UNFPA AND GOVERNMENT DECENTRALIZATION:

A Study of Country Experiences

Office of Oversight and Evaluation
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Note: The views expressed in this report are those of the study teams and are not necessarily those of the United Nations Population Fund.

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ACRONYMS AND ABBREVIATIONS

COESPO	=	Consejo Estatal de Población (State Population Council)
CONAPO	=	Consejo Nacional de Población (National Population Council)
CPA	=	Country Population Assessment
CST	=	Country Technical Services Team
DANIDA	=	Danish International Development Assistance
DFID	=	Department for International Development
GTZ	=	Deutsche Gesellschaft für Technische Zusammenarbeit/ German Aid Agency
IMSS	=	Instituto Mexicano de Seguridad Social (Mexican Institute of Social Security)
ICPD	=	International Conference on Population and Development
JICA	=	Japan International Cooperation Agency
MCH/FP	=	Maternal and Child Health/Family Planning
MoH	=	Ministry of Health
MPI	=	Ministry of Planning and Investment
MTR	=	Mid-term Review
NCPFP	=	National Committee on Population and Family Planning
NGO	=	Non-governmental Organization
NPPP	=	National Professional Project Personnel
PEC	=	Programa Estatal de Cooperación (State Cooperation Programme)
PMT	=	Programme Management Team
PRI	=	Panchayat Raj Institutions
PROMIS	=	Project Management Information System
PRSD	=	Programme Review and Strategy Development
RH	=	Reproductive Health
SEDES	=	Servicio Departmental de Salud (Departmental Health Services)
SSA	=	Secretaría de Salud (Health Services Secretariat)
SWAP	=	Sector Wide Approach
TSU	=	Technical Support Unit
UN	=	United Nations
UNDP	=	United Nations Development Programme
UNFPA	=	United Nations Population Fund
UNICEF	=	United Nations Children's Fund
UNIFOS	=	United Nations Integrated Financial Operations System
USAID	=	United States Agency for International Development

I.   INTRODUCTION

1.0 Background and purpose of the study

Many countries are decentralizing their government structures to better respond to local needs and characteristics. The resulting government decentralization can take a number of forms and can be very limited or very comprehensive in its impact on programme development and programme delivery.

The once simple formula of providing development support to a central government agency has become far more complex, as a myriad of organizational structures have emerged in response to the felt need to decentralize. Decentralization in government services has and will continue to have a significant impact on development partners who have provided support to many of these countries over extended periods of time. As a key donor in population and reproductive health (RH) UNFPA (United Nations Population Fund) has been affected by the decentralization trend in concert with most other donors.

The purpose of this study is to illustrate current trends and share UNFPA's practical experiences in developing and implementing its programmes of assistance in a decentralized environment. The report makes an effort to review those issues that UNFPA country offices are now facing and how various UNFPA country offices have tried to adjust their way of doing business to ensure that UNFPA-funded programmes continue to be effective. It was recognized that there is no single answer concerning how to decentralise the UNFPA programme and delivery structure. Each response is country specific, and is influenced by a number of political, social, economic, demographic and geographic variables.

Therefore, the specific objectives of this study were to:

i.   Identify issues in UNFPA collaboration with governments at sub-national levels particularly with respect to health/reproductive health programmes; and,

ii.   Make recommendations on the basis of lessons learned to improve UNFPA's response to the demands of decentralization while ensuring programme quality as well as accountability.

Appendix A of this study contains an outline of considerations and suggested steps for the decentralization of country programmes.

1.1 Scope and methodology

This study focuses on a sample of countries from different regions that provide a range of country situations and experiences, and where UNFPA-funded programmes and projects have been directly executed/implemented by sub-national government units. Countries selected are those where UNFPA has been working in a decentralized context for a minimum of two years prior to the study, and where government decentralization has been defined as the transfer of varying degrees of responsibilities (e.g., for decision-making and planning, management and resource allocation) from the central government to either (i) lower-level field units within the same ministry or agency; or (ii) other government levels such

as regional, provincial or local units; and/or (iii) semi-autonomous units such as District Councils or Boards. Based on consultations with UNFPA field and headquarters staff, seven country case studies were conducted in Bolivia, Ghana, India, Mexico, Nigeria, the Philippines and Viet- Nam. Case studies assessed the relevance, rationale and impact of modalities deployed, and identified the facilitating and constraining factors.

In addition to the case studies, a questionnaire was sent to UNFPA Representatives in twenty additional countries that have had some experience with decentralization. While no substitute for an in-depth study of the issues left to the case studies, the responses were used to situate the findings of the country case studies and provide a broader base of knowledge on the impact of decentralization.

Key issues to be addressed by the case studies were identified in detail and specific interview guides developed to be used, as appropriate, in each case study. National consultants prepared background documents for each of the countries. These documents reviewed the level of decentralization in the country in question and examined the conditions under which decentralization has taken form. The reports examined the institutional arrangements and other support systems (i.e., organizational structures, roles and responsibilities at the central and local levels; the mechanisms and processes for policy formulation, planning and programming, budgeting and resource allocation as well as monitoring and evaluation) established in each country as a result of decentralization.

Prior to country visits, the work plan for the seven case studies also called for a review of various articles and pertinent studies on the topic of decentralization of health systems, and the relevant documentation for each of the countries, including: Programme Review and Strategy Development (PRSD) reports, Country Population Assessment (CPA) reports, UNFPA Country Programme documents, RH sub-programme documentation and related component project documents, as well as mid-term reviews (MTR) and/or other progress reports and evaluations.

The study teams consisted of two or three national and international experts, including Technical Advisers from UNFPA's regional Country Technical Services Teams (CSTs). A UNFPA evaluation officer accompanied two of the teams for part of the period and coordinated and managed the overall study. Country visits were fielded over a period of three months (May-July 1999). In each country, the study team conducted extensive interviews with the UNFPA Representative and country office staff. Subsequently, government officials and national counterparts were interviewed at the national as well as at the sub-national levels. Additional meetings were held with other UN Agencies such as United Nations Development Programme (UNDP) and United Nations Children's Fund (UNICEF) and with other key donors in the population and RH sector such as the World Bank, the Asian Development Bank, Japan International Cooperation Agency (JICA), Department for International Development (DFID), Danish International Development Assistance (DANIDA), German Aid Agency (GTZ), United States Agency for International Development (USAID), and key Non-governmental Organizations (NGOs). In some instances, meetings were also held with external observers and individuals from selected national research institutions and universities.

II.   WHAT IS DECENTRALIZATION?

2.0   Motivating forces for decentralization

Over the last two decades an increasing number of countries have made efforts to decentralize government services, often with emphasis on health and population programmes. Decentralization has emerged as a result of a global trend to local autonomy and self determination, and as a result of a trend to reduce reliance on centralized planning of economies and be more responsive to market forces as well as local needs and characteristics. Countries receiving international assistance have also been pressured by donors to improve the delivery of public services in terms of responsiveness, effectiveness and efficiency through decentralization.

The fact that the 1994 International Conference on Population and Development (ICPD) emphasized community and population empowerment and a grassroots approach to RH has also been a motivating factor for decentralization. The need to ensure beneficiary involvement in the planning, formulation, and monitoring of RH activities was highlighted. Drawing from the ICPD recommendations, some governments have decided to work towards a planning system sited at the sub-national level, which includes more participatory features.

Thus, factors behind decentralization appear to be related to:

- Trends worldwide towards a realization that development should not be a top down process but rather that it requires community involvement and motivation. This has spilled over into demands by local governments and local populations for a greater share of resources and decision making power to affect their own development;

- The realization in many countries that centralization of the planning and allocation of resources has led to only limited flows of resources to the peripheral levels with much of the funds being drained off centrally. In some cases – at least on paper – governments are decentralizing with the aim of improving public-sector/local government administration and performance and in an attempt to be less bureaucratic; and,

- A realization that centrally administered programmes do not always provide for effective programme delivery at the local level, as they do not take into account local needs and characteristics.

2.1 Forms of decentralization

There are different forms of decentralization that are often recognized in the literature. These include deconcentration, delegation, devolution, and privatization. Each of these represents a progressively greater degree of decentralization (see Box 1).

Although the seven case study countries and the twenty countries surveyed by questionnaire represent different forms of decentralization, they can be generally grouped into two classifications – *devolution* and *deconcentration*. The **Philippines** and **Nigeria** represent two cases of devolution. Each country is characterized by devolution of all health facilities, personnel and health delivery responsibilities to a lower level of government. The remaining five countries studied (**Bolivia, Ghana, India, Mexico and Viet Nam**) are examples of countries that have deconcentrated greater authority and resources to a lower level, while maintaining a strong element of central control. This is also the case with several of the twenty countries polled by the questionnaire. In many countries, the decentralized structure is not yet ature, but rather is in a state of evolution.

2.2 Decentralization is a process

Decentralization is an evolving political and administrative process rather than a particular form of organizational structure or institutional arrangement. As such, the characteristics of decentralization in any particular country are dynamic and are subject to rapid change depending on the current government in power and popular trends.   Because decentralization is such a new concept in many countries, it becomes a learning process and hence, structures may be tried and discarded as unworkable.

In the cases of **India, Nigeria, the Philippines** and **Mexico**, decentralization is based on the political/ legal structures (e.g. the Constitution, specific laws or government bills covering decentralization) of each country. In these countries, the states or provinces form a federation, which generally has its own elected government with a wide range of fiscal and programming powers and responsibilities. In contrast, countries such as **Viet Nam, Bolivia**, and **Ghana** are unitary states, with political sub-divisions generally at the departmental level or at the provincial level.   In these countries, decentralization often takes a more administrative and operational character, regulated through decrees or directives from the central government. In the countries studied, decentralization is also defined by the extent to which fiscal powers have been decentralized. In most countries the federal/central authority represents the highest level of governance with first priority over fiscal resources. It is only when the federal or central authorities agree to share their resources that true decentralization can proceed (see Box 2).

Box 2: Decentralization in practice - a closer look reveals some interesting details

▪ **Bolivia** is a unitary state divided into departments headed by prefects who are nominated by the central government. The departments are further divided into provinces which incorporate municipalities. Decentralization has been driven by regional demands for greater control over fiscal resources, adoption of decentralization reforms in neighboring countries, and impetus from international cooperation agencies. The municipalities are responsible for the physical health infrastructure, whereas personnel management corresponds to the health districts, which respond to the prefectures. Some programmes run by the central ministry, such as immunization campaigns, remain centralized. Despite some notable successes, problems have arisen in the implementation of the process, due to the fragmentation of the decision making process and some lack of mechanisms to ensure accountability. The latter has resulted in confusion and a lack of definition of roles. In addition, many municipalities are simply too small to sustain a locally managed health system.

▪ Although **Ghana**'s stated objective is to devolve health delivery responsibilities to local governments, there does not appear to be universal agreement on this approach. In the meantime, the federal ministry responsible for health has begun to deconcentrate its resources in the context of a sector-wide approach. Even though planning and budgeting have been delegated to the regions and districts under this arrangement, the central level maintains control over the overall allocation of resources, standard setting, employment of health workers and procurement of essential drugs and supplies. From this perspective, the health system is deconcentrated.

▪ At the federal level **India**'s Ministry of Health (MoH) and Family Welfare coordinates the health system. The states have a similar structure in place and are the primary administrators of the health system and the districts represent the level at which services are delivered. The districts have sub-centres, primary health centres, and community health centres, depending on the population served. At the same time, The Panchayat Raj Institutions (PRIs) or village assemblies have been allocated political powers for the administration of local governments. The PRIs are meant to be the political structures that develop and implement local development plans which set local priorities including areas such as health, RH, etc. Because the PRIs are new to these responsibilities, much of the planning and operation of the health system remains under the vertical line ministries at the federal and state level. Thus, the primary trend in India is that of administrative decentralization, involving changing to a bottom-up planning process and greater latitude to execute activities at the district level.

▪ The **Mexican** health system is composed of three segments, each serving different parts of the population. The two public systems are the Health Services Secretariat (SSA), covering a predominantly rural population, and the social security system. The latter is made up of the Mexican Institute of Social Security (IMSS), covering the predominantly urban insured population, the Social Security System for Government Employees (ISSSTE), and IMSS-Solidaridad, a special programme funded by IMSS contributions to attend the rural population. In addition, there is a significant privately operated system, whereas about ten million persons are not covered by any system. Despite the federal nature of the country and a desire to decentralize to the local level, what has been achieved is fiscal deconcentration, including institutional reform and revision of the legal framework. The purpose is to delegate responsibilities to the lower tier of government, particularly the state level, although the municipalities have also gained more access to resources and taken on some additional attributions in the area of health. The process has met with resistance from the labor unions and even from some state governments, which fear having to assume many new responsibilities without adequate funding.

▪ In **Nigeria**, the health system is split among the three levels of government. The federal level is responsible for norms and standards, the development of training approaches, the tertiary care hospital system, and the procurement of essential drugs and contraceptives. The state government is nominally responsible for the health system within the state and must ensure that appropriate personnel are hired, that adequate training is provided, and that standards of care are maintained. The local governments have front line responsibility for providing services, maintaining primary health care facilities, paying health staff, and ensuring availability of equipment and supplies. Separate funds are allocated to federal, state and local governments. One notable twist in the system is that the state hires and controls the health workers, while the local government manages and pays them.

▪ The decentralization process in **Viet Nam** has not modified the complex structure of the population and health sectors made up of vertically organized hierarchies, but has merely meant a shift – a deconcentration – in planning and implementation functions from the center to the provinces. Every element of this multi-agency structure reports horizontally to the coordinating People's Committee and vertically within their own structure. Thus, decentralization proceeds in a tightly run fashion where interaction between sectors and agencies of the government are maintained and strengthened within existing party mechanisms. Although there are plans to shift further to the district and commune levels, roles and responsibilities have not been deconcentrated because of the lack of skills at the lower levels to successfully carry out the RH programme. The purpose of decentralization is seen as bringing services closer to the people and tailoring them better to their needs.

Almost all of the twenty UNFPA country offices polled by the questionnaire for this study reported that the national government had decentralized its administration. However, there is broad variation from one country to another in the degree of decentralization and the commitment of those responsible for decentralization. In some of the countries the local administrative entities have real authority to plan, implement and evaluate their activities. In others, the decentralization effort is either in its nascent stages or is being implemented unevenly. In such cases, decentralization seems to be adopted purely as an administrative measure without any impact on the way things are managed at the local level. As a result, although there might be a range of legal, political or administrative regulatory instruments to sanction decentralization, there is sometimes strong resistance from central authorities to let go of their power or there is no enabling environment to exercise the decentralized authority.

2.3 The challenges of decentralization

In the seven case study countries, as well as in the twenty countries in which UNFPA country offices responded to the questionnaire, decentralization of the health system seems to be more advanced than that of the other sectors. To-date, experience has been mixed and has brought to light some advantages but also a number of risks and barriers to effective programme delivery. For instance:

Decentralization can occur too quickly: If decentralization occurs too quickly, the organizational structures, roles and responsibilities for the management of population and RH programmes may be inadequately defined, creating structural imbalances in the health system as a whole. And health managers at both the central and sub-national levels may not always be prepared for their new roles. These problems were evident in virtually all of the case studies. In some cases, decentralization has been unsettling and confusing for the dislocated personnel involved, and caused a certain amount of demoralization and a decrease in productivity at least initially. It was also clear from the countries studied that there are problems associated with managing the cultural changes to a decentralized system. Central governments are often reluctant to share power or relinquish power and authority. And sub-national governments tend to resent the fact that they are made responsible for service delivery without the necessary resources.

Insufficient capacity and/or resources: In some countries, decentralization of responsibilities has been overzealous and decentralized units are either too small or too under-resourced to take on their obligations, especially at the secondary level of the health system. This is often characterized by insufficient staff, inadequate training, and poor management as well as insufficient management systems and procedures. This situation was particularly noted in **Bolivia** and in **Nigeria.** To exacerbate this situation, the decentralized jurisdictions are often totally dependent on the fiscal allocation received from the central government. The study shows that there has been a tendency to provide funding allocations to lower level jurisdictions based on percentages and formulas, which may not be related to actual need or past expenditure levels. If the allocations are not carefully formulated, the decentralized levels of the health system may find that they have insufficient funds to pay salaries or purchase drugs. This problem was particularly striking in **Nigeria**, where block allocations (i.e. whereby one amount is transferred to the states and Local Government Areas to cover all their requirements) had to cover health worker salaries. Since the health workers are actually hired and fired by the state governments, the local government authorities found themselves not only unable to pay the health workers but also unable to lay them off. Since the local government rarely has other sources of income, the situation quickly becomes untenable. Also, as was noted in the **Philippines,** maintaining health services, especially tertiary health care can involve heavy costs, which may be beyond the financial capacity of local government entities. In

this sense, decentralization can exacerbate the shortages of funding at lower levels by adding on costly new responsibilities and requirements without the commensurate funding required.

Instability in the political framework: It was also noted that there has been considerable instability in the political and legal framework for decentralization among the countries studied. This has been particularly problematic in **Bolivia** and **Ghana**, where successive governments with different political philosophies have destabilized the decentralization process by passing contradictory laws. That the contradictions are never reconciled only further confuses the underlying basis for decentralization.

III. IMPLICATIONS FOR UNFPA PROGRAMME DEVELOPMENT AND IMPLEMENTATION

3.0 Making strategic choices

In most countries, the decision to decentralize the programme has been founded on the recommendations of CPA reports. An examination of the CPA reports reveals, however, that these assessments have not focused on decentralization as an important issue to be analyzed when establishing programme strategies. They are usually limited to endorsing a process of decentralization underway and suggesting that UNFPA direct its programme planning at the state, province and/or district level. In fact, the absence of an analysis of the situation in decentralized settings, the absence of a thorough assessment of options, and the failure to provide alternative strategies for UNFPA to consider when formulating an RH programme, has reduced the effectiveness of these instruments. The study also notes that decentralization has significantly increased the complexity of the CPA exercise, which has become far more time consuming because of the multiplicity of stakeholders.

Country offices have adopted a variety of approaches in deciding where to strategically focus UNFPA programmes of assistance and at what levels so that resources applied will lead to measurable results and ensure some level of sustainability. Generally, UNFPA has organized its programmes around either geographic or thematic sub-programmes. In some of the countries studied, UNFPA has adopted a more moderate degree of decentralization with balanced support at both the sub-national and central levels. In others, it has focused assistance more exclusively at the sub-national levels, sometimes concentrating programme interventions at both the state and provincial levels (see Box 3). Choices made have had implications for the role of the UNFPA country office and the level of resources required.

Box 3: Deciding at what level to focus support

In **Mexico and India,** criteria such as demographic and health indicators, population density, fertility, infant and maternal mortality and social indicators reflecting the status of women were applied for the selection of the States or areas for UNFPA support. In particular, in India it was widely felt that focusing on district level operations should not leave the state level out of a programme of support. The decision to distribute programme resources evenly between these two levels has had the beneficial effect of creating mechanisms for coordination. In this particular case population and development projects related to planning and statistics helped to strengthen the decentralization from the central government level to the states, an important condition for accelerating the national process of decentralization.

The study suggests that thematic decentralization might be more appropriate in situations where UNFPA resources are very limited, where there are many donors present in the country, or where there is less urgent need for financial support from donors. It advises that geographic decentralization should be conditioned by the size of the UNFPA programme relative to the national RH budget or other donor funds. The study makes the point that there is always a danger that the funds have been spread too thinly over too many states or provinces and cautions that UNFPA support can become very diluted and possible impact minimized. In the **Philippines** a decision was made to concentrate the next programme

cycle on more intensive and greater in-depth coverage in an effort to improve the impact because of this very concern.

In a few of the case study countries, government has shown an interest in sector-wide approaches, whereby donors pool their resources with the government in a common health fund and share joint accountability for results achieved – although there is also provision for individual donor projects through the use of earmarked or segregated funds. Donor accountability is tied very closely to the reporting and evaluation systems of the government. In **India**, for example, the approach has not yet had any application, although some donors are currently negotiating a large-scale programme in response to the government's commitment to some form of sector-wide work adapted to the diverse conditions of the country. The feeling, however, is that the country is too large and complex for such an endeavour to succeed. On the other hand, in **Ghana**, a number of donors in conjunction with the government have instituted a sector-wide approach to planning and funding of the health system. This requires the donors to fund a "health common fund" which is used by the government to fund health activities at the local level through the mechanism of a decentralized planning and budgeting process. At this juncture UNFPA has chosen to provide assistance in Ghana by means of a parallel funding arrangement that is segregated from the government common fund. The study argues that this modality undermines the principles of the sector-wide approach, which is to build government capacity to manage its own programme and facilitate overall coordination. Without a large staff to actually implement the programme at the local level, the study raises the concern that the UNFPA programme could be marginalized given that it is not part of the overall government planning and budgeting system. In addition, the study notes that the sector-wide approach encompasses a programme strategy development process, which could potentially be duplicated by UNFPA during the CPA process.

Another issue is that the modality used by country offices to decentralize programmes has to some extent depended on who the designated national counterpart agency is. For instance, in countries like **Mexico** and **Viet Nam**, where the counterpart is the National Population Council (CONAPO) or the Ministry of Planning and Investment (MPI), the implications of decentralization in RH are different from situations where UNFPA deals directly with the MoH, as in **India** or **Bolivia.** In **Viet Nam** where the national counterpart changed from the National Committee on Population and Family Planning (NCPFP) to the MPI, the programming process has acquired additional complexity because the UNFPA support is predicated on addressing population and development issues and, thus, requires a broader management mechanism than the one previously required for family planning. To-date, such arrangements have been largely government driven. Under the new imperatives of decentralization, however, country offices have realized the need for UNFPA to be more proactive and re-assess its counterpart agency arrangements.

3.1 Dealing with complications in programme formulation and implementation

The once simple formula of providing support to a central government agency has become far more complex as a myriad of organizational structures emerge as a consequence of decentralization. Country experiences show that decentralization often creates several layers of bureaucracy as the administrative arrangements at the central level may be replicated at every level of the decentralized structure. This inevitably creates delays in programme development and implementation, particularly when the country offices encounter obstacles in their efforts to negotiate directly with sub-national entities, which often seems to be the case.

One of the common complaints in nearly all countries is that the frequent turnover of officials, particularly at different geographical levels, makes project formulation and implementation more

difficult. As a result, UNFPA has devoted considerable effort to familiarizing incoming officials with programme and project goals and UNFPA procedures. The relative autonomy of the different levels of government has also complicated programme formulation and implementation and increased requirements for advocacy in order to ensure that local politicians and government officials keep committed to ICPD and overall RH goals. The case studies in **Bolivia**, **Mexico**, **Nigeria** and the **Philippines** all noted that, when programmes were centralized, advocacy was usually easier. With a shift to decentralization, strong support for national RH programmes could be negated at the local level where religious beliefs and local norms and customs often dictate different priorities assigned to the provision of such services. Country offices have had to be more vigilant and have worked at maintaining a continuous advocacy dialogue on RH and reproductive rights at many different levels.

3.2 Securing ownership, commitment and accountability

Country offices generally acknowledge the importance of keeping the central government involved in the programme planning and implementation process, particularly if the programme is focused at the sub-national level. They recognize that a lack of involvement by the central government could lead to its disinterest in the UNFPA programme and a need for the country office to shoulder more of the programme management, implementation and coordination responsibilities.

At the same time, country offices have endeavoured to ensure that their local partners have ownership of the programmes. To this effect, UNFPA has devoted significant efforts to ensuring community participation not only during the programme design phase but also through the implementation phase. The process has been very labour intensive and the degree of participation has depended on the decision-making structures in place as well as the existence of appropriate mechanisms aimed at encouraging local participation. In the more decentralized countries, this has taken the form of direct dialogue between the country offices and the local counterparts (see Box 4). In situations where the local partners still do not have authority to implement the programmes, it has been done through the central authorities. In some cases, country offices have not succeeded in getting the local counterparts to fully participate in the dialogue since central governments jealously guard this prerogative. The advantages of a participatory process have nevertheless been evident in countries studied, not only because it has fostered the sharing of information about needs at different levels, but also because in many cases it has enriched the final product and has helped to organize projects around a common framework that integrates central with sub-national activities.

Box 4: Community participation

In **India**, a distrust of agents external to the communities makes contact with community members a very tentative one. Many times this distrust is due to poor experiences with public administration projects and the frequent imposition of outside schemes, which are characterized by insensitivity to real community needs. Although quite time consuming and requiring extensive preparations, the methodology used by UNFPA for project development opens the way for community elements to participate in the exercise. Their involvement, however, appears still very limited in its early phases where the basic assessment of needs is made.

The several layers of bureaucracy that often characterize decentralization have also created problems of accountability. The study indicates that in situations where projects are carried out at lower levels of government, but funding is provided by the federal and state government as well as by UNFPA, country

offices have taken additional measures to ensure that there is adequate commitment to the programme at all levels. In some of the countries studied, securing government buy-in and ownership has been done through formal agreements (e.g., signed agreements with all parties concerned), and by requesting a formal counterpart contribution (see Box 5).

Box 5: Securing government buy-in

In **Bolivia**, for instance, UNFPA found itself facing a situation where the decentralized health agency, Departmental Health Services (SEDES), had to be responsible for intersectoral activities pertaining to education and gender. Consequently, an agreement to this effect had to be signed with the MoH, even though the Ministry has no formal authority over the other two sectors involved in the sub-programme. Similarly, in **Mexico** it was necessary to sign agreements between National Population Council (CONAPO), the State Population Councils (COESPOs), and UNFPA in order to ensure accountability at both levels. And in **Nigeria**, UNFPA has insisted that the state and the local government levels provide counterpart contributions to help assure ownership and sustainability.

3.3 Data gathering at the local level

Country office experience has demonstrated that decentralization generates a requirement for extensive data gathering at the local level to determine the needs, to solicit ownership and partnership, and to have baseline information for monitoring and evaluating the achievement of results. The requirements for data can be significant, as statistically valid data has to be available at the local level (see Box 6). In virtually all of the countries, health information systems are weak and there is a lack of good baseline data at the local level for measuring results at the appropriate level. This is usually due to the fact that the Demographic and Health Surveys - an important source for evaluating the outcomes of RH programming - are usually comprised of statistics at national or regional levels, which are not valid at the local level where programming is taking place. One of the difficulties reported by many of the country offices is that the collection of baseline data can be quite expensive, particularly at the local level. In order to assess needs and in the absence of baseline surveys, country offices have resorted to using secondary sources (i.e., health statistics combined with information obtained from social or mass organizations or through visits to selected communities). While this has provided some useful information, the information has been limited and has permitted only an approximation of the nature and extent of needs in RH.

Box 6: Addressing data needs

The **India** country office has employed two approaches to meet data requirements. On the one hand, the country office has relied on the Assistant Nurse Midwives, who, during their regular visits to the communities, is able to obtain survey information following procedures prepared by the MoH and Family Welfare. The other approach has been less formalized and has consisted of community workshops at the district level. This approach is normally supplemented by secondary information from official records and other documents. Methodologies such as field visits, interviews and group discussions, are applied in order to obtain information at the grassroots level about RH status, needs and aspirations regarding fertility, as well as organizational capacity, and the extent of group activity in the communities. At the same time, the communities are made aware of the nature of the programme, and their participation has been encouraged in discussions on project formulation.

3.4 Ensuring adequate technical support

Another issue faced by UNFPA country offices with decentralized programmes is the assurance of adequate technical backstopping and assistance to the decentralized programmes and projects. All case studies recognized the need for greater variety and more frequent technical backstopping needs in decentralized environments.

Each of the countries studied indicated a different approach to technical support, including the creation of a Technical Support Unit (TSU) in **India**. The TSU covers areas of health, communication, population education, management and gender and plays a complementary and specialized role to that of the regular UNFPA staff in the country office. The team has undertaken backstopping functions during the planning and formulation stages and members are involved in monitoring and evaluating programme implementation. UNFPA has also employed the National Professional Project Personnel (NPPP) modality to assist country offices in providing technical support to the programme. This situation applies in **Nigeria** where NPPPs have been an invaluable asset to the country office by providing the necessary administrative and technical support to the UNFPA funded programmes at the state level. In other countries, international NGOs, CSTs and consultants have been used to provide the needed technical backstopping. More importantly, country offices recognize the important role the central government plays in addressing technical support requirements and many have provided support to strengthen the technical capacity of the central structures in the Ministries of Health, for example, and institutions associated with the programme to respond to the needs for technical guidance and assistance at sub-national levels. However, in a number of cases that capacity has yet to be developed, placing increased demands on the country offices (see Box 7).

Box 7: Providing technical guidance and support

The initial stages of decentralization often seem plagued with disconnections between the central structures and the decentralized levels and tend to create gaps in continuity and ultimately can affect programme quality. These are usually manifested by lagging policy and technical support from the center contrasting with the accelerated dynamics of service provision at the lower level. In the experience of the UNFPA funded programme in **Viet Nam**, the MoH was expected to establish technical groups at the central level to support the provincial programmes. The provision of technical guidance and assistance to the Project Management Boards for each of the provincial projects through these specialized groups is proving to be the most important role of MoH, but one that has yet to be fulfilled. In resisting the changes brought on by decentralization the central level has not mobilized to respond to its new responsibilities and has not developed its projects in time, leaving provinces without support.

3.5 Ensuring timely flow of funds

One of the most difficult issues that UNFPA country offices face under decentralization is ensuring the smooth and efficient flow of funds to the decentralized level of the programme. The case studies demonstrate that the flow of UNFPA funds to projects in a decentralized programme can be constrained if the funds first flow through a central ministry. In a majority of the countries studied, UNFPA has taken advantage of established mechanisms to transfer funds directly to projects (see Box 8). Sometimes these mechanisms have been instituted for lack of a local banking network. This approach appears to provide better results, but is somewhat hindered by the management capacity available at the sub-programme or project level.

Box 8: Direct flow of funds to societies

The financial management processes of the government of **India** still remain very centralized. In recognizing the difficulties posed by the central administration for the flow of external assistance, the government has created certain management institutions called "societies" at the state and district levels for the management of project funds. These societies, active since 1972 in the agricultural sector, have been used in the health sector since 1988. They facilitate the flow of funds from external sources and expend them according to the budgetary requirements of the projects. In some cases, they can receive funds directly from the Ministry of Finance, bypassing the sectoral ministry, in other situations they receive funds from the sectoral ministry but bypass the state government, and in other cases they receive funds directly from the state. The UNFPA country office believes that this system has to an important extent improved the flow of funds to projects, but that more direct UNFPA funding to projects, without the intervention of intermediaries, would be more effective.

3.6 Ensuring adequate financial monitoring and control of UNFPA funds

Country offices indicate that compliance with financial reporting requirements is more problematic. This appears to be primarily due to a general lack of financial project management capabilities at the local level. Case studies indicate that the large number of counterparts often makes it difficult for country offices to respond promptly to the frequent requests for assistance from local entities. In one particular country, counterparts indicated that it is sometimes difficult to comply with the requirement to document all expenses because it is not always easy to obtain invoices in the remote rural areas where they operate.

The **India** country office reported some difficulties using the United Nations Integrated Financial Operations System (UNIFOS) to monitor funds. At present, the country office has not been able to use UNIFOS to monitor individual district projects as the system brings together all allocations and expenditures by budget line. This creates the need for separate records for each project, which otherwise would only be identified in the UNIFOS in a budget line for the total amount approved. This leads to a significant complexity since there are 40 separate district project units. And in **Viet Nam** the country office has found that the UNFPA requirement for quarterly reports constitutes a heavy burden on the office, preferring instead a semi-annual reporting requirement.

Because of a concern with respect to the financial reliability of national counterparts at sub-national levels, at least initially, some country offices have had to invoke more intensive financial control measures to ensure that UNFPA procedures are followed and that funds are appropriately spent. In such

circumstances the NPPP modality has been employed to monitor the programme/projects more closely and exercise tighter financial controls (see Box 9). Country offices have also responded by conducting training sessions on financial procedures and developing field manuals more suited to local counterparts.

At the same time, the study points out that there are aspects of UNFPA procedural requirements that are at odds with emerging donor trends to performance-based management (i.e., the release of funds predicated on the achievement of prescribed performance benchmarks as measured through indicators) and a sector-wide approach. Country experiences show that UNFPA practices tend to promote an administrative, control-oriented culture rather than a results-oriented culture.

Box 9: A need for tighter financial controls

The UNFPA supported programme in **Nigeria** is fully decentralized - each state is a separate sub-programme. Funds flow directly from UNFPA to the state to a project account that is administered by a state project team. This clearly has created a heavy workload at the state level for UNFPA. Because of this as well as the geographic distances involved and the poor telecommunications, the UNFPA country office has successfully deployed NPPPs in the states to facilitate closer financial administration and monitoring of the programme. All reported expenditures are first screened at the state level by the locally hired NPPP. The expenditures are then rechecked and verified by the UNFPA country office in Lagos.

3.7 Ensuring adequate monitoring and evaluation

It is evident from the countries studied that the lack of administrative and operating capacity at the local level combined with the lack of information and management sub-systems needed to facilitate programme monitoring and evaluation, have increased the country office workload associated with tracking programme performance at the sub-national level. Country offices have had to maintain a heavy schedule of field visits – sometimes covering great distances – to a large number of decentralized projects not only to maintain a close control of resource utilization, but also to resolve programme and technical issues at the local level. Moreover, the increased number of projects has multiplied the number of review meetings that country offices have to manage. Few complaints emerged with respect to UNFPA reporting requirements.

Generally, country offices have responded to information needs by supporting projects for operational research and socio-cultural studies, the development of information management systems, and training activities to strengthen administrative and managerial capabilities. In addition, to address the increased workload, country offices have adopted a range of approaches. In **India**, for example, the country office has developed its own Project Management Information System (PROMIS) with plans to upgrade it to monitor programme outcome indicators. This is proving to be more difficult than expected, however, and the system has not yet been completed. In other countries such as **Bolivia** UNFPA has successfully out posted NPPPs in the relevant government entities to assist the country office in collaboration with the local counterparts in administering and monitoring project activities. Country offices have also supported the establishment of certain institutional mechanisms to monitor progress achieved and enhance coordination between the different government levels involved in programme and project implementation (see Box 10). The **Ghana** UNFPA country office has done some of its own monitoring periodically, but has relied on the MTR and evaluation conducted by external consultants for extensive review. The Ghana

health programme is closely monitored annually through the mechanism of the Sector Wide Approach (SWAP) and the medium term health plan. The reports from this MTR are made available to all of the participating donors, including UNFPA.

Box 10: Validation and monitoring committees

Monitoring by the country office in **Mexico** takes place on a selective basis due to the heavy workload and limited UNFPA resources. Initially, the COESPOs were expected to play this role, but they have limited capacity to do so. Each UNFPA funded state sub-programme (or Programa Estatal de Cooperacion - PEC) has a Validation and Monitoring Committee presided by the COESPO, which is generally quite similar to the group convened by the COESPO to formulate the PEC. In these Committees, which were formed specifically for the purposes of the UNFPA programme of assistance, UNFPA, the COESPO and other executing agencies continuously monitor and evaluate the execution of projects and share experiences. They also decide on resource allocation between different projects and activities. The Committees have greatly facilitated communication between the State Secretariats of Health and Education, which otherwise tend to operate in relative isolation from each other, and have the potential to become good mechanisms to monitor and track programme performance.

3.8 Donor coordination

The case studies offer interesting variations, but a common theme is that donor co-ordination under the decentralized environment is crucial. Even so, donor coordination at the sub-national level has been problematic, as coordination mechanisms are generally not well developed. This appears to be the result of a number of factors: a common belief that donor co-ordination should be the responsibility of the government rather than the donors themselves; the need of agencies to deliver a readily identifiable product; and, the preference of government to deal with donors on an individual basis. Nevertheless, the fact that there is considerable overlap in the geographic focus of the different agencies and that none of them have the human or financial resources to maintain a physical presence in all activities is creating pressures for greater co-operation, at least at the sub-national level.

IV. IMPLICATIONS FOR THE ROLE AND WORKLOAD OF UNFPA COUNTRY OFFICES

4.0. Increased demands on UNFPA country office resources

Working in a decentralized environment is more complex and requires a considerable commitment of staff time at all stages of the programming cycle. In most cases, the number of country programme projects is multiplied by the number of states or provinces in which there are decentralized programmes or activities.

Specifically, additional workload derives from:

- Requirements stemming from UNFPA's programme approach. Although country offices have generally found the programme development procedures suitable and sufficiently flexible to respond to varying situations, country offices have had to modify/simplify existing procedures to make them workable at the local level, and in some cases have developed instruction manuals and/or project management guides. The application of concepts and use of programming instruments such as the quality of care framework, the logical framework approach, and specification of expected results and the required indicators have at times been difficult to communicate, particularly in countries where the experience of local government in programme planning has been limited;

- The need to negotiate agreements with multiple levels of government and to ensure that good relations are maintained with all government units. The UNFPA country office has to understand the political relationships and pressures between the various social groups and levels of government and maintain a neutral stance;

- A need to maintain a knowledge base of the evolving situation in the country with respect to decentralization;

- The need to devote significant effort to ensure community participation;

- A greater need for advocacy at all levels of government to ensure that support of RH and ICPD goals is maintained;

- The need to meet the demands for programme formulation and implementation assistance, which has multiplied as country offices must deal with multiple states and districts with separate programmes at each level. This has often meant that country offices have frequently had to provide ad-hoc training for local officials unfamiliar with UNFPA procedures; and

- A greater need for coordination with other donor agencies at a number of levels. Given the lack of formalization at the sub-national levels, donor coordination can be more difficult and time consuming.

Additional time and resources are also required in the implementation phase. Country offices have found that lower levels of government lack technical and managerial capacity. This has resulted in a requirement for the UNFPA country office to provide more technical support, as well as do more financial and programme monitoring. This has given rise to:

- A proliferation of documents that must be reviewed with respect to reporting as a consequence of the greater number of sub-national units and resulting large number of projects; and

- A much greater need to monitor programme and financial outputs and outcomes. This is primarily due to the lack of confidence in sub-national units at least initially, which have not yet developed the required technical and managerial capacity to effectively implement programmes in many cases.

4.1 Opting for a "satellite structure"

The proliferation of UNFPA programming at sub-national levels has created constantly increasing demands on country offices for programme, technical, and administrative support. As a consequence, country offices have made different arrangements in order to strengthen UNFPA's capacity to administer and manage decentralized programmes. In a few instances, country offices have contracted out the services of international and local NGOs and used local institutions and expertise. More often country offices have opted for a "satellite structure" and successfully used the NPPP modality to deploy project personnel at the sub-national level to facilitate technical support and exert more continuous monitoring of programmes and projects while maintaining regular contact with the UNFPA country office. In others, UNFPA has relied on government entities or supported the creation of a programme management team. Questions have been raised, however, regarding the suitability and sustainability of such "teams", given the goals of decentralization. Experience shows that under this modality project management continued to be highly centralized. In addition, it tended to retard local institutional growth and complicated lines of authority.

V.   RECOMMENDATIONS

The recommendations below are premised on key concerns that emerge from the study; i.e., that decentralization can dilute the impact of UNFPA's interventions and that decentralization has placed a significant workload on country offices. The implication is that UNFPA may need to re-examine some of its fundamental practices and procedures when working in a decentralized environment.

> ### ➢ *In a decentralized environment UNFPA needs to be even more strategically focused and selective.*

In a decentralized programming environment, there is a danger that UNFPA programme resources are diluted to the point where it may be difficult to demonstrate results. In future programming initiatives, UNFPA should determine where to strategically focus its programmes of assistance, at what levels in order to achieve the desired impact, and how that impact can be measured taking into account the complicating factors in a decentralized environment. It is also necessary for UNFPA in concert with its local government partners to determine how to measure results and to ensure that the appropriate measurement and information systems are in place.

> ### ➢ *UNFPA should review the implications of the sector-wide approach in its decentralized programme countries.*

UNFPA should monitor and re-evaluate its position towards a sector-wide approach and how it can best co-ordinate its programme with this approach, particularly in countries where the sector-wide approach predominates. Accordingly, UNFPA should assess its financial rules and regulations to facilitate its full participation in this type of modality.

> ### ➢ *In decentralized environments the CPA should include an analysis of the strategic options available to UNFPA.*

In countries where the government is decentralizing, the analysis of strategic options available to UNFPA should not be left to the programme development stage. Regardless of whether a full-fledged CPA is conducted, an analysis of the country situation should address the benefits and challenges of government decentralization, and elaborate on the types of strategies that could best serve the country and maximize UNFPA effectiveness. The CPA exercise should weigh the alternatives and be attentive to the variations that exist between sub-national levels (e.g., from one state or province to another). It should also identify specific types of information to be gathered through situation analysis studies at the sub-national level in order to respond to needs more accurately. In view of the increasing trend towards government decentralization, current terms of reference for the CPA should be adjusted to ensure that the subject is taken into account.

➢ *UNFPA should conduct situation analyses at sub-national levels to assess needs more accurately.*

Conducting complete situation analyses at sub-national levels may be the best option and most cost effective manner of obtaining accurate information for assessing needs and programming resources as well as establishing a comprehensive set of baseline data for monitoring and measuring results at the appropriate level.

➢ *UNFPA should review its procedures to ensure that financial reporting requirements are more results –based and adjust them to take into account decentralized programme requirements.*

An important issue for UNFPA offices is the expanding workload that results from UNFPA procedures and requirements for financial reporting. The proliferation of programmes/projects in decentralized countries may require UNFPA to consider a results-based financial reporting approach, such as applied by the World Bank and other development assistance agencies such as USAID. Moving away from detailed financial reporting towards more substantive reporting and monitoring would be helpful in reducing the heavy administrative workload of the country offices. Funds would be advanced subject to meeting performance targets on an annual basis and financial control would be exerted through expenditure audits. If this approach is adopted, UNFPA will have to ensure that compensatory controls are retained. It is suggested that this require the preparation of clear rules and procedures and the negotiation of clear accountability documents (i.e., work plans, performance indicators, specific targets, etc) for all sub-programmes so that government officials can assume responsibility for results and be held accountable for the appropriate use of UNFPA funds. Finally, it is recommended that this approach be tried on a pilot basis. Borrowing from key donor knowledge of countries' financial management capacity, countries could also be rated, and only countries that are certified as having satisfactory internal controls would then be subject to the approach.

➢ *UNFPA should consider developing a simplified set of programme development procedures for use by counterparts at sub-national levels.*

A number of UNFPA country level procedures for programme development have had to be modified at the local level to make them workable. The main problem has been a lack of counterpart familiarity with UNFPA procedures and the need for simple manuals to facilitate their application, and extensive training of national staff. It would be useful if UNFPA procedures included simplified guidelines for national counterparts at sub-national levels.

➢ *UNFPA should supplement its programme guidelines with instruments/ instructions that would guide country offices in conducting programme planning and development in a decentralized environment.*

The participatory process in a decentralized environment can be very time consuming and complicated because of the multiplicity of local entities and their differing viewpoints. It would therefore be advantageous for UNFPA to develop instruments or a set of instructions to be used in planning and formulating decentralized programmes/projects. Any instructions would have to provide enough flexibility to fit the various modalities and stages of decentralization found in different countries. Instruments should include alternatives for conducting situation analysis and help in determining roles/responsibilities for managing and implementing the programme.

➢ *Country offices need to be more pro-active in donor coordination.*

UNFPA needs to broaden its participation in existing coordination mechanisms that have been set up by other donors to address issues related to decentralization. It should attempt to participate in coordination meetings not only related to RH and health sector issues, but also in meetings dealing with decentralization issues such as management capacity building and good governance. Such topics can help country offices keep abreast of the latest developments in government decentralization. At the same time, UNFPA should take a more pro-active role in donor coordination, and not just rely on existing mechanisms that may not be effective.

➢ *UNFPA should forge partnerships with the donor community to address local capacity building needs.*

All agencies that have decentralized their programmes of assistance face the challenge of local capacity building for programme/project design, management, monitoring and evaluation. UNFPA should seek to maximize effectiveness and coordinate training efforts between agencies, and avoid duplication of effort in building up these necessary skills.

➢ *UNFPA should seek partnerships with the donor community and strengthen information systems.*

The requirements for data gathering at the local level can be significant as well as costly. Although some noteworthy advances have been made in recent years, data collection and information systems remain weak. Strengthening information systems is an important area for which UNFPA, in concert with other donors, could provide more support.

➢ *UNFPA should promote sample practices and local initiatives.*

Given the evolving trend in decentralization in many of the UNFPA supported programme countries and the need for country offices to adapt their practices to the changing situation, it would be beneficial for UNFPA to develop an anthology of sample practices that have been used in decentralized country programmes. This initiative would enable country offices to share their experiences with decentralized programmes, promote organizational learning and create a corporate body of knowledge.

APPENDIX A:

CONSIDERATIONS AND SUGGESTED STEPS FOR UNFPA PROGRAMMING AT SUB-NATIONAL LEVELS

There are a variety of approaches that UNFPA country offices can adopt in response to decentralization. The approach chosen will be dependent on the particular country situation and will impact on the role of the UNFPA country office, the personnel and the level of resources required. What follows are suggested steps and general considerations country offices will want to take into account when programming in a decentralized environment:

Making strategic decisions

1.   The country office will need to carefully consider the particularities of government decentralization in the country and examine the extent to which decentralization has occurred. It should understand the forces that drive decentralization and the legal instruments that sanction it. In addition, the country office will need to be clear on the key functions performed at the different levels of government and the linkages between the different population and RH delivery systems. It will also need to know what responsibilities have been assigned to the central and sub-national levels, and be cognizant of the degree of autonomy that may be granted to the sub-national level to carry out new responsibilities. The country office should recognize that decentralized entities may be accountable to a widely different range of actors. Thus, country offices will need to determine:

- Who has accountability for the budget and the allocation of resources?
- Who has responsibility for programming and for managing the programme?
- Who has accountability for programme performance and results?
- Who has responsibility for setting and monitoring the application of service norms and standards?
- Who has responsibility for personnel, including recruitment, training and supervision?
- Who has responsibility for the construction and maintenance of facilities?
- Who has responsibility for logistics – i.e. the procurement, warehousing and shipment of drugs and commodities?

2.   In consultation with the government the country office will need to weigh the strategic options as determined by the CPA report and define the programme focus (e.g., geographic concentration, thematic, or pilot/demonstration programme) taking into account the plans of other donors and availability of resources. The country office will need to decide at what level to focus its programme, i.e. by supporting the central level or targeting its programme of assistance at the decentralized, sub-national level – or a combination of both.

i)   If the choice is the central level, UNFPA programming will likely focus on the establishment of policies, norms and technical standards. This implies that the UNFPA office will largely be providing technical support for programme design.

ii)   If the choice is to decentralize the programme to the local level, whether wholly or partially, then UNFPA will need to consider engaging project personnel at the local level for planning, monitoring and evaluation purposes. This also implies greater demands on the country office for programme, technical and administrative support.

3.   Once the decision to decentralize the programme is made, the country office together with the government will need to establish criteria to select the target region, states, or district. For example, it may be advantageous to select those regions/states/districts previously involved in the programme and/or conversant with UNFPA procedures. For a more identifiable impact at the local level, UNFPA may also want to focus in particular on those regions/states/districts where UNFPA can take advantage of synergies from other donor inputs.

4.   Regardless of whether UNFPA provides support to the central level, the country office should not ignore the important role that must be played by the central government. Involving the central government in planning and implementing the programme will help ensure linkages between local needs and national priorities and create more opportunities for coordination between the two levels. It will also help preserve the national character of the UNFPA programme of assistance.

Securing government commitment, ownership and accountability

5.   It is important for the country office to assess government commitment at all levels, particularly since with decentralization the tendency is for the central government to be marginalized in the programme planning and implementation process. In a decentralized programme environment, ensuring commitment on the part of the sub-national levels of government also takes on importance.

6.   The country office will want to secure government buy-in and ownership through, for example, the negotiation of signed agreements with all concerned parties and/or formal counterpart contributions.

7.   The country office will want to secure local partner ownership by involving the local level in the planning, implementation and evaluation of their programmes. The nature of their participation will depend on the extent to which decentralization has occurred. In other words:

i)   Where decentralization is more advanced, ensure that local entities are directly involved in the planning, implementation and programme evaluation activities.

ii)   Where decentralization is less advanced (i.e., local entities have the responsibility for programme implementation but the central level has authority for programme planning and is accountable for resource allocation) it will be important to find ways to enhance community participation and involve local entities in the process of negotiating with the central authorities regarding programme planning and resource allocation. The country office should anticipate that this will be a very time consuming process and plan accordingly.

Programming at sub- national levels

8.   In addition to using the CPA recommendations as a basis for programme/project formulation, it is usually necessary to undertake more detailed situation analyses and programming missions at the sub-national level to clearly identify the priority needs and to stimulate community-level involvement. This will help ensure that the needs are more accurately reflected and that there is commitment.

9.   Where human resource capacity at the decentralized levels is weak, it may be difficult to apply the programme approach and logical framework approach. The country office will need to take into account that applying these techniques may be difficult and time consuming, and may require modifications to suit local conditions as well as additional efforts in capacity building.

10.   Decentralization creates a need for data gathering at the local level. This must be done to determine needs, solicit ownership, and to ensure that the necessary information is available for monitoring progress achieved and evaluating results.

11.   There are a number of ways to collect such data including:

i)   Carrying out baseline studies immediately after initiation of activities to establish benchmark data for evaluation. Baseline studies should include demographic and health indicators, coverage, access and quality of RH services, qualitative information on the status of women, and behavioural practices which may be amenable to modification by the project activities.

ii)   Having a local programme delivery person (e.g., Assistant Nurse Midwife) gather relevant information during their regular visits to the communities. To make the information gathered consistent, ensure the information gathered follows a formalized protocol developed by a centralized ministry.

iii)   Collecting information during community workshops. Information gathered this way could be supplemented by secondary information from official records/documents.

iv)   Implementing a pilot programme at the local level and gathering baseline data during field visits, interviews and group discussions. This approach not only tests the feasibility of a decentralized programme, it provides an excellent venue for community involvement.

Managing a decentralized programme

UNFPA country offices report a number of issues in programme management. The situation in each country office differs somewhat. Key issues which country offices with decentralized programmes will have to face, are:

- Ensuring adequate capacity to manage a decentralized programme;
- Ensuring that the flow of funds to the decentralized government levels is timely;
- Ensuring adequate financial control over UNFPA funds disbursed in a decentralized manner.

12.   The country office will need to assess the government's existing management capacity and consider those measures that will build sufficient capacity (i) for the central level to support programmes/projects at the sub-national level, and (ii) for the local entities to plan and manage their own programmes.

13.   It should also examine the implications a decentralized programme will have on country office resources. There are a number of factors that the country office should take into account including:

i)   The demands on UNFPA to familiarize officials with programme and project goals and UNFPA procedures given the frequent turnover of officials at the different geographic levels;

ii)   The demands on UNFPA for advocacy and capacity building given the relative autonomy of local entities and the frequent turnover in government personnel;

iii)   The nature and extent of technical backstopping and support required from the country office;

iv)   The difficulties associated with administering and monitoring a programme that is geographically spread and where communications are poor;

v)   The human resources available and the level of knowledge and skills in the country office to facilitate programme formulation and implementation in a decentralized environment.

14.   Given the limited staff in country offices to meet increasing demands, the country office will need to consider different options that will help UNFPA effectively administer and manage a decentralized programme. In considering some of the examples that follow, the country office will need to keep in mind the ultimate sustainability of such arrangements, making sure they do not undermine capacity building.

- Use of the NPPP modality to deploy project personnel at sub-national levels;
- The creation of TSUs;
- The creation of project management teams; or
- Contracting out to NGOs, consultants as well as local institutes.

15.   To ensure that the flow of funds to the decentralized government levels is timely, it is often necessary to take advantage of established government mechanisms to transfer funds directly to the projects. This can be done in several ways subject to the legal and other strictures on government entities:

i)   By providing quarterly advances directly to local government entities to carry out their projects;

ii)   By providing funds to third party institutions, which in turn expend them according to the budgetary requirements for projects;

iii)   By sending the funds directly to a project account that is administered by a local project team and deploy NPPPs to the local level to facilitate the technical and financial administration of the programme.

16.   The country office should ensure that there is adequate financial control over UNFPA funds disbursed in a decentralized manner. This can be done in several ways:

i)   By hiring national project personnel such as NPPPs under the direct supervision of the country office and situating them at the local level to closely monitor the projects;

ii)   Depending on the degree of familiarity with UNFPA, provide training in UNFPA financial procedures and project management for counterparts. This may also require the development of simplified procedure manuals.

Coordinating and fostering partnerships among donors at the local level

17.   Because the RH programme service delivery is usually a component of the health sector service, it is important that the country office takes advantage and participates in donor coordination meetings for the health sector. This is particularly crucial in a decentralized environment.

18.   Where feasible UNFPA should also initiate donor coordination at the local level. To avoid duplication and to reinforce complementarity during planning and implementation stages the country office should actively seek out and develop partnerships with other donors at the local level around specific issues such as capacity building.

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