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How decentralization can help Lebanon

Sami Atallah | The Daily Star

The new decentralization draft law prepared for the Lebanese government may not solve all Lebanon's ills but, if implemented, could provide the answer to many of the country's development challenges.

The importance of the draft law lies in its ability to strengthen decentralization by transforming the qada, or subdistrict of the mohafaza, or governorate, into a key developmental actor.

Instead of being headed by a qaimaqam appointed by the central government, qadas will now have a council directly elected by the people. In addition, qadas will be endowed with a mandate to provide a wide range of services as well as the fiscal resources to do so.

The qadas will now be responsible for development. This will include launching developmental projects in infrastructure, transportation, environment and tourism, among others. Many of these functions have been reassigned from the central government because they are more compatible with the geographical area of the qadas and because the latter can better realize the economies of scale in the provision of services. This does not mean that the central government becomes irrelevant, but that it merely shares these functions with other tiers of government. The central government's role is now focused on policymaking and regulation, while regional administrations take charge of service delivery.

The expanded mandate proposed for regional administrations is unworkable if it is not complemented with the required fiscal resources. Since several of the central government functions have been transferred to the qada, it is natural that a portion of central government resources be transferred to the qada level as well. To address this, the draft law has reallocated property tax, a portion of the income tax, real estate registration fees and other taxes and fees to the qada in a way that provides the latter with an appropriate level of fiscal resources and autonomy.

The draft law goes further to provide a new source of revenues for the qada, mainly the Decentralization Fund, which replaces the Independent Municipal Fund. This created fund enjoys a new governance structure, more resources and equitable distributional criteria to both qadas and municipalities.

Qadas with wide mandates and fiscal resources are a necessary but not sufficient criterion for delivering effective development. A key condition is political accountability. The draft law attempts to put in place the appropriate incentives and constraints in order to shape the behavior of local politicians and compel them to deliver more and better services. To this end, there are several main ingredients of the draft law that aim to achieve political accountability.

First, establishing representative councils: The first step to achieve accountability is to have the qada council members directly elected by the people. Elected officials are more likely to know and answer to their

constituents' needs than appointed officials who follow the dictates of their bosses. To ensure that the majority of voices are heard, the draft law stipulates that every village is represented in the qada council.

This representation is also proportional to the size of the villages. For instance, villages with 5,000 citizens or less, which is the case of 85 percent of Lebanese villages, have one representative in the qada council, while those with 5,000 to 10,000 citizens have two representatives. Those with 10,000 to 20,000 have three representatives, and so on.

Second, developing a coherent executive authority: Achieving universal representation has a potential side effect, mainly leading to large but ineffective councils. For instance, a qada with many villages and citizens could end up with an elected council of more than 100 members. To ensure that the councils do not become paralyzed, they must entrust their mandate to a smaller and coherent team whose job is to develop and implement a developmental strategy.

To this end, the draft law requires that every qada council elect an executive team of 12 members – including the president and the vice president – to do the job based on a closed proportional representation electoral system. This ensures that, on the one hand, different parties are represented, but on the other hand, these parties have to work as one team with a common vision and program. In case none of the lists wins a clear majority, the draft law gives the list with the larger number of voters 51 percent of the executive seats so it can govern.

Third, holding the executive accountable: Now that there is a clear executive team entrusted with the authority to govern the qada, it must be held accountable. The key role of the qada council is actually to monitor the work of the executive authority it has elected. For one, it has to approve key issues that were decided by the executive team, including the budget, strategic plans, large contracts, loans and grants, and other key decisions. Furthermore, the qada council has the right to set up committees whose role is to provide expertise and recommendations on key policy issues.

In addition, the qada council has the right to subject the executive team and its members – including the president or vice president – to a vote of confidence. Since controlling the purse is key, an external auditor must audit the finances of the qada, the results of which should be shared with the qada council.

Fourth, committing to transparency: A key ingredient for accountability is transparency. Data and decisions must be made available to the public. To that end, the draft law stipulates that the qada must periodically collect, analyze and publish data that pertain to its performance, its audit report and decisions that are public in nature. It must also give citizens the right to access the decision of the executive authority within a period of two days. This would allow chief security officers and citizens to effectively monitor the work of the qada itself.

For officials to deliver better services to citizens, they must be held accountable. The decentralization draft law has attempted to create a system that compels officials to provide effective and transparent services. For this to work, accountability must be exercised both internally – in other words, within the qada council – and externally from the central government and CSOs.

The draft law may not be perfect, but it has the potential to bring about positive change in the way our regional administrations work at the local level. Its success, however, fundamentally rests on the ability of all stakeholders to properly exercise their respective roles.

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