supports capacity building of elected representatives and local government officials, with a focus on the Merged Areas, through innovative approaches, and works to improve access and quality of social services, particularly in basic education, by developing management capacities to improve planning, resource allocation, and management. In addition, PLG supports the development and implementation of education sector plans.

Enhancing Local Revenue Generation and Consolidating Digital Financial Management

The project provides technical support to the Local Government Departments as well as the Excise and Taxation Departments in both KP and Punjab to enhance local revenue collection capacities. While administrators in KP are being trained in the use of digital financial management skills, PLG takes steps to roll out the system for its application in Tehsil Municipal Administrations (TMAs) for more efficient processes. The project supports the TMAs in peer learning to improve collection processes of own



Pg. 1, Left: A busy street in front of a mosque in one of the many smaller towns of the Khyber Pakhtunkhwa.

Middle: A girl wearing a school uniform and holding a textbook in front of a blackboard.



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Pg. 2 Left: Women Khuli Khichari (open-courts), Khyber Pakhtunkhwa.

source revenue. Moreover, PLG assists Excise, Taxation & Narcotics Control Department (ETNCD) in the improvement of property tax administration through need-based technical training and exchange with the L.G Department for improved coordination.

Engaging State and Civil Society in constructive Dialogue at all levels on issues of Development Policy

PLG aims to enhance public service delivery by fostering dialogue between elected representatives and administrative staff, as well as between citizens and government officials. It also focuses on promoting citizen engagement and awareness of their rights i.e. Right to Services and Right to Information, particularly among marginalized groups such as women and youth. Moreover, PLG offers advisory services to partners on integrating gender mainstreaming into service delivery and the local government system, enhancing social services for women and vulnerable groups. This is achieved through the establishment of Women Facilitation Desk (WFD) and Khuli Khichri's (open court) initiatives, which aim to increase accessibility and effectiveness of social services for these groups.

Developing a Climate-Sensitive Decision Making in Public Financial Management in Local Governments

PLG aims at improving conditions for improved public financial management (PFM) in local administrations to strengthen the fiscal space at the local level, focusing on the strengthening of selected components of the PFM cycle and its interlinkages (i.e. planning and budget preparation). At the same time, the project supports identifying entry points for climate-sensitive decision making, through technical advisory and capacity development, to address climate-related challenges at local level through a better functioning PFM cycle. In the course of the PLG programme, specialized administrative staff from local authorities will take part in training measures in the area of public financial management related to climate change.

Strengthening civil society in Pakistan

The project aims to enhance the institutional capacities of Civil Society Networks and government bodies at federal and provincial levels for effective collaboration on development priorities and policy reforms. Regular engagement and dialogue between state authorities and civil society networks promote a favourable environment for improved registration processes and streamlined No Objection Certificate (NOC) procedures

Gender and Diversity

PLG also promote inclusivity by incorporating gender and other vulnerable groups in decision-making and local service delivery. To achieve this, the program has set specific gender targets, such as increasing women's representation in policymaking, developing training programs for women councillors, and addressing the unique communication needs of women and vulnerable groups.

Expected results 2022 to 2027

The programme focuses on the following areas/fields of action:

- (i) Improved public services at the local level (including solid waste management, traffic systems, regulation of markets, etc.).
- (ii) Supporting the implementation of the Tribal Decade Strategy through technical assistance (e.g. primary education).
- (iii) Creating and using digital innovations both in the dialogue relationship between citizens and the public sector and in the service processes of local institutions.
- (iv) Increasing domestic revenues at the local level using existing revenue potentials, improvement of financial management (e.g. through digitisation), and by developing revenue policies aimed to improve public services; and
- (v) Encouraging active involvement of various actor groups at the individual, institutional and sector-policy levels, as well as better interaction between the local governments and provinces.
- (vi) Improved interaction through policy reforms, registration processes and streamlined No Objection Certificate (NOC) procedure.

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