

Decentralization – A Vehicle for Achieving the MDGs

Dr Pervez Tahir

Mahbub ul Haq Professor of Economics

GC University, Lahore

Decentralization

Bringing decision making closer to people

Devolution Plan 2000

- “to devolve political power and decentralize administrative and financial authority to accountable local governments for good governance, effective delivery of services and transparent decision making through institutionalized participation of the people at grassroots level.”

Participatory Poverty Assessment (PPA)

- Analysis by various groups at the local level reconfirmed a multi-dimensional perception of poverty
- Economic issues like income, land and other asset ownership (including livestock, house, etc.), and, material possessions
- Absence or insufficiency of political and social capital: *“Hum gareeb nahin, humay gareeb rakha jata hai”* said an interviewee in Gadap (Sindh). He felt that State and social institutions serve as a barrier to poverty reduction.

Functions

- District Governments: basic health, basic education, literacy, community development and revenue
- TMAs: municipal services like water supply, sanitations, street lighting
- Union Council perform mainly monitoring functions and undertake small development schemes
- The provinces have regulatory, oversight, policy and standard setting functions vis-a-vis local governments

Mainstreaming the marginalized

- Women have been empowered by ensuring at least 33% seats in local councils at the union, tehsil, and district levels.
- Minority and peasant and workers seats on each local council ensure inclusion of the vulnerable and poor groups.

Finances

- Provincial Finance Commissions distribute resources between provincial Government functions (non-devolved) and local governments.
- A formula-based system determines the distribution of the Provincial Consolidated Fund. The share is transferred to each local government down to Union level.
- In addition to the fiscal transfers from the Province, the local governments have been authorized to levy certain taxes.
- 25% of the development budget through Citizens Community Boards . This non-lapsable funding contributed by Local Government and the community in 80:20 ratio.

Millennium Development Goals (MDGs)

- 1. Eradication of Poverty and Hunger**
- 2. Achieve Universal Primary Education**
- 3. Promote Gender Equality and Empower Women**
- 4. Reduce Child Mortality**
- 5. Improve Maternal Mortality**
- 6. Combat HIV/AIDS, Malaria and other Diseases**
- 7. Ensure Environmental Sustainability**

Achieving the MDGs requires:

- **National ownership: Political commitment, localized targets**
- **Capacity development**
- **Mobilization of resources**

GOAL 1

Eradicate Extreme Poverty

Target 1: Halve, between 1990 and 2015, the proportion of people below the poverty line (%)							
Indicator	Definition	1990-91	2000-01	2004-05	2005-06	MDG Target 2015	Status
Proportion of population below the calorie based food plus non-food poverty line.	Head-count index based on the official poverty line of R. 673.54 per capita per month in 1998-99 prices consistent with t 2350 calories per adult equivalent per day ¹	26.1	34.5	23.9	22.3	13	Lagging

GOAL 1

Eradicate Extreme Poverty

Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger (%)							
Indicators	Definitions	1990-91	2000-01	2004-05	2009-10	MDG Targets 2015	Status
Prevalence of underweight children under 5 years of age	Proportion of children under 5 years who are underweight for their age	40 ⁴	41.5 ⁴	n/a	28	<20	Lagging
Proportion of population below minimum level of dietary energy consumption	Proportion of population below 2350 calories per day of food intake (Food poverty line)	25	30 ⁴	n/a	15	13	Lagging

GOAL 2

Achieve Universal Primary Education

Target 3: Ensure that by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling								
Indicators	Definitions	1990-91	2000-01	2004-05	2006-07	MTDF Target 2009-10	MDG Targets 2015	Status
Net primary enrolment ratio (%)	Number of children aged 5-9 years attending primary level classes i.e., 1-5, divided by the total number of children aged 5-9 years, multiplied by 100.	46	*42	52	55	77	100	Lagging
Completion/survival rate to grade 5 (%)	Proportion of students who complete their studies from grade 1 to grade 5	50	68 (M:72,F 65)	72	n/a	80	100	Lagging
Literacy rate (%)	Proportion of people aged 10+ years who can read and write with understanding	35 (M:48,F: 21)	45	53 (M:65, F:40)	56	77 (M:85, F:66)	88 (M:89, F:87)	On track

GOAL 3

Promote Gender Equality and Women Empowerment

Target 4: Eliminate gender disparity in primary and secondary education by 2005 and to all levels of education no later than 2015								
Indicators	Definitions	1990-91	2000-01	2004-05	PRSP Target 2005-06 ⁷	MTDF Target 2009-10	MDGs Targets 2015	Status
Gender parity index (GPI) for primary, secondary and tertiary education	Proportion of girls' enrolment at primary, secondary and tertiary levels in comparison with boys	Primary: 0.73 Secondary: N.A	Primary: 0.82 Secondary: 0.75	Primary: 0.85 Secondary: 0.83	Secondary: 0.73 ⁸	Primary: 0.94, Secondary: 0.90	Primary: 1.00 Secondary: 0.94	Lagging
Youth literacy GPI	Proportion of females as compared with boys aged 15-24 who can read and write	0.51	0.65	0.67	0.70	0.85	1.00	Lagging
Share of women in wage employment in the non-agricultural sector	The share/proportion of women employed in the non-agricultural wage sector (%)	8.7	8.9	10	n/a	12	14	On-Track
Proportion of seats held by women in national parliament	Proportion of seats held by women in the national parliament (%)	National Assembly: 2/217 =0.9, Senate: 1/87=1 ⁶	National Assembly: 72/342= 21, Senate: 17/100 =17 ⁶	National Assembly: 72/342= 21, Senate: 17/100 =17 ⁶				Ahead

Goal 4 Reduce Child Mortality

Target-5: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate								
Indicators	Definitions	1990-91	2000-01	2004-05	2006-07	MTDF Target 2009-10	MDG Target 2015	Status
Under-five mortality rate	No. of deaths of children under five years of age per thousand live births	140	105	100	n/a	77	52	Lagging
Infant mortality rate	No. of deaths of children under 1 year of age per thousand live births	102	77	73	n/a	65	40	Lagging
Proportion of fully immunised children 12-23 months	Proportion of children of 12 to 23 months of age who are fully vaccinated against EPI target diseases (%)	75	53	77 (M:78 F:77)	76	90	>90	Lagging
Proportion of under 1 year children immunised against measles	Proportion of children 12 months of age and received measles vaccine (%)	80	57	78	n/a	90	>90	On-Track
Proportion of children under five who suffered from diarrhoea in the last 30 days and received ORT	Proportion of children under 5 years suffering from diarrhoea in past 30 days (%)	26	12	16	n/a	16	<10	On-Track
Lady Health Workers' coverage of target population	Households covered by Lady Health Workers for their health care services (%)	n/a	33.6	80	n/a	90	100	Ahead

GOAL 5

Improve Maternal Health

Target 6 : a) Reduce by three –quarters between 1990 and 2015, the maternal mortality ratio; b) Achieve universal access to reproductive health by 2015.								
Indicators	Definitions	1990-91	2000-01	2004-05	2006-07	MTDF Target 2009-10	MDG Target 2015	Status
Maternal mortality ratio	No. of mothers dying due to complications of pregnancy and delivery per 100,000 live births	550	350	400	n/a	300	140	Lagging
Proportion of births attended by skilled birth attendants	Proportion of deliveries attended by skilled health personnel (MOs, midwives, LHV's)	18	40	48	n/a	60	>90	Lagging
Contraceptive prevalence rate	Proportion of eligible couples for family planning programmes using one of the contraceptive methods	12	30	36	n/a	51	55	Lagging
Total fertility rate	Average number of children a woman delivered during her reproductive age	5.4	4.1	3.5	n/a	2.7	2.1	Lagging
Proportion of women 15-49 years who had given birth during last 3 years and made at least one antenatal care consultation	Proportion of women (15-49) who delivered during the last 3 years and received at least one antenatal care during their pregnancy period from either public/private care providers	15	35	50	53	70	100	Lagging

GOAL 6

Combat HIV/AIDS, Malaria and Other Diseases

Target 7: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS								
Indicators	Definitions	1990-91	2001-02	2004-05	PRSP Target 2005-06	MTDF Target 2009-10	MDG Target 2015	Status
HIV prevalence among 15-24 year old pregnant women (%)		n/a	0.03	0.03	n/a	n/a	Baseline to be reduced by 50%	Lagging
HIV prevalence among vulnerable group (e.g., active sexual workers) (%)		n/a	0.03	2	n/a	n/a	Baseline to be reduced by 50%	Lagging

Indicators	Definitions	1990-91	2001-02	2004-05	PRSP Target 2005-06	MTDF Target 2009-10	MDG Target 2015	Status
Proportion of population in malaria risk areas using effective malaria prevention and treatment measures	Proportion of population living in 19 high risk districts of Pakistan having access and using effective malaria prevention and treatment as guided in roll back malaria strategy	n/a	20	30	25	50	75	Lagging
Incidence of tuberculosis per 100,000 population	Total number of TB cases per 100,000 population	n/a	177	160	133	130	45	Lagging
Proportion of TB cases detected and cured under DOTS (Direct Observed Treatment Short Course)	Proportion of TB cases detected and managed through DOTS strategy	n/a	25	40	70	80	85	Lagging

GOAL-7
Ensure Environmental Sustainability

Target 9: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources								
Indicators	Definitions	1990-91	2000-01	2004-05	PRSP Target 2005-06⁷	MTDF Target 2009-10	MDG Target 2015	Status
Forest cover including state owned and private forest and farmlands	Forest cover including state owned and private forest and farmlands, as percentage of the total land area	4.8	4.8	4.9	5.0	5.2	6.0	Lagging
Land area protected for the conservation of wildlife	Land area protected as percentage of total land area	9.1	11.25	11.3	11.3	11.6	12.0	On-Track
GDP (at constant factor cost) per unit of energy use as a proxy for energy efficiency	Value added (in 1980/81 Rs) per ton of oil equivalent	26,471	27,047	27,000	27,300	27,600	28,000	Lagging
No. of vehicles using CNG	No of petrol and diesel vehicles using CNG fuel	500	280,000	700,000	n/a	800,000	920,000	Ahead
Sulphur content in high speed diesel (as a proxy for ambient air quality)	Percentage of sulphur (by weight) in high speed diesel	1.0	1.0	1.0	n/a	0.5	0.5 - 0.25	Lagging

Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation								
Indicators	Definitions	1990-91	2000-01	2004-05	PRSP Target 2005-06⁷	MTDF Target 2009-10	MDG Target 2015	Status
Proportion of population (urban and rural) with sustainable access to a safe (improved) water source	Percentage of population with access to improved water source	53	69	66	70	76	93	Lagging
Proportion of population (urban and rural) with access to sanitation	Percentage of population with access to sanitation	30	45	54	55	70	90	Lagging

Target 11: Have achieved, by 2020, a significant improvement in the lives of slum dwellers							
Indicators	Definitions	1990-91	2004-05	PRSP Targets 2005-06	MTDF Target 2009-10	MDG Target 2015	Status
Proportion of katchi abadis regularized	Katchi Abadis regularized as percentage of those identified by the cut-off date of 1985	NA	60	60 ¹	75	95	Lagging

Score Card

	MDGs (No. of indicators)	Ahead	On track	Lagging
1	Eradicate Extreme Poverty and Hunger (3)	-	-	3
2	Achieve Universal Primary Education (3)	-	1	2
3	Promote Gender Equality & Women Empowerment (4)	1	2	1
4	Reduce Child Mortality (6)	1	2	3
5	Improve Maternal Health (5)	-	-	5
6	Combat HIV/AIDS, Malaria and other Diseases (5)	-	-	5
7	Ensure Environmental Sustainability(8)	1	1	6
		3	6	25

What has gone wrong?

- Has the vehicle – Decentralization – failed to deliver?
- Or there are serious barriers in achieving desired outcomes?

An MDG Cost Assessment for Pakistan (Rs. Billion)

MDG Targets	Cost	Financing	Gap
Education	1210	860	350
UPE	953		
Literacy	209		
Early Childhood Education	48		
Health	1160	850	310
Nutrition	5		
Pop. Welfare	48		
M & C Health	1107		
WSS	173	130	43
Drinking water	130		
Sanitation	43		
Environment	691	550	141
Housing	650		
Green Environment	18		
Brown Environment	23		

Budgetary process and fiscal transfers

- Federal
- Provincial
- Local
- Consolidated

Public Expenditure on Social Sectors and Food Assistance (% of GDP)

Year	Education	Health	Water Supply and Sanitation	Food Subsidies and Support
2000-01	1.34	0.42	0.11	0.25
2001-02	1.49	0.43	0.10	0.17
2002-03	1.61	0.46	0.07	0.27
2003-04	1.73	0.48	0.10	0.20
2004-05	1.80	0.48	0.10	0.12
2005-06	1.87	0.52	0.14	0.12
2006-07	1.86	0.61	0.19	0.10

Source: Ministry of Finance

Threat to efficient working

“These institutions are representative bodies at the local level that allow people to take an active role in addressing their own concerns. However, the main threat to the efficient working of these institutions is the pervasive inequalities that persist in South Asian Societies, manifested through powerful elite groups which often use these institutions to serve their personal interests.”

– *Human Development in South Asia 2007*

Growth, Inequality and poverty in Pakistan

Decades	Poverty	Inequality	Growth
1960s	↑	↓	↑
1970s	↓	↑	↓
1980s	↓	↓	↑
1990s	↑	↑	↓
2000s	↓	↑	↑

Consumption Inequalities

	2001	2005	2006
Quintile 1	10.1	9.5	9.6
Quintile 2	13.7	13.2	13.1
Quintile 3	16.8	16.4	16.2
Quintile 4	21.3	21.4	20.8
Quintile 5	38.0	39.4	40.3
Q5/Q1	3.76	4.15	4.20
Gini	0.2752	0.2976	0.3012

Manifestoes for reform

“The system of Local Government introduced by the military regime, which has been manipulated for political ends, will be revamped to bring it in line with the Party’s Devolution Plan.

Primary Education, Basic Health, Water Supply, Sanitation and Population Welfare will be looked after by Local Governments. The Deputy Commissioner will perform the functions of DCO. Local Government will be based on modern patterns such as those that exist in the established democracies of the world. Caretaker district governments would be established during elections.”

- Pakistan Peoples Party

Manifestoes for reform

“Local body’s elections will be held on party basis through provincial election commissions in the respective provinces and constitutional protection will be given to the local bodies to make them autonomous and answerable to their respective assemblies as well as to the people through regular courts of law.”

- *PML (N)*

Thank you