

Support to Local Governance (LoGo II)

Supporting the local government structures for improved public service delivery

The challenge

In 2010, the 18th amendment to the Pakistani constitution transferred a wide range of functions from the federal to provincial level. By 2013, new Local Government Acts (LGAs) were enacted in the provinces of Khyber Pakhtunkhwa (KP) and Punjab. Subsequently, under the Local Government reform initiative of the Pakistani Government in 2019, fundamental adjustments to the LGAs in both KP and Punjab were introduced. The new legislation transferred the responsibility of many government services to the sub-district or town/tehsil level. However, Pakistan with a tax to GDP ratio of only 12.5% (2017/18) runs a significant annual budget deficit and mobilising adequate resources to finance service provision by municipalities remains a significant challenge. Moreover, political participation of citizens in local governance is also limited. These factors hamper the capacity of the local governments to deliver good quality public services.

Our approach

On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH supports the Pakistani Government in enhancing political participation of the citizens and improving the performance of the local governments to effectively provide local services to citizens. The Support to Local Governance (LoGo II) Programme supports the provincial governments of KP and Punjab in three interrelated areas:

- Policy Reform and Institutional Capacity Development
- Improving Domestic Resource Mobilisation
- Citizen Engagement in Public Service Delivery

Policy Reform and Institutional Capacity Development

In 2019, there were significant adjustments to the LGAs of the provinces of KP and Punjab and the responsibility of providing

Project name	Support to Local Governance (LoGo II)
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Project region	Khyber Pakhtunkhwa and Punjab
Lead executing agency	Economic Affairs Division (EAD)
Duration	2020 to 2022



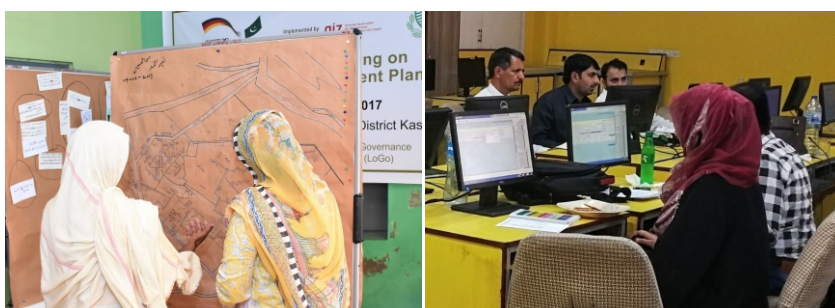
many public services was transferred to the sub-district or town/tehsil level. LoGo II provides technical support to government officials and the elected representatives in their efforts to implement the new regulatory frameworks and to ensure effective delivery of public services.

Objective

The regulatory framework for the functioning of the local governments has been strengthened and instruments for capacity development of elected representatives and administrative staff at the local level are available.

Approach

The Programme provides technical support to the local government departments and other relevant institutions in both provinces (KP and Punjab) to develop or revise the regulations in view of the new laws on local governance with the aim to improve service delivery. It also supports the capacity building of the elected representatives as well as the local government officials on the new local governance laws with special consideration given to the newly merged areas. It does so by developing new and innovative approaches for capacity development.



Pg. 1, Left: Participants of a workshop on development planning mapping their village council.

Right: Roll out of a Computerised Financial Management System in Punjab which is tailored to the needs of the local governments.



Sanjeev Pokharel,
sanjeev.pokharel@giz.de

Pg.2, Left: Traditional storytelling session for awareness raising on political participation and Right to Information.

Right: Citizen submitting his information request to the Right to Information Commission in KP.

Improving Domestic Resource Mobilisation

Local governments require financial resources to deliver public services. Pakistan has a low tax-to-GDP ratio (12.5%) resulting in high budget deficits, and thereby, limited resource availability at all tiers of governance. In addition, most local governments rely exclusively on vertical budget transfers from the provincial governments, who in turn, depend considerably on transfers from the Federal government. This makes financial flows unpredictable, hampering efficient planning and service delivery. The LGA allows the Tehsil level local governments to generate own source revenues and to utilise these resources locally to finance municipal services. The municipalities need to develop their capacity to enhance their revenue and to finance local services.

Objective

The capacities of sub-national tax authorities to enhance local revenues have been strengthened and inter-provincial coordination to close tax loopholes has been improved.

Approach

The Programme provides technical support to the excise and taxation departments and the local government departments in both KP and Punjab to bring property tax reforms. It also supports the local government departments and municipal administrations in developing models for improving municipal revenues. Moreover, it supports inter-provincial exchange between the provincial revenue authorities to discuss and revise regulatory framework of the Sales Tax on Services.

Citizen Engagement in Public Service Delivery

Local governance and service delivery thrive on strong trust and cooperation between the state and citizens. Such trust and cooperation can be strengthened through meaningful involvement of citizens in the overall role of local governments. LoGo II aims to support the local government institutions, as well as citizens, in promoting constructive dialogue and collaboration in local governance processes.

Objective

The preconditions for constructive cooperation between citizens, elected representatives and administrative staff for citizen-oriented service delivery at local level have been improved.

Approach

The Programme supports dialogue forums for close collaboration between the elected representatives and the administrative staff for improving public service delivery. It also supports information and awareness campaigns on the citizens' Right to Services and Right to Information, with a special focus on the communication needs of marginalised population, particularly women and youth.

Published by Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH
Registered offices Bonn and Eschborn, Germany

GIZ Country Office
House Nr. 23, Street Nr. 55, F-7/4, Islamabad, Pakistan
Phone +92 51 8446111-7
Fax +92 51 8446118
infopaklogo@giz.de
www.giz.de

As at March 2020

Printed by ComMatic (Pvt) Ltd., Islamabad

Design ComMatic (Pvt) Ltd., Islamabad

Photo credits © GIZ / LoGo II

Text Sanjeev Pokharel, Head of Programme
Muneeb Azhar, Technical Advisor PR & Communication

GIZ is responsible for the content of this publication.

On behalf of Federal Ministry for Economic
Cooperation and Development (BMZ)

Division 2600 Pakistan, Afghanistan