Is District Development Authority an effective decentralised government mechanism to improve service delivery?

HISTORICAL PERSPECTIVE OF DECENTRALIZATION OF GOVERNMENT IN PAPUA NEW GUINEA.

Name of presenter
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AUTONOMY & DECENTRALIZATION RESEARCH PROJECT
Presentation Outline

Abstract

- Methodology
- Background
  - Current affairs
    - Discussions
      - Conclusions/Recommendations
Abstract

- DDA is the third comprehensive reform on subnational governance.
- It is rolled out in different ways. Districts were not prepared to manage the funds, projects and people.
- It is generally perceived that the power to make decisions in the districts remained.
- Lack of collaboration is a challenge, and the operations of the electoral (appointed) officials is simply not helping. Furthermore, the slum in the economy since 2015 is making service delivery very difficult.
- Provide incentives to encourage collaboration and appoint a representative Board that is transparent, responsible and accountable.
Approach

- Interviewing four districts in two provinces. Central province is selected for ease of access and its proximity to Port Moresby may make it easier to hire better quality staff than in the remote rural areas.

- East New Britain province is chosen for several reasons, mainly for its commitment over the years to decentralisation, well-known for its internal coherence, and therefore the districts maybe further advanced in setting up their DDA structures, a better performing province, it was interest to study a DDA within a city boundary, and gazelle is a rural district but have access to the provincial capital.
Sampling

- We used multi-state stratified sampling to interview public servants at the district, province and national agencies.

- The questions were basically guided by these objectives:
  - Assess administrative arrangements, expenditures, recurrent costs, and service delivery at the district and local levels, and
  - Analyse human resource needs, constrains to building capacity at the district and local levels, and ways that such constraints may be overcome.
Background

1. 1977 Organic Law on Provincial Government (OLPG)
   a) Bring service to the people, and 89 districts,
   b) Decentralising functions and responsibilities to the 19 provinces, and created the premier system,
   c) Empower province to take care of its affairs, within their capabilities,
   d) Decentralisation to be gradual.

2. 1995 Organic Law on Provincial and Local Level Government (OLPGLLG)
   a) Disempower provincial MPs, and empower the national MPs & LLGs (Whimp, 2005),
   b) Creation of the JDP&BPC (1997),
   c) Recentralising power over the bureaucracy (Standish, 2007),
   d) Bring service to the people.
Current affairs

3. DDA Act (2014)
   a) Creation of the DDA Board, and replaced the JDP&BPC,
   b) By-passing ‘red-tapes’
   c) Empower district with more funding, and
   d) Bring service to the people.

The DDA retains the planning functions of the former, but are also responsible for service delivery.

Since 2015, DDA has been rolled out in PNG, and the advent of city authorities in Lae, Kokopo and Mt Hagen left a lot to be desired!
Service delivery...

➢ Is the implementation of the DDA concept more likely to lead to better service delivery in PNG?
The DDA is rolled out differently.
- uniqueness of the district,
- lack of administrative guideline

Here, the frequent change of the CEOs is notably in all districts visited.

The emergence of the Electoral Official is a concern in terms of service delivery.

They are interfering with the Administrative and Political arrangements in the district.

Source: Duncan, Cairns & Bonga (2017, p. 32, Table 1) and interview note, 2017.
Evidence of poor planning

- Planning is generally poor across the districts visited.
  - Little or no consultation with the wards and LLGs,
  - Uncertain of their roles and responsibilities, though the Act call for collaboration,
  - The DDA was implemented through the middle of a planning cycle.

- The symptoms are obvious from the consultations, with incomplete projects without proper coordination, planning and budgeting.
## DDA Board

<table>
<thead>
<tr>
<th>Elected Members</th>
<th>Appointed Members</th>
<th>Ex-officio</th>
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<tbody>
<tr>
<td>District MP (Chairperson), and Local Level Government (LLG) Presidents.</td>
<td>Three appointees of the district MP, one of whom must be a Women.</td>
<td>Chief Executive Officer to the DDA Board, and District Finance Officer (formerly District Treasurer)</td>
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*Source: Adopted from the DDA Act (2014) and interview notes.*
DDA Board

The structure of the membership enables MPs who represent the open electorates to largely control the budget allocation, and override heads of LLGs. They are ex-officio members of JDP & BPCs. Many chairpersons dominate their JDP & BPCs, with meetings held irregularly, and sometimes outside the district. It weakens the LLGs role to have a politically constituted committee that neither belongs to, nor answers to any level of government, that makes decisions on budgeting and planning for LLGs (Public Sector Reform Advisory Group 2006:31).
Complementary legislation lacking

- Legislation needed for full implementation of the DDA Act has not yet been passed.
  - “Sir Puka said the expectation of the Prime Minister was for every staff of the district, especially the police, teachers and health workers who were at the front line of government service delivery, was properly managed and disciplined. He said some of the constitutional amendments made were on the Police Act and the Teaching Service Commission legislation so teachers and policemen knew that the CEO had the HR function under the new DDA Act.” (Muhuyupe Soranzi. CEO roles change under DDA: Temu. The National, Monday, February 6, 2017).

- Function determination and funding arrangements are still being worked out (Duncan, Cairns, Banga, 2017).
Complexity of legislation

Some of the key pieces of supporting national legislation that are required by the OLPGLLG have not been enacted, and a number of important acts have been in place for decades but not amended to achieve compliance with the reform requirements of the OLPGLLG (Tuck, 2006. p.21).
Discussions-characteristics of decentralization policy

- Clearly established legal framework
  - Success will not only stem from a legislative framework that is technically sound, but one that takes account of the fact that decentralization is often adopted with political, rather than economic or administrative, goals at the fore (Ayres, 2001; Ford, 1999, p.8).

- Institutions with capacity
  - Parker (1995) highlighted several scenarios where lack of institutional capacity can be reflected: • inadequate funding to meet minimum standards of service and provision; • inability to mobilize fully all resources available from tax bases, revenue sharing arrangements and/or matching grants programme; • failure to deliver goods and services cost effectively; • an inappropriate mix of services in relation to local preferences.
Discussions-characteristics of decentralization policy

- Systems of accountability
  - Where accountability is absent, the legitimacy of a decentralization initiative can be lost quickly (Parker, 1995). This may be attributed to lack of appropriate administrative and legal systems.

- Active civil society
  - …service delivery can be made effective “by putting poor people at the center of service provision, by enabling them to monitor and discipline service providers, by amplifying their voice in policy making, and by strengthening incentives for providers to service the poor”.
DDA Act (2014) is insufficient

- It is generally perceived that the DDA is no different to JDP&BPC,

- The notable change is that DDA is responsible for both planning and delivery of service, with more funding and power to make decisions,
  - But which remain under the power of the District MP,
  - Regular change of CEO and the appointment of the electoral officials are a concern,

- It is expected under the DDA to have a fair representation of the Board with rigor debate and discussions for effective service delivery, that is not happening in practice,

- Very little preparatory work done and poor collaboration remains a challenge.
Incapacity at the district level

➢ The implementation process must be holistic, with the transfer of sufficient resources, authority, control, qualified personnel, technical support and finance (Rondinelli, 1986, p.7).

➢ As discussed by Gelu (2009) and Kalinoe (2009), capacity refers to every manner of resources needed to implement a service project or a programme on a long-term, sustainable basis. Sustainability of projects and programmes is crucial in service delivery, yet is a challenge for PNG.

➢ In Kokopo, the district seeks engineering skills from Gazelle Restoration Authority.

➢ Delay and unpredictable funding is not helping service delivery.
Decline in SIPs (PSIP & DSIP) acquittals

PAPUA NEW GUINEA Post-Courier
K1.1 billion
106 districts fail to acquit

106 districts/provinces fail to submit

ROOT OF CORRUPTION

BY MICHAEL ARNOLD
A TOTAL of 106 provinces and districts have failed to acquit for the funding that they received from the Ministry of Finance and Treasury last year. Reports from the Department of Implementation and Reform have shown that out of the 106 provinces and districts in PNG, only five have submitted their accounts and annual reports for the K1.1 billion released for the District Services Improvement Program (DSIP) and Provincial Services Improvement Program (PSIP) last year.
Non-reporting a concern

SIPS REPORTING

Active civil society

- It was revealed through the consultation that the Consultative Implementation and Monitoring Council (CIMC) (2017) has implemented the Budget Tracking Initiative.

- The Initiative is designed to assist communities to understand clearly the government budget processes and be able to monitor the expenditure of the allocated funds.

- The CIMC said the Initiative training programme works with LLG Presidents and Ward councillors, Ward development committee members, community leaders, NGO leaders, church leaders, and women and youth leaders to equip them to establish expenditure priorities, understand, develop and review Ward plans; use the appropriate laws and budget information to access funds for development projects at the local government level; and understand key concepts of monitoring and the use of report cards in monitoring and reporting on government activities at the provincial and local level (Duncan & Banga, 2018).
Conclusions

➢ The implementation of the DDA Act (2014) is insufficient to improving service delivery at the districts.

➢ Districts are not adequately prepared to manage the funds, projects and people!

➢ The implementation coincided with the downfall of the economy, and the ‘constituency funds’ are being delayed causing;
  o Non-payment of projects,
  o Delay funding when needed the most

➢ Collaboration is important for effective service delivery, yet it is not a norm.
Recommendations

➢ DPLGA to define roles and responsibilities to guide implementation of the Act.
  ➢ Define the role of the Board

➢ Consequential amendments to the Act for ease of implementation.

➢ Capacity building and training.

➢ CIMC’s budget tracking initiative is an interesting initiative that must be encouraged and expanded.

➢ Auditor General, Public Accounts Committee and Ombudsmen Commission to scrutinise misreporting of SIPs.
Thank you [wai wo]