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MOVING GOVERNANCE KNOWLEDGE SERIES #2:

STRENGTHENING INSTITUTIONAL FRAMEWORKS FOR INCLUSIVE AND RESPONSIVE LOCAL GOVERNANCE

INTRODUCTION

This short paper for the Moving Governance Knowledge Series focuses on how improving and strengthening institutional frameworks is important for delivering impact, sustainability and meaningful change in the contexts where we work. But what do we mean by 'institutional frameworks' and why is strengthening them important? An institutional framework comprises the laws, policies, budgets, strategies, action plans, regulations, and rules – both formal and informal – and across international, national, subnational, and local or municipal levels that set the overall environment and conditions for what we are trying to change in the contexts where we work. Only when institutional frameworks foster favourable policies that are pro-equity and gender responsive can we ensure that local initiatives are effective and long-lasting.

Within the ten different projects of the Moving Governance programme, we adapt our ways of working according

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to the context to strengthen institutional frameworks on local governance. For some projects, this involves engaging with highly political processes like decentralization that redefine relations between national and subnational level governments. Others are supporting the development of local policies or strategic plans at the city level to ensure urbanization is managed in an inclusive and sustainable way. Changes in national- or subnational-level institutional frameworks can also impose restrictions on our civil-society partners, particularly in contexts where civic space is shrinking, requiring our projects to adapt and, where possible, advocate for change, sometimes in challenging contexts. In our projects where governance is an important transversal topic, we work within and on institutional frameworks related to issues such as nutrition and water to improve food and nutrition security and access to safe drinking water.

This short paper illustrates how two projects from the Moving Governance programme implemented in Bhutan and Bolivia are working towards strengthening institutional frameworks in two different contexts.[1] A third Helvetas project implemented in Bosnia and Herzegovina, and external to the programme, illustrates how we as an organisation have to adapt our project activities to shifting and more restrictive frameworks in contexts where civic space is shrinking. For each project discussed below, a brief introduction to the project is provided. This is followed by a summary of the activities the project partners and team are facilitating to strengthen institutional frameworks or how, in the case of Bosnia and Herzegovina, shifts in frameworks require the project to potentially adapt its intervention strategy. Finally, an emphasis is placed on the lessons learned gathered by the project teams so that other Helvetas projects can consider these when working on institutional frameworks in their own projects. This short paper accompanies a webinar that was held in May 2023 where the project representatives of the Moving Governance programme and other participants came together to discuss and exchange on institutional frameworks.

BHUTAN: DEVELOPING A NATIONAL POLICY TO BRING LOCAL DECISION-MAKING TO THE PEOPLE

Major governance reforms have taken place in Bhutan over the past few decades. Good governance is a key principle of the country's unique and long-term development strategy towards Gross National Happiness while active engagement of citizens is enshrined in the country's Constitution.

Helvetas' **Decentralisation and Local Governance (DLG)** project works closely with the Department of Local Governance and Disaster Management to support the continuing implementation of these reforms.[2] The project strives to improve citizens' quality of life at three different levels – the micro-, meso- and macro-level. At the micro-level, citizens, particularly younger people and women, are strengthened to engage in local level decision-making. At the meso level, local government institutions and other bodies have clarity over their roles and responsibilities in the governance system and can effectively coordinate themselves. At the macro level, national policies such as guidelines and strategic frameworks, along with the harmonization of these frameworks, are in place for conducive local development and citizen engagement. It is the latter that we explore further below.

The team in Bhutan have been working closely with the Department of Local Governance and Disaster Management to develop the National Decentralization Policy of Bhutan and the Action Plan that outlines the key tasks required to put decentralization into practice. The policy aims to set the framework that will allow local governments (called gewogs and dzongkhags in Bhutan) to expand citizen participation by bringing local governments closer to citizens and to tailor local service provision to meet citizens' needs. The policy is currently at the draft stage awaiting Cabinet approval. However, implementation of the Action Plan has begun on a priority basis following endorsement by the Ministry of Home Affairs.

LESSONS LEARNED

- **Working on reforms of institutional frameworks can be highly political.** The team in Bhutan emphasise that decentralisation is not simply a complex technical and management process, it is also a political process. At its core, decentralisation requires a shift in relations between central and subnational governments which can lead to 'turf wars' over transfers of responsibilities and budgets. Infighting can occur, particularly between ministries of local government on the one hand, and line ministries, on the other. Project teams need to comprehensively analyse the political implications of such reforms and identify the incentives and motivations of key stakeholders in order to develop a project strategy that is likely to work and maintain sustainable results in the long-term.[3]

- **Effectively communicate the purpose of institutional reforms to ensure broad commitment and engagement from citizens.** The team note that more must be done to ensure relevant stakeholders understand the purpose of the decentralization policy and how this affects people's lives in Bhutan. There is a need to effectively communicate how such governance reforms have a direct, positive effect on the everyday lives of people in Bhutan – i.e. how the decentralization policy will improve public service provision and what this means for different social groups, especially the most marginalized and under-recognized. For younger

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Collectively identifying urban problems in Sucre, Bolivia as part of the Urban Innovation Lab.

people in Bhutan, discussions on local governance and citizen engagement were considered too abstract if not linked to expanding livelihood opportunities and quality public infrastructure and services. The project therefore began to link the decentralization reforms to three priority areas – water, infrastructure, and income and jobs – so that it was possible to showcase tangible benefits of the reforms.

BOLIVIA: HARNESSING THE DEVELOPMENT POTENTIAL OF URBANISATION WITH THE NATIONAL CITIES POLICY

Back in the 1980s, only 43 per cent of the Bolivia's population lived in cities. Today, the figure is around 70 per cent and the National Statistics Institute predicts that 80 per cent of the population will live in cities by 2050. This rapid urban development has led to certain challenges. New urban settlements that have emerged on the edge of cities have typically been built on land unsuitable for building construction leaving residents vulnerable to natural hazards such as landslides and flooding. Municipalities often lack the resources and capacities to deliver quality services to these settlements such as solid waste management, water and sanitation, energy, and transportation. Also, municipalities do not have the right equipment or staff capacities to provide integrated management of these services, leading to environmental challenges and consequences for the health of urban residents.

The Consolidating Urban Resilience (CoRe Urban) project focuses on strengthening urban resilience in two medium-sized cities in Bolivia (Sucre and Tarija) and supports the formulation and implementation of the country's National Cities Policy *(Política de ciudades)*.[4]

Developing a **national urban policy** is one important part of a national framework that can provide clear messages and actions that aim to harness the benefits of urbanization across the whole country. In Bolivia, the project is supporting the implementation of the National Cities Policy by developing a Resilient Cities Model, a tool that all cities in Bolivia can use to analyze and measure their status towards resilience across four dimensions – equitable life quality, co-responsibility, healthy cities, and interconnectedness. The project is also testing different tools at the local level, in the cities of Sucre and Tarija, to complement implementation of the cities policy at the national level. The City Observatory, for example, aims to analyse the multidimensional behaviour of the city at the local level. The observatory monitors nearly 69 indicators based around several themes, including governance, planning, quality of life and health, sustainability and resilience. Similarly, an 'Urban Innovation Lab' is also being tested in Sucre with the intention of rolling out to other cities. The Lab is a space where urban stakeholders jointly identify common urban problems. An emphasis is placed on collectively developing solutions based on tested prototypes and accompanying the implementation of these solutions in various projects. The aim of each project is to improve the quality of life of the city's residents, with the longer-term aim of rolling out successfully tested solutions to other areas of the city.

LESSONS LEARNED

- **Take a systems approach to strengthening institutional frameworks to build consensus among relevant stakeholders.** Taking a systems approach means focusing on the whole picture and not just one single element. Awareness of the wider context and its complexity is important. The team in Bolivia highlight that urbanization is a broad issue that is caused by and affects other issues such as climate change, migration, land use and transportation. This means that implementation of such a policy is complex requiring the involvement and consensus of multiple stakeholders across civil society, academia, the private sector as well as involving different sectors and different levels of government from local to national. For exam-

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Street action for International Democracy Day in Zenica, Bosnia and Herzegovina.

ple, while the policy is anchored within the Ministry of Housing and Urban Development, the Ministry of Planning, which under its mandate is responsible for urban land use, is an important urban development actor that needs to be included in discussions and agree with major policy initiatives.

- **Working with multiple stakeholders helps contribute to the continuing of actions and long-lasting sustainability.** For example, in Sucre, working with the different departments of the municipal government in implementing the pilot projects has allowed the continuity of actions, even when there has been a change of personnel. Likewise, with the City Observatory, forming a multi-stakeholder platform allows for changes of staff within some of the institutions, such as at the university, while the project and the development of actions continue and become anchored within the wider system.

BOSNIA & HERZEGOVINA: ADAPTING THE PROJECT TO RESPOND TO SHRINKING CIVIC SPACE

Changes in institutional frameworks can also affect the work we do at Helvetas as a civil society organization (CSO) which in turn affects how we are able to support other CSOs and engage with partners in the countries where we work.

The **Civil Society Support project** in Bosnia and Herzegovina (BiH) works with CSOs to ensure citizens – especially socially excluded groups – participate more actively in public affairs so that they influence policy making, democratic reforms and social change in the country.[5] As well as supporting CSOs to strengthen their engagement with citizens through support and capacity building while solving citizens' urgent problems at local level, the project encourages CSOs to form alliances with each other to build a louder and stronger voice for influencing public policy. The project also works with informal groups of citizens and connects these to registered CSOs to encourage new capacities and dynamics in civic space. Further, the project places a special emphasis on collaboration between CSOs and government authorities to enhance the environment for civil society development by improving the legislative framework of civil society and policies related to CSOs functioning.

Civic space has come under increasing pressure in BiH recently. The Government of Republika Srpska, one of BiH's two entities, adopted a draft law in March 2023 whereby, if the final law is eventually adopted by the entity's parliament, CSOs in that entity receiving funds from international organizations and donors will be designated as 'agents of foreign influence.' The law would also ban CSOs from receiving foreign funding for engaging in areas of 'political activity' – a vaguely defined term which broadly refers to any activity concerning formulating, adopting or changing regulations and policies. Such a

clause would issue the justice minister with the authority to propose a ban on noncompliant organizations. CSOs also claim that a more recent amendment to the entity's criminal code that criminalizes the act of defamation restricts the media's reporting on the activities of politicians, allowing the latter to operate with very little scrutiny. CSOs in BiH have highlighted that the amendment could be used as a tool to weaken rights and citizens' freedoms of expression.

LESSONS LEARNED

- **Potential changes, or threats of change, to institutional frameworks require an adaptive project management approach.** Ongoing pressure on civic space requires constant reflection by the team on how to implement and potentially realign project activities. As the draft law currently stands, registered CSOs are in the scope of the envisaged legal changes, so the project has already started to shift its focus to working with informal groups rather than formal ones, especially on activities linked to policy change and reclaiming civic space. The project has also started to build strategic partnerships of partner CSOs not only around specific topics (e.g. air pollution) as was originally planned, but around broader policy objectives such as ensuring an enabling environment for CSOs - the overarching goal of the project. In the event of adoption of the final law by the entity's parliament, the project intends to allocate funds for a 'quick response facility' with the aim of providing in-kind legal and further financial support to CSOs which face direct repercussions of the law, even if they were not direct grantees of the project. Activities could involve supporting re-registration to other geographical areas, covering the cost of sanctions for CSOs and even supporting the use of international legal protection mechanisms.

- Further, with the framework regulating civic space in BiH shifting, along with the overall political situation, there is continuous need to conduct a conflict sensitive analysis to ensure that the project's interventions do not exacerbate the situation and, where possible, contribute to diminishing the existing tensions. This encourages reflection on the changing circumstances and leads to the development of scenarios to assess which direction the project can follow, depending on how relations between civil society and various governance structures develop.

- **Collaborate with like-minded actors to influence institutional change.** Providing support to civil society actors' discussions and meetings which aim at aligning the targeted CSOs' concerted actions and joining forces with other donor projects to create a stronger voice for civil society are a further means of addressing the backsliding situation. A fine balance is required where, on the one hand, as an organization we can work with CSOs to try and improve the enabling framework and widen civic space and on the other hand, there's the need to protect our partners and staff and avoid reputational damage.

CONCLUSIONS

Institutional frameworks, that is, the laws, policies, budgets, strategies, action plans, regulations, rules – both formal and informal - at the international, national, subnational and local or municipal levels, set the overall environment and conditions for what we are trying to change in our projects. We need to ensure that principles of good governance, including accountability, transparency and participation, are embedded in these frameworks to provide for long-term sustainability and impact beyond the projects' duration. This means that the changes we strive for are anchored within the overall governance system and are not subject to changes or transfers of personnel or the closure of a particular organization.

Working on strengthening and advocating for improvements of institutional frameworks requires an holistic approach. This involves thinking beyond one policy or piece of legislation and observing how different laws, policies, regulations, and guidelines interconnect and comprise the overall institutional framework. In our projects, we select specific entry-points within the institutional framework to instigate change.

Shifts in institutional frameworks affect how we as an organization are able to implement project activities to meet overall objectives. The case of Bosnia and Herzegovina shows how challenges to civic space through legislative amendments and enactments requires us to re-think our intervention logic, prepare for potential scenarios, and even re-consider our partnership approach in some cases to meet these objectives, and at the same time protect the partners with whom we work.

[1] The Moving Governance Programme consists of ten projects focusing on strengthening local governance and civil society to improve service delivery, especially for the most marginalised and under-represented groups. The programme promotes exchange between the different countries so that they learn from each other and co-create solutions to tackle governance challenges.

[2] Read more about the project here: https://www.helvetas.org/en/bhutan/what-we-do/how-we-work/our-projects/Asia/Bhutan/bhutan-decentralization-and-local-governance

[3] For more on examining on identifying political implications and power structures see the Moving Governance Knowledge Series #1 on Political Economy and Power Analysis (PEPA).

[4] Listen to a podcast where the team in Bolivia discuss urban resilience: https://www.helvetas.org/en/switzerland/how-you-can-help/follow-us/blog/urban-engagement/Building-Urban-Resilience-in%20Bolivia

[5] Read more about the project here: https://pragg.ba/en