



**Local Development Policy**

# Communities

 **Irish Aid**  
Department of Foreign Affairs  
An Roinn Gnóthaí Eachtracha





“ Developing countries must lead their own development. The most important actors in development are the individuals, communities and countries we are trying to assist. ”

White Paper on Irish Aid 2006

**Local Development Policy**



# Contents

<b>Foreword</b>	<b>4</b>
<b>Executive Summary</b>	<b>5</b>
<b>Introduction</b>	<b>6</b>
Local development - what does it mean?	6
Why is local development important?	7
Approaches to local Level development	9
<b>Irish Aid and local development</b>	<b>10</b>
<b>Local development policy</b>	11
Irish Aid local development policy goal	11
Policy objectives	11
<b>Strategy and guidance for advancing local development in country programmes</b>	<b>13</b>
Strategies for advancing local development	13
Strategic opportunities for supporting local development using country aid modalities	14
Monitoring development locally – ‘Maintaining the link’	17
<b>Strategies for advancing local development across Irish Aid</b>	<b>18</b>
Multi-lateral and UN	18
Emergency and Recovery	18
Civil Society	18
<b>Advancing Irish Aid’s cross cutting priorities in local development</b>	<b>19</b>
<b>Institutional arrangements</b>	<b>20</b>
Abbreviations	20

# Foreword



Minister of State for  
Overseas Development,  
Michael Kitt T.D.

It gives me great pleasure to introduce the Irish Aid policy for local development. Irish Aid is committed to reducing poverty at local levels and ensuring that our development interventions have an impact on ordinary local men and women and their communities.

The White Paper on Irish Aid gives a clear message that the most important actors in development are “individuals, communities and their countries we are trying to assist”.

Irish Aid recognises that people must be involved in their own development if poverty is to be reduced and the Millennium Development Goals are to be achieved. It also sees the importance of building strong local institutions, such as local government, civil society and local private sector organisations, and supporting local initiatives which assist people to improve their lives and that of their families and communities. Irish Aid also looks to learn from the practical experience of ordinary people on the ground and is committed to bring these lessons to national and international policy debates on development.

This policy does not stand on its own from other policy areas and also addresses the key issues of HIV and Aids, gender equality, environmental sustainability and good governance. It stresses the need for local development programmes to be part of a coherent approach across Irish Aid’s work and the need to maintain an appropriate mix of aid modalities to deliver the best results.

Irish Aid has a long history of supporting local development over the last 25 years and this policy builds on this extensive experience. The policy also takes account of the emerging changes in global aid architecture and the new ways of working as agreed in the Paris Declaration and looks to outline appropriate ways of supporting local development in this context.

I believe that, as Ireland moves to achieving the UN target of 0.7% of GNP, this policy on local development reflects our commitment to the poorest of the world and presents a framework for ensuring that Aid makes a real difference in the lives of local men and women.

*Michael Kitt*

**Michael Kitt TD**  
Minister of State for Overseas Development  
Department of Foreign Affairs

# Executive Summary

The Government of Ireland's commitment to global poverty reduction is set out in the 2006 *White Paper on Irish Aid*. It outlines a clear vision for development that puts the reduction of poverty and vulnerability and the increasing of opportunities as the overarching objectives of Irish Aid.

Irish Aid is committed to an integrated approach to development and will work with partners supporting coordinated and sustainable improvements to allow communities and individuals to better protect themselves, to respond quickly to opportunities and challenges and to enjoy a better standard of living.

The White Paper on Irish Aids states:

*"Developing countries must lead their own development. The most important actors in development are the individuals, communities and countries we are trying to assist." White Paper on Irish Aid, 2006.*

A strong focus on poverty reduction at local levels is key to the achievement of the Millennium Development Goals (MDGs). The role of local actors; the importance of improving the quality of local governance; supporting local institutions and informing the implementation of national policies and strategies that address the issues of the poor are vital in the overall effort to ensure that these goals are realised at a local level.

*Global and local matters are more intertwined than ever before. Where once many problems were the sole domain of national governments, today they can be tackled only by partnerships that involve central governments, the private sector, civil society and local authorities.<sup>1</sup>*

In this context, Irish Aid has elaborated a Local Development Policy as a priority area. This policy builds on existing approaches and past experiences of working with national and local actors and is guided by the principles of partnership, sustainability, effectiveness, coherence and transparency.

Irish Aid will, as part of its commitment to achieving the MDGs, promote local development. This will involve working to reduce poverty at local levels, building strong local institutions, such as local governments, local civil and private sectors, and informing national policy development by lesson learning from experience of the realities on the ground.

There are many different approaches to ensure that development happens locally, such as focusing on community driven development, decentralised basic services, local economic development or a local governance approach. Irish Aid will combine these approaches and develop an overall local development framework for its programmes, outlining interventions, modalities, approaches and the complementarities that exist between them.

This document will provide an understanding and rationale for supporting development at local level and form the basis for broadly defining an appropriate strategic approach for such engagements. It will provide guidance on implementation and will be used as a benchmark on which to judge its effectiveness.

This document will also highlight the linkage with local level and the personal and human development needed and present clear opportunities to develop a real visible impact for the Irish Aid programme. This policy paper will assist with the task of communicating Irish Aid's work in this area to the general public and to other relevant stakeholders.

<sup>1</sup> UN Secretary-General's Kofi Annan, - remarks to "United Cities and Local Governments", New York, 8. September 2005.

# Introduction

There is a growing international realisation that for poverty to be effectively addressed and for the international community to meet the challenge of the Millennium Development Goals, people and their communities must be directly involved in their own development.

It is clear, at a global level, that there has been overall progress on a number of the MDGs in areas such as education, water and sanitation and health, however there are, in many low income countries, high levels of persistent chronic poverty at local levels. There is growing sense that for development efforts to tackle this problem there must be a focus on ensuring that assistance also reaches outside of capital cities and arrives at local levels, supporting people's own efforts at development.

## Local development - what does it mean?

Local development refers to the actions and activities in which individuals and communities participate. It occurs in the social, political, economic and geographical areas where those individuals and communities exist.

The term 'Local Development' derives from both their physical proximity to those who participate in it and are affected by them and because those individuals and groups who participate in them are familiar and at their ease with them, have significant status in them and influence over its outcome. Their local nature is much more defined by who participates in them and on what terms as by their distance from or proximity to centres of Government.

*"..... At the end of the day all development is local and you have to get people in their local environment to take charge of what they want to do...." <sup>2</sup>*

When trying to bring some definition to the concept of local development we need to identify the particular parts or levels of the administrative, economic and political structures where development takes place.

Service delivery by the public sector is a development process as it directly involves individuals, groups and communities and occurs in the area where they live and are socially, economically and politically active. Decentralised healthcare and education provision through health posts, schools and agricultural extension services are all local development activities. The involvement of local people and communities in the demand for, planning, management and delivery of these services is also important for local development. For example:

- > The definition of local priorities, community resourcing, management of school construction and operation by school committees involving parents and teachers
- > Operation, maintenance and development of local water supply systems by local committees
- > Smallholder farmers forming groups to demand access and disseminate extension information to manage water and other local resources or to improve local roads or bridges.

Local private sector processes are key to the growth in the economic activities of individuals and households and provides the basis for sustainable poverty reduction and overall economic growth.

<sup>2</sup> Mohamed Muhsin, former Chief Information Officer (CIO) of the World Bank.



They can reduce risk and increase profitability of local producers, processors and traders and promote the provision of services such as transport and credit. Examples of these, which directly involve local actors, might be:

- > Smallholder farmers organising themselves into groups for collective purchase of inputs or collective storage and marketing of produce
- > Community structures for the management of local natural resources
- > Savings and credit associations
- > Traders groups operating and developing local market infrastructure.

Local development actions that build good governance and accountability are important. They ensure that services target and respond to need, that public finances are used efficiently and effectively, that the livelihood and property rights of individuals are protected and that access to and use of local resources is equitable, transparent and sustainable. Building the relationship between the representative and administrative wings of local government and between these and communities and individuals are important and might include:

- > Publication and dissemination of local government budgets, plans, accounts and reports
- > Creating opportunities for feedback from communities to government
- > Community radio and publications
- > Community or traditional courts
- > Local land demarcation and registration
- > Transparent and accountable revenue collection and utilisation.

## Why is local development important?

International development agencies and partner governments recognise that strong local institutions and processes are the cornerstones for long term sustainable development. Local development has an important role in:-

### **Local poverty reduction**

Poverty impacts at a local level and it is at this level that efforts to tackle poverty must be effective. Community based efforts to tackle poverty can be a powerful force, and there are many examples of positive changes that communities have brought about through their own processes and strategies.

### **Supporting national poverty reduction policies**

It is at local level that the implementation of national level policies occurs and where local governments, communities and individual citizens are directly affected. Here, poverty reduction and achievement of the MDGs will be evident through improvement of access by poor men and women to basic social services, justice, improved livelihoods and economic opportunities, and other basic infrastructure and services.

### **Supporting lessons from national policies that work**

Effective development needs to have strong local input to be able to inform national policy and decision makers. Effective national feedback systems, household surveys and national monitoring systems are important. Actors such as local government, civil society or community representatives must be able to bring the realities from policy implementation to central government. Informing governments about policies that work and those that do not work is a vital link in the implementation of national development strategies.

## Supporting elements of good governance and participation

Local participatory processes have the potential to increase the demand for quality local services such as health and education. It reduces corruption and abuse of power by giving voice to local people. It holds the decision makers accountable for planning and managing development in their locality and assists to negate the effects of elite capture. Many studies have shown that poor peoples' participation, and especially women's representation, in policy-making bodies is vital since

it contributes to redefining political priorities by placing items on the political agenda which may not otherwise have emerged; as well as highlighting new perspectives on mainstream political issues.<sup>3</sup>

## Reduction of vulnerability

Strong local capacity reduces vulnerability, eases the effects of external shocks and aids recovery. Proximity to those affected leads to better understanding and quicker responses. In natural disasters, for example, it is at local level that responses happen fastest. This has been borne out by recent evaluations after the 2004 Tsunami:

### BOX 1: WHO ARE THE STAKEHOLDERS?

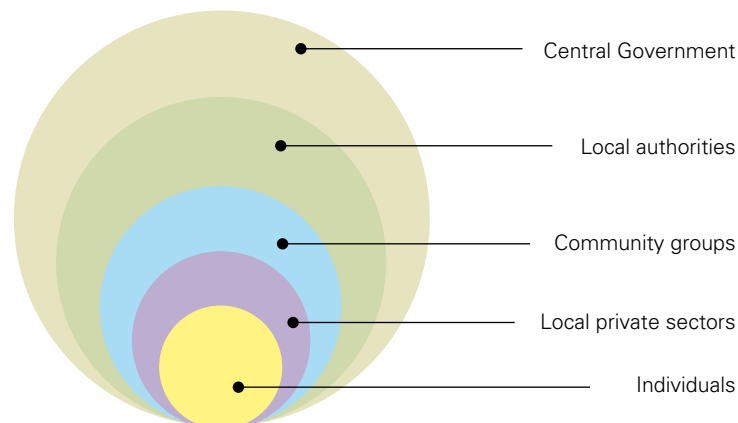
**Individuals** have dual roles as both beneficiaries of and partners in local development processes. The role of the individual is to participate in collective development actions and ensure that governments are held accountable. Individuals have a key role in informing governments on policy that works and articulating a demand for service. They are partners in the democratic process and have a responsibility to elect effective and representative leaders.

**Community groups**, traditional and cultural leaders, churches and religious groups, the media and political interest groups have long played an important role on a local and national level. They give voice to collective opinion and demand for services. They feed into policy debate and ensure that government fulfils its function and mandate. They also have a vital role to play in building the capacity of weaker institutions at local levels as well as a channel for funds.

**Local private sector's** role in local development is crucial to economic empowerment and the reduction of poverty. Participation in local economic activities in a non-exploitive manner with fair and equitable access to work, markets, goods and services provide opportunities for people to address their vulnerability and poverty.

**Local authorities'** role and influence in creating the environment for people's development is immense. The efficient provision of basic services such as health and education, and equal access to justice are key concerns for local people. Relevant and effective local development comes from a system of local governance that firmly connects the needs of the poor to a politically responsive government having the technical and institutional capacity to act.

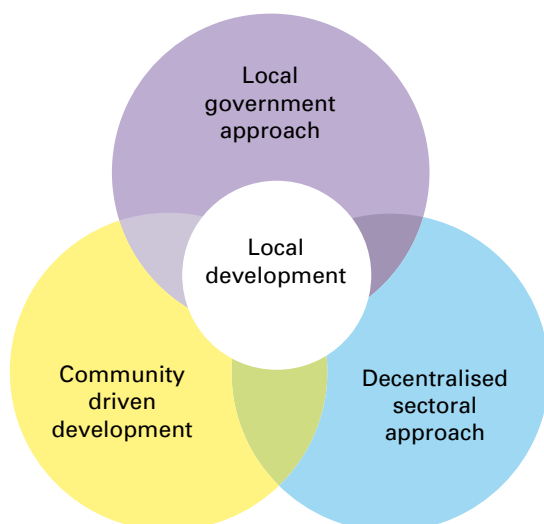
**Central Government** also has a role in supporting local development, ensuring that sectoral policy frameworks and institutional structures re-enforce the enabling environment for development locally. The equitable transfer and allocation of decentralised funds and grants as well as providing policy advice on their use to local government are strong drivers of local development. The establishment of stable political and economic situations and the maintenance of justice, law and order and a quality control function are key roles of central governments.



## Approaches to local level development

As demonstrated by commitments to the Millennium Development Goals, 'poverty reduction' is an overarching objective of most donor agencies. Despite many unfulfilled expectations there is an enduring conviction that sustained poverty reduction must involve the poor themselves, not just as passive recipients of aid but also as key participants. There is a widespread conviction in the value of supporting local level mechanisms that empower people to take an active and influential role in shaping decisions that affect their lives.

There are many different approaches to ensuring that development happens locally, either focusing on community driven development or decentralised sectoral or local governance approaches. Identifying such mechanisms for support can be fraught with difficulties, not least because of social and institutional complexities. Given this, it is not surprising that many different types of local level support have emerged and have been variously named:



None of these terms purport to offer a definitive, optimal approach and they all share differences and similarities. Whatever differences exist are primarily manifested in some prominent focus such as service delivery, infrastructure, enterprise promotion, food production or institution building. All are significantly shaped by the particularities of the local and national institutional environment. All are characterised by a direct relationship between the supporting agency and a local institution such as a local authority or civil society organisation, or both. Most of the approaches involve some sort of governance agenda such as supporting a decentralisation process or promoting administrative and fiscal probity. Overall, however, at the moment there is no blueprint approach to local development. Many other development agencies are at the stage of developing similar policies in this area from a growing recognition of the importance of local development to the impact and achievement of the MDGs.

- > Participatory community driven development and empowerment
- > Rural development
- > Decentralised basic service sectoral development
- > Local economic development
- > Local governance

# Irish Aid and local development

Ireland has a long history of support to local development, support which has helped build and shape Irish Aid's development policies and its profile both in its partner countries and with other international donors. The characteristics of this support for local development have gone through various changes over the years and can be broadly described in four phases<sup>4</sup>.

	Irish Aid local development programmes	Programme characteristics
<b>Phase 1</b>	<p>In the early days of Ireland's development assistance there was a focus on support for discrete projects at local level. In the different Irish Aid programme countries a clustering of such projects occurred with a resultant geographic focus in a region or local government area. These clusters came to be termed "Area Based Programmes" (ABP). Notable features of the ABPs model included; separate administrative structures; high levels of expatriate technical assistance; and resources substantially managed by the donor.</p> <p>For some years the ABP model was favoured by Irish Aid on the premise that it was a means of ensuring that the limited financial resources available through the programmes could be more effective when concentrated within a geographic area. The Irish Aid Advisory Committee in their paper on Area Based Programmes (1996) refers to this as the "bang for buck effect". Kilosa in Tanzania, Northern Province in Zambia and the urban compound up-grading programmes in Lusaka and Dar es Salaam are examples of such programmes in this era.</p>	<ul style="list-style-type: none"> <li>• Unsustainable.</li> <li>• Used parallel structures.</li> <li>• Little or no local ownership.</li> <li>• No established baseline data to judge effectiveness and impact.</li> <li>• High dependency on expatriate expertise and thus little achieved in terms of building local capacity.</li> <li>• Lacked a clear coherence between the component parts.</li> <li>• High visibility.</li> <li>• Easier to see impact.</li> </ul>
<b>Phase 2</b>	<p>As Irish Aid's development assistance programme expanded and evolved in line with changing government policy and international development thinking, the characteristics of Irish Aid's support to local level development changed. The approach became more focused on the principles of partnership, ownership, integration and sustainability. The District Programmes in Uganda and Ethiopia, and the POCMUS programme in Zambia are examples of ABPs that were emerging at this time. These programmes had a specific focus on institutional development and building government systems in order that they were better able to implement poverty reduction programmes</p>	<ul style="list-style-type: none"> <li>• Sustainability was still a problem.</li> <li>• Parallel structures still existed.</li> <li>• Refined and actualised the concept of partnership.</li> <li>• A need for a more strategic approach to building local institutions and capacities.</li> <li>• A need to address crosscutting issues such as gender and HIV and AIDS.</li> <li>• Visibility.</li> <li>• High degree of Irish control.</li> </ul>
<b>Phase 3</b>	<p>In 1999/2000 a study was carried out to review Irish Aid's support to Area Based Programmes and to promote a shared approach and understanding of local development. At the final meeting with local development advisors in Arusha, Tanzania, there was agreement on a broad understanding of an "ABP" as, "a mechanism for DCI integrated financial and technical support to the civil service and elected bodies at a local level of government and through them to communities." The language is that of a 'mechanism' rather than a 'programme'. This led to changes in Irish Aid's approach to ABPs with a greater recognition that local government and local structures are the primary partners; that planning and implementation must crucially be carried out through local institutions (statutory and non-statutory); and that capacity building for more effective public service delivery must be a key objective in order to help reduce poverty.</p>	<ul style="list-style-type: none"> <li>• An "inequity" caused by selective support to particular geographic areas.</li> <li>• A need to align with emerging decentralisation processes.</li> <li>• An emphasis on the use of pooled funding modalities, including budget support and sector-wide approaches (SWAp) and a government led mechanism to provide grant funding for local development plans.</li> <li>• Supporting the roles of Civil Society and the Private Sector.</li> <li>• Use of local level experience in national policy dialogue.</li> <li>• Stronger linkages across the component parts of a particular country programme.</li> </ul>
<b>Present</b>	<p>The years since 2000 have seen significant changes in the character of what had once been termed an "Area Based Programme". Within Irish Aid there is a preference to speak of "local development" rather than "Area Based Programmes". Though poverty reduction remains the focus of Irish Aid's involvement in local development, there has been a growing recognition of the importance of contributing to the quality of local governance and to informing the development and refinement of national policies and strategies. In parallel with the changing development environment of the different countries in which Irish Aid works, much innovation has occurred.</p>	<ul style="list-style-type: none"> <li>• Poverty reduction focused.</li> <li>• Explicitly supportive of national policies.</li> <li>• A local level relationship.</li> <li>• Aligned to national systems and attentive to issues of harmonisation.</li> <li>• Targeted capacity building components.</li> <li>• A focus on improving the quality of governance structures.</li> <li>• Explicit focus on crosscutting issues.</li> <li>• Complementary of other development initiatives.</li> <li>• Lesson learning and policy dialogue a stated objective.</li> </ul>

<sup>4</sup> These phases are essentially notional and do not have a clear starting point or finish. Transitions between one phase and another have happened in different degrees and at different times across the Irish Aid programme countries.

# Local development policy

The Irish Aid White Paper 2006 sets out a number of key Principles which will guide Irish Aid's policy for supporting Local Development.

## IRISH AID – GUIDING PRINCIPLES FOR LOCAL DEVELOPMENT:

### **Partnership**

In Partnership with national and local institutions, working with their priorities as identified in national and other local planning instruments. Working with a range of partners, such as local government, civil society and the private sector. Focus on building local ownership, building effective, efficient and accountable local institutions.

### **Long term sustainable development**

Promote long-term sustainable local development through building opportunities for people to improve their livelihoods. Building people's own voice for the demand of basic services. Support partners to address key issues that effect lives of people at a local level, such as HIV/AIDS, gender equality, good governance and environmental sustainability.

### **Effective quality assurance**

Building effective and efficient local institutions. Working in a coordinated and harmonised manner with other donors, using local systems, through a range of modalities which combat poverty at a local level. Ensuring a quality programme by having a strong monitoring and lesson learning framework, channelling experience from local levels to higher-level policy dialogue.

### **Coherence**

Working across Irish Aid, and the wider department, to ensure that development assistance has the greatest impact at local levels where poverty is greatest. Ensuring local development compliments and reinforces other policies and priority areas of Irish Aid. Using Ireland's influence in the wider international sphere for the promotion of development that impact at local levels.

### **Public ownership and transparency**

Using local development programmes to demonstrate the very real impact of development assistance at local levels both to the public in our partner countries but also to the Irish public. Ensuring that development assistance is delivered to local levels in a transparent and accountable manner.

## Irish Aid local development policy goal

***Irish Aid will promote local development as a coherent part of its overall support to poverty reduction and the achievement of the Millennium Development Goals.***

## Policy objectives

Irish Aid has identified a number of local development policy objectives that are central to achieving its policy goal.

1. Reduced poverty at local levels
2. Strong responsive local institutions at community, local government, civil society and private sector level.
3. Informed national policy development through lesson learning that allows government and partners to develop policy informed by the realities on the ground.

### ↳ Objective 1

Reduced poverty at local levels.

**Irish Aid can:**

- > Support the development and implementation of national poverty reduction strategies.
- > Advocate for local level priorities to be addressed in national planning processes.
- > Support sector plans that have a direct impact on people's lives such as education, health and water and sanitation and ensuring that they deliver locally.
- > Support people to participate effectively in their own development.
- > Support programmes that provide a safety net to the critically poor.
- > Support partners to address fundamental constraints to local poverty reduction such as, HIV and AIDS, environmental degradation, gender inequality and weak governance.

### ↳ Objective 3

Informed national policy development through lesson learning systems that allows government and partners to develop policy informed by the realities on the ground.

**Irish Aid can:**

- > Support research and piloting for both national policy changes and institutional innovations using the lessons learned at local level in national and international policy debate.
- > Promote, in policy dialogue, the crosscutting issues of gender, HIV and AIDS and environment in national decentralization and governance policy reforms.
- > Support the development of national monitoring and reporting systems that feed lessons from implementation into planning and decision-making.

### ↳ Objective 2

Strong responsive local institutions at community, local government, civil society and private sector.

**Irish Aid can:**

- > Support national public sector reform and capacity building plans that allow governments to decentralise services to local levels.
- > Support building capacity at local government level in critical areas such as planning, analysis and financial management.
- > Support measures that increase the information available locally and increase the transparency and accountability of local governments.
- > Support the development of a local economy.
- > Support strategies that allow people at a local level to address their vulnerability by maintaining and improving their livelihoods.
- > Support programmes of efficient outreach extension services to rural farmers and business people.
- > Advocate for a greater role for civil society in national and local dialogue
- > Support a greater role of civil society in the provision of basic services to local levels.
- > Strengthen the capacity of local civil society to be able to participate in development and decision-making processes to create demand and accountability for better public services.
- > Support the independent policy analysis capacity of civil society to be able to address local issues.

# Strategy and guidance for advancing local development in country programmes

Irish Aid will support local development at country level through policy dialogue, financial and technical support, promoting research and lessons learning and in local partnerships.

## Strategies for advancing local development

### **Policy dialogue:**

Irish Aid will, at national policy level, advocate for the inclusion of local issues in national policy debate. Irish Aid will, using the lessons learned in its monitoring of local development and pilot approaches, ensure that the issues of development at local levels remain a key objective of national planning at macro and sectoral levels. Irish Aid will promote the mainstreaming of crosscutting issues in national decentralization and local governance policy reforms. An example of this could be in the annual national PRSP review mechanism ensuring that local issues of civil society and private sector are raised or have the space to be raised.

### **Financial and technical support:**

Irish Aid will provide, where appropriate, financial and technical resources to be managed through national and local institutions to support local development and local poverty reduction. Irish Aid will support the financing of development plans and assist in the establishment of frameworks for decentralised fiscal transfer mechanisms. An example of this could be direct support to local governments' own poverty reduction plans or support to the local government decentralisation capital developments grants.

### **Promoting research and lesson learning:**

Irish Aid will assist government in the piloting of both national policy changes and institutional innovations at the local level. Irish Aid will support the development of national monitoring and evaluation systems to assist governments' understanding of policy that works and learning lessons from the reality on the ground. Irish Aid will support partner institutions to develop local level research that informs policy makers. This may include supporting local government associations to carry out research on the implications of national policy changes at local level.

### **Local partnerships**

Irish Aid will, where appropriate, work with local partners by:

**Supporting** capacity building and institutional change at local government levels to ensure that they can carry out their core functions and ensure that development has a local impact. This may include the training of local government officials to be able to carry out participatory planning or up-grading of local government accounting skills to be able to account for central government funds.

**Supporting** the building of an environment for the development of local economic opportunities and the development of a livelihoods approach in local and central level engagements, such as working with the local private sector to develop local market information systems that identify economic opportunities or working in a sector wide approach to ensure that local artisans can benefit from national programmes.

**Supporting** the development of civil society at local levels that works at building their capacity to deliver and demand for local basic services, accountability and improved governance. Ensuring that there is space for local institutions to meet and participate jointly in planning processes.

## Strategic opportunities for supporting local development using current country aid modalities

While each developing context is different (and this should be the primary basis for programming) there is a consensus view emerging from recent studies that recommends that donors should continue to pursue a mix of mechanisms to deliver aid.<sup>5</sup> Irish Aid seeks to use, where possible, partner systems across all modalities for planning, management, accounting and monitoring for the building of sustainable capacity and to try to incorporate a mix of instruments in its country programmes in a balanced and complementary way.

The sections below contain guidance for programme managers and planners and present options on the complementarities and synergies between the various aid modalities.

### Macro level support:

At the Macro level donor funds are usually merged and managed by partner governments in the general budget at central level. An agreement by a donor to the disbursement of funds at this level is normally based on a national development plan, linked to certain conditions such as governance, economic management and the strength of public service and financial management systems. These reforms are vital to the strengthening of government systems and their ability to deliver services at local levels.

#### GUIDELINES:

LOCAL DEVELOPMENT POSSIBLE ENTRY POINTS WHICH COMPLIMENT THIS MODALITY

- > Ensuring that the formulation of support PRSPs and similar processes are informed by experience from local issues from local government, civil society and private sector point of view.<sup>6</sup>
- > Supporting the provision of a greater understanding of the political economy and drivers of change from a local context for national level dialogue.
- > Ensure that public sector reform processes are 'local friendly'.
- > Feedback on public financial management at the implementation levels of government to wider policy debate with both donors and governments.
- > Advocate for more local development funding from national budget.
- > Ensuring that funding impacts at local levels through monitoring and research.

#### **Example 1. Involvement in national level policy dialogue – Impact of Ireland's role on local government in 2006 budget support review**

*Amendments to local government legislation planned by the Government of Tanzania were considered by civil society, opposition MPs and donors, to be an attempt to increase central political control and to undermine the policy of decentralisation by devolution. As co-chair of the Local Government Reform Programme Group this issue was brought to the fore through Irish Aid's engagement in the GBS annual review.*

*A presentation made by Irish Aid raised critical issues concerning local government reforms, and proved to be one of the key sessions of the week, culminating in separate consultations with the Minister for Local Government. This resulted in re-confirmation by the Tanzanian Government of its commitment to decentralisation by devolution. In addition, the planned amendments to the Local Government Act were substantially adjusted in response to the policy dialogue that was led and coordinated by Irish Aid.<sup>7</sup>*

<sup>5</sup> An Evaluation of General Budget Support (1994-2004) OECD DAC.

<sup>6</sup> ODI, *Do Area Based Projects have a future*, John Farrington et al 2002.

<sup>7</sup> Tanzania CSP 2007.



## Sector level support

The defining characteristics of a SWAP are that all significant funding for the sector supports a single sector policy and expenditure programme, under Government leadership, adopting common approaches across the sector and progressing towards relying on Government procedures to disburse and account for all funds. The focus of local programmes should take into account the effective functioning of sector support from the central level and Irish Aid's comparative advantage.

### GUIDELINES:

LOCAL DEVELOPMENT POSSIBLE ENTRY POINTS WHICH COMPLIMENT THIS MODALITY

- > Piloting or suggest how and when different forms of funding mechanisms work for diverse locations and people.
- > Providing inputs into sector discussions on "policy that works" for local development.
- > Providing an understanding to national level on priorities and issues that effect local people.
- > Promote a more inclusive approach to the role of non-state actors in the sectors, including provision of basic services.
- > Seek to ensure there is adequate local representation (government, non-govt.) in national level processes (sector planning and reviews, policy meetings).
- > Participate in monitoring joint visits to district and community levels.
- > Strengthen information systems for better monitoring of sector performance (mindful that it is at the local level where the results occur).

### **Example 2. Piloting sectoral programmes at local levels: Irish Aid's role in assisting the Zambian Ministry of Education.**

*The Breakthrough to Literacy Programme (BTL), which uses the seven local languages to teach initial literacy skills, was first implemented in Northern Province with support from Irish Aid before being extended throughout the country by the Ministry of Education. The project, which focused on the development reading skills in primary school children, was tested:*

*"The children are able to read at two grades above their expected grades in local Zambian languages and at their appropriate grades in English. There is a lot of support from parents and members of the community, because they have seen change in quality of learning by our children. The motivation for all, teachers and parents included, are the results: reading, writing and better understanding of all subjects of the curriculum"<sup>8</sup> and lessons from implementation were absorbed into the design of the national roll out of the programme.*

## Local development support programmes

Irish Aid will support local development directly at local levels where appropriate. Irish Aid's Local Development support programmes will work with and assist local governments, civil society and private sector to address issues of poverty at local levels.

### GUIDANCE FOR SUPPORT FOR LOCAL DEVELOPMENT AT A LOCAL LEVEL

- > Work in partnership with local institutions, such as private sector, civil society and local governments.
- > Build capacity of local institutions to be responsive to local needs.
- > To focus on the areas where central systems have proved not to be able to deliver results in the provinces or cannot do so due to the specific problems at local levels.<sup>9</sup>
- > Working in a coherent and coordinated manner ensuring that there is an efficient use of development resources.
- > Where appropriate, fund local development plans.
- > Support local and participatory monitoring systems.
- > Ensure that local level support is in line with national policy and uses national funding and reporting systems.
- > Promote space for local level discussions between stakeholders.
- > Support local institutions to be able to access national funding mechanisms.
- > Build capacity in the areas of accounting, planning, management and implementation of basic services and infrastructure.

8 Zambia's Primary Reading Program (PRP): Improving Access and Quality Education in Basic Schools, Research coordinated by the Ministry of Education of Zambia. Author Francis K. Sampa.

9 Evaluation of Irish Aid Zambia Programme 2003-05.

**Example 3. Supporting local organisations - Irish Aid's support to civil society at local levels.**

*Irish Aid (Uganda) as part of their Civil Society Strategy is supporting district civil society networks in Kibaale, Kumi and Kiboga to build their capacity, develop their membership and engage with their local governments. In Kumi District, for example, the civil society network has signed a Memorandum of Understanding (MoU) with the local government outlining each others roles and responsibilities and charting out how their collaboration will be enhanced, including through civil society participation in district technical planning committee meetings.*

*Much of this work is informing Irish Aid (Uganda) in its policy discussions with the Ministry of Local Government. The new Strategic Investment Plan (SIP) of the sector has plans, objectives and indicators relating to enhanced civil society participation.*

**Project level support:**

Projects have been associated in the past with an uncoordinated approach to development. However, there is still a case for this type of support if there is a need to support discreet activities that can supplement a local development approach.

**GUIDELINES:**

LOCAL DEVELOPMENT PROGRAMMES CAN COMPLEMENT THIS MODALITY BY:

- > Providing a local framework in which the project can be based. Allowing it to fit within a local development plan.
- > Where it can build local capacity in a short-term intervention.
- > Provides feedback for wider project design ensuring that there is an impact and lessons learned.

**Example 4. Supporting short term discreet projects for building capacities: Irish Aid's support to the local Government policy development.**

*Irish Aid supported UNCDF/ UNDP and the Government of Timor Leste to develop the local government options project to investigate a new system of local government for the people of Timor Leste. This project brought experts in local governance to Dili to discuss experiences from other countries, present possible options and costings, possible guidelines and laws to the Timor Leste cabinet for their discussion and approval.*

*The Timor Leste government approved a new form of local government in 2006 and Irish Aid is now assisting them roll this out to all districts.*

**Joint assistance strategies:**

Donors, as part of joint assistance strategies, are asked to look at areas where they can have an added value to the policy dialogue and process. Irish Aid will play its part in those areas where it has particular strengths and experience and will recognise and support the lead role of other donors in particular sectors<sup>10</sup>. Irish Aid's support to local development presents it with a real strength, in terms of understanding the local context and realities on the ground that face both local communities and those whom are working for their development. **Local development programmes** "give Irish Aid a basis for monitoring the impact of public sector reforms and the introduction of new ways of working through SWAps. In turn, both modalities provide information which can be used to validate the impact of moving from a project to a more programmatic approach."<sup>11</sup>

Local Development programmes allow Irish Aid to bring their on the ground experiences to other parts of country programmes, to the level of policy dialogue in SWAps, budget support and ensures that discussions are grounded in reality.

**GUIDELINES:**

IRISH AID SUPPORT TO LOCAL DEVELOPMENT IN JOINT ASSISTANCE STRATEGY:

- > Irish Aid sees its local level engagements as a strategic advantage in harmonised or Joint Assistance Strategies.
- > Irish Aid working with other donors will use its local development programmes to inform the national policy debate.
- > Irish Aid will ensure that it has systems, or access to systems, that can monitor the implementation of national development plans at local levels.
- > Irish Aid will advocate that local development remains a key outcome of harmonised donor processes and that impact at grass root levels remains the goal of development assistance.
- > Irish Aid will ensure that its programmes of support to local governments work towards a harmonised model that recognises national governments' central role in supporting local government development.

<sup>10</sup> White Paper on Irish Aid 2006.

<sup>11</sup> Ireland (2003), DAC Peer Review.

**Example 5. Division of labour**

*Irish Aid in Tanzania co-chairs the Donor Group on Local Government. As part of ZAS's division of labour and based on its history of support to local development programmes at district levels, local government and decentralisation was identified as a key area of Irish Aid strength. Irish Aid now leads the discussions from the donor side with government in areas of local government reform and ensures that local development is kept on the agenda of the donors and government. The Country Strategy Paper includes supporting local development as a key objective.*

## Monitoring development locally – ‘Maintaining the link’

A number of recent DAC Peer reviews have highlighted a major challenge for donors to realise what, in fact, is happening on the ground. Irish Aid uses a number of different strategies to support local development, either directly at local level or at national level through sector programmes or budget support. In some contexts, as funding is directed through central pooled mechanisms, it can be difficult to maintain this understanding, as there is not a direct financial relationship between Irish Aid and its local partners. There are however a number of different channels for maintaining this link and ensuring that this important element is not lost.

**Civil society links:**

Irish Aid supports a large number of NGOs both through its MAPS partnership and through in country mechanisms, such as the Civil Society Fund in Mozambique. There are possibilities for learning from CSO partners. Some examples;

- > Sector themed meetings and discussions with CSO partners before sector reviews, which could identify local issues that Irish Aid could raise.
- > Visit CSO supported projects at local levels with partners, based on specific issues in advance of national dialogue, taking advantage of relationships on the ground.

**Local governments links:**

In many places Irish Aid supports local government development centrally, such as the Local Government Capital Development Grants in Tanzania, Irish Aid funding

link with local governments is indirect and integrated into national systems. There are however ways of maintaining this link.

- > Irish Aid engages with the national process for the development of local governments, inputting to the policy discussions as in their sector programmes.
- > Supporting field trips to local governments both with national government and donor partners. These should be based on specific topics, such as public financial management, ensuring that lessons learned are widely distributed.
- > Supporting local government representation bodies, such as ULGA in Uganda, to be heard at national levels and to carry out research on the local effects of national policies.
- > The “Reality Check” joint monitoring framework developed in conjunction with donors and Ministry of Local Government.

**National systems:**

Maintaining the link is not just a challenge for Irish Aid, national governments need also to be aware of the on the ground reality as they develop policy and plan for development. National poverty monitoring and information systems, such as the household survey carried out by the Central Statistic Office in Mozambique, are key to government understanding of the situation in the country. Examples of how Irish Aid can support this include:

- > Supporting the Paris 21 initiative of the OECD DAC in building national capacity in statistics, planning and monitoring development indicators.
- > Supporting the national census office in Mozambique to ensure that they get quality data.
- > Supporting research in the area of local development and the impact of development at local levels.

**Visibility**

A challenge for Irish Aid, as with other donors, is to be able to demonstrate an impact of its development cooperation in a meaningful way. The linkage with local level and the very real personal and human development messages also present opportunities to develop a real visible impact for the Irish development programme. The Irish public (through its public representatives) can see and understand the tangible benefits of supporting development, especially supporting the efforts of local actors, and the change and impact on people's lives. The ‘Story of Change’ booklet series from Uganda is a good example of this and is now used in Irish secondary school geography textbooks.

# Strategies for advancing local development across Irish Aid<sup>12</sup>

## Multi-lateral and UN

Multi-lateral engagements can impact on the lives of people at local levels. Setting a local level dimension in the higher levels of dialogue at international levels allows for a pro-poor and local impact, such as support to debt relief or more equitable trade arrangements that support local traders, etc.

Irish Aid can, in its multi-lateral programme, support local development by promoting a local development agenda ensuring that international agreements and meetings keep the issues of development impact to the fore. Irish aid can work and coordinate with UN bodies, such as UNDP or UNCDF, whom have a local development mandate. Coordinate with multi-lateral organisations on policy dialogue in the areas of, trade, debt relief, and macro economic issues, which impact on the lives of local people. Further guidance will be developed on this topic in the form of a tip sheet.

## Emergency and Recovery

### Humanitarian situations

Recent evaluations of disaster responses highlights the need to build local capacities to respond quickly and locally to humanitarian crises. Supporting programmes that build local capacity to respond quickly to natural and man made disasters can soften external shock and aid recovery. Irish Aid can support the strengthening of the capacity of local institutions, such as, building local government to plan and manage interventions in dealing with emergencies. Further guidance will be developed on this topic in the form of a tip sheet.

### Linking relief to development

Local development is key to people transferring from the relief stage to the recovery and on to the development stages. Irish Aid, from its local engagements, has a good understanding of the issues that affect the transition of relief to development, such as local livelihoods, HIV and AIDS, food insecurity, social exclusion, and gender inequality. Irish Aid can support local development in linking relief and development programmes through supporting the various aspects of livelihoods security, spanning short-term concerns to protect and save livelihoods, such as its support to safety nets, and long-term concerns about strengthening and reinforcing livelihoods, such as support to education, health, governance and the productive sectors. Further guidance will be developed on this topic in the form of a tip sheet.

## Civil society

Irish Aid is committed to supporting local civil society as a crucial part of promoting equitable and sustainable development. In its civil society and MAPS guidelines Irish Aid has presented a number of local development opportunities. Irish Aid will support civil society in providing services, such as good-quality schools, health care services and provision for water and sanitation that poorer groups can access and afford. Irish Aid will also support the just rule of law, locally applied in ways that protect local groups' rights and livelihoods (including access to land, forests and water in rural areas, and land for housing and services in urban areas) and that recognise customary rules and traditions. Irish Aid will also support more voice and power for people locally or those at risk from stresses and shocks, building capacity to demand local governments and traditional authorities that are more accountable to them and able to work in partnership with them.

<sup>12</sup> Further guidelines covering these areas will be developed as tip sheets.

# Advancing cross cutting priorities

Irish Aid recognises a number of issues are vital to sustainable poverty reduction and development and is currently mainstreaming four cross-cutting areas: Gender Equality, Environmental Sustainability, Governance, and HIV and AIDS. These cannot only be tackled as discrete entities but should inform the shape and content of any local development programme. Advancing these issues requires a range of practical strategies that involve analysis, consultation, clarity on what is to be achieved and learning from experience.

Irish Aid support to local development offers important opportunities for promoting cross cutting issues. It provides important entry points for policy dialogue and lesson learning at local levels. For example, it can involve:

- > Supporting crosscutting gender analysis of district or province to identify the gender differences in access to services and resources and ensuring that these findings inform priorities in development of local plans.
- > Supporting accountability of local administrations through the publication of reports of funds received and the programmes that have been supported.
- > Supporting community groups or those working with them, to develop strategies aimed at strengthening household coping mechanisms for dealing with HIV and AIDS. These could include strategies for improving food security (less labour intensive crops), raising household incomes (micro-credit) and loss of labour, (for example, reducing the demands on the time of women by providing water closer to the community).
- > Improving access to voluntary testing, where it can be provided locally in a confidential, supportive and caring manner.
- > Promoting the development of a common vision with local partner institutions regarding gender equality in a local context. Based on that vision, encourage the development of strategies focusing on the promotion of gender quality.
- > Promote innovation and research by civil society organisations and research institutes to find new ways to address local environment and development issues (e.g. EZCORE client oriented research and extension in Tanzania or Operational Research Programme in Tigray, Ethiopia).
- > Through support to decentralisation, encourage the integration of environmental sustainability into local development plans.

# Institutional arrangements

Oversight of the local development policy will be the responsibility of the Senior management group. The dissemination and implementation of the policy will require Irish Aid to:

- > Commit the required human and financial resources at both HQ and in the field to ensure that development occurs locally.
- > Ensure that local development issues are addressed in the design of new programmes and that issues that effect local poverty reduction are kept to the fore.
- > Develop at embassy level a team around the area of local development to ensure this approach is a key element of the country programme.
- > Develop specific guidelines for local development across Irish Aid in areas of new policy development such as multilateral engagements or private sector.
- > Develop strategic partnerships with international organisations involved in supporting local development such as, UNDP, UNCDF and IIED.
- > Strengthen the capacity and understanding in areas of local development of Irish Aid staff, such as training in participatory methodologies, fiscal decentralisation, public sector financial management, community monitoring etc.
- > Support research that will help development actors' support local development processes.
- > Develop lessons learning and documentation processes from across Irish Aid that will promote lessons from policy in practice and complement Irish Aid's knowledge management approach.
- > Assign appropriately trained and experienced development specialists to provide technical support and oversight for the implementation of this policy.

## Abbreviations

DAC	Development Assistance Strategy
IIED	International Institute for Environment and Development
MAPS	Multi-Annual Programme Scheme
OECD	Organisation for Economic Cooperation and Development
UNCDF	United National Capital Development Fund
UNDP	United Nations Development Programme
SWAp	Sector-Wide Approach



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