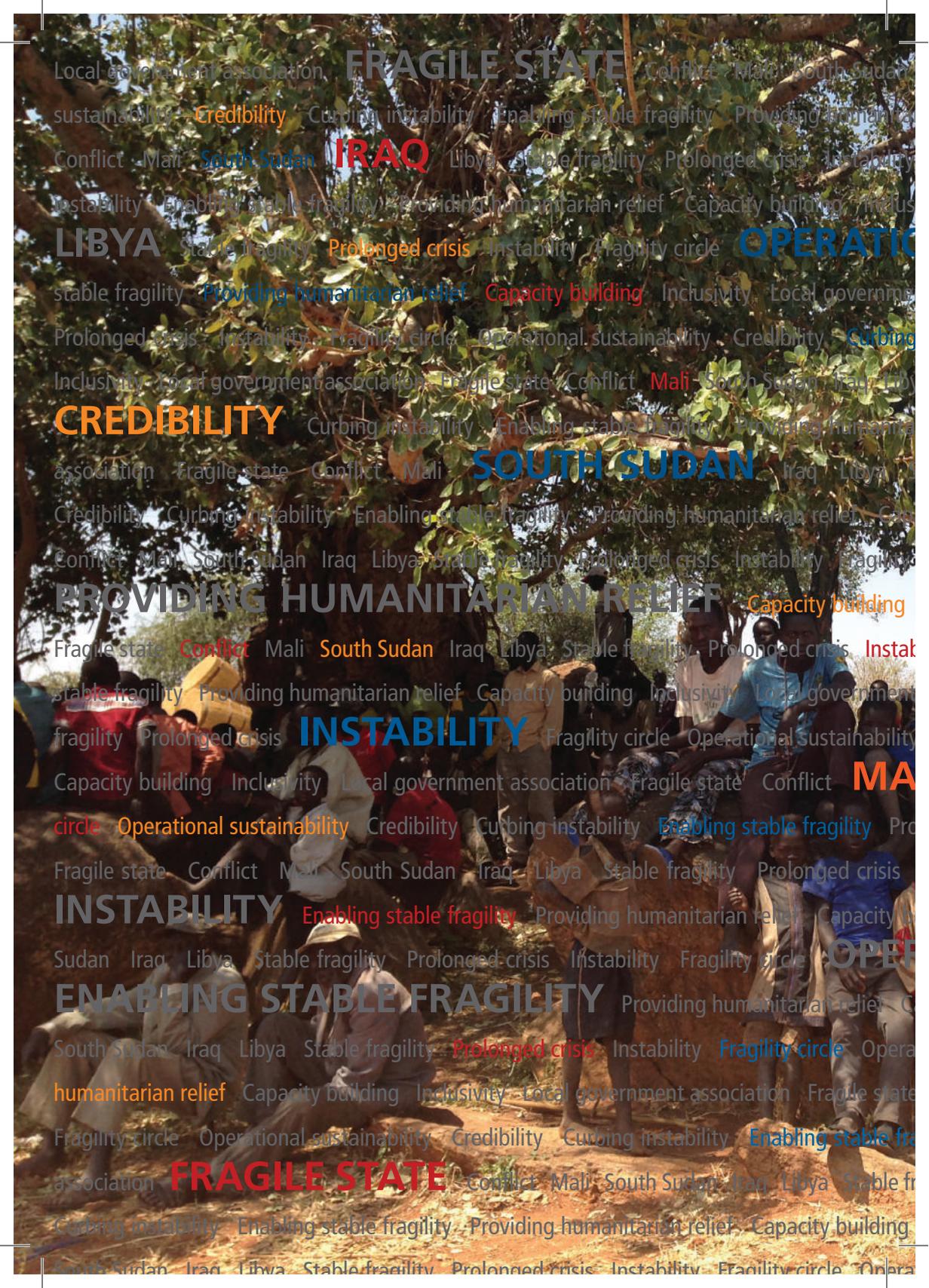


Local
Government
Capacity | LGCP
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Local
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Associations
in **FRAGILE**
States



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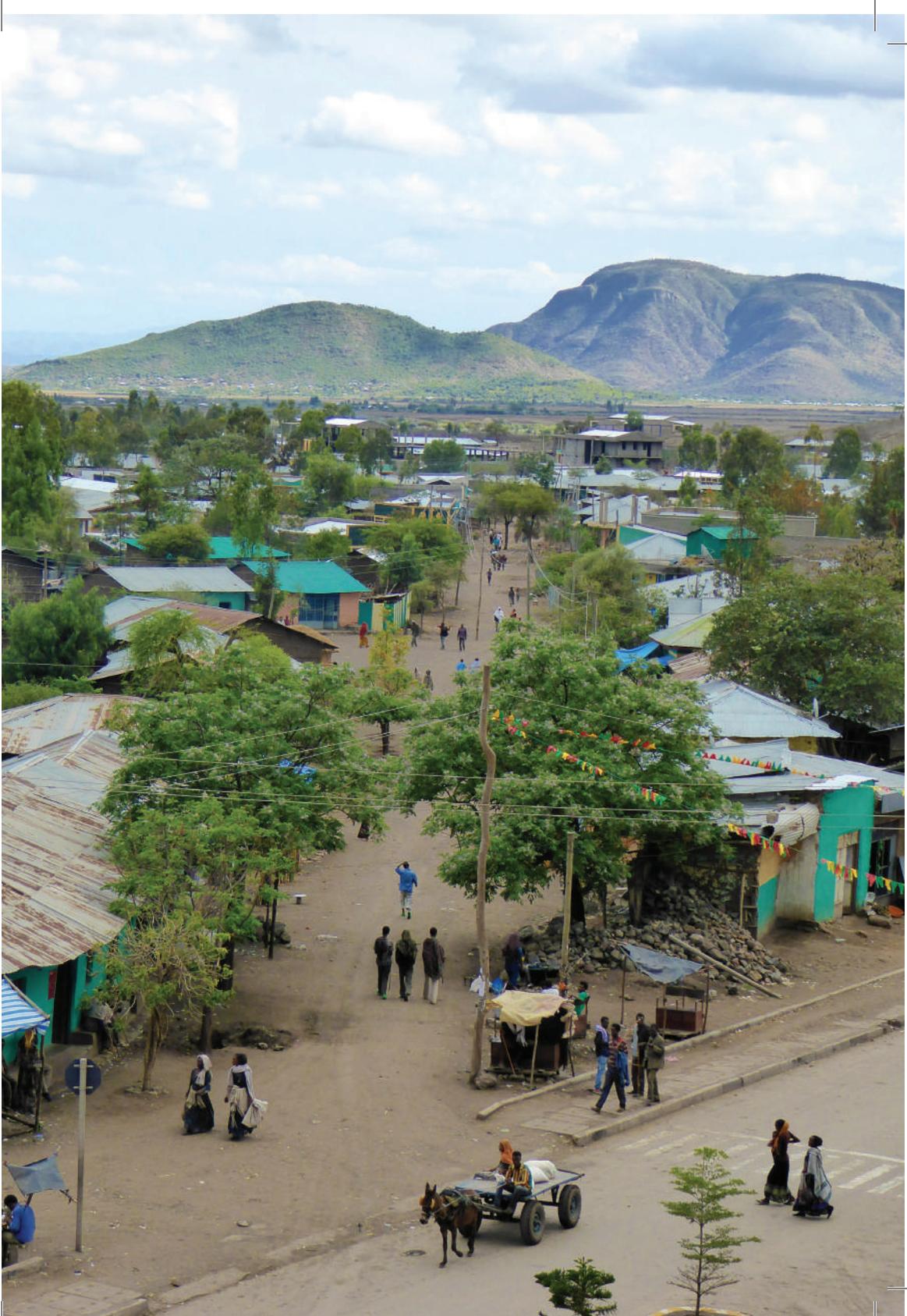
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CONTENTS

<i>Introduction</i>	4
1. <i>The challenges of a fragile state</i>	8
1.1 <i>Definitions</i>	8
1.2 <i>The Fragility Circle</i>	10
2. <i>LGAs and fragility</i>	14
3. <i>LGAs in the fragility circle: the VNG International approach</i>	16
4. <i>Prerequisites for LGA Operations in Fragile States</i>	18
4.1 <i>Ensure the LGA's operational sustainability</i>	18
4.2 <i>Ensure the LGA's sustainable credibility</i>	19
5. <i>Support for targeted LGA operations in fragile states</i>	23
5.1. <i>LGAs in situations of Stable Fragility</i>	23
5.2 <i>LGAs in situations of prolonged crisis</i>	28
5.3 <i>LGAs in situations of instability</i>	29
6. <i>Conclusions</i>	32



**LOCAL GOVERNMENT ASSOCIATIONS:
ENGINES FOR STABILITY AND DEVELOPMENT IN FRAGILE
STATES - THE VNG INTERNATIONAL APPROACH**

INTRODUCTION

Over recent years, the term ‘fragile state’ has become increasingly fashionable as a way to describe those countries that are extremely vulnerable to internal and external shocks such as environmental disasters, economic or political crises or outright civil conflict. Such an unpredictable environment poses a great challenge to people living in these fragile states. For this reason, the international community has increased its focus on supporting fragile states with various types of interventions. Although the definition of state fragility is subject to an ongoing academic debate, fragile states are generally characterized by weak government institutions that lack the capacity and legitimacy to effectively govern their population and territory.

Remarkably, the degree of state fragility is measured almost exclusively at the central level. In many cases, political elites thrive in fragility and consequently lack incentives to effectively address its underlying causes. Given that a failure to perform towards their citizens by those in power is the prime cause of fragility, it is difficult to tackle fragility by working with the central government alone. In the absence of a strong central authority and well-functioning central institutions, local governments, as the tier of government closest to the people, are well-positioned to address the challenges related to fragility that affect daily lives, such as a lack of safety and security, economic development and the provision of basic services. Unfortunately, local governments in fragile states are seldom well equipped to tackle such problems. They lack capacity and are too dependent on the failing central government in terms of policies and for financial and human resources.



For these reasons – an unwilling and/ or incapable central government, and an ill-equipped local government – Local Government Associations (LGAs) have a unique role to play in overcoming fragility in fragile states. First, they can represent the needs of the local governments, and their citizens, vis-à-vis the failing central government and other relevant actors, including the international community. Second, they can address the underperformance of their own members. Tackling the issue of government performance at both central and local levels as well as their intergovernmental relationships addresses one of the root causes of fragility. As such, LGAs have a strong potential to become engines in the drive towards stability in fragile states. Taking up this role is a challenging task, and this publication aims to assist in this endeavour.

The objectives of this publication are twofold. First and foremost, we aim to assist Local Government Associations in fragile states address the challenges posed by fragility. In so doing, we will present VNG International's approach in supporting LGAs to **(1) act as engines of development from what we call 'stable fragility' to stability; and (2) act as engines to curb crises**

and instability and move towards recovery. Second, this publication is aimed at LGA partners, such as local and central governments and donor organizations. It aims to provide insights into the challenges fragility poses to citizens, and how LGAs are crucial actors in addressing fragility and the crises it triggers.

This publication is structured as follows. First, we explore the issue of fragility in more detail: how state fragility is defined, and what sets fragile states apart from stable countries. We introduce the 'fragility circle' to provide a better insight into the different stages of fragility and corresponding levels of intervention. We then zoom in on the role of Local Government Associations in fragile states. We present VNG International's approach to supporting LGAs in various stages of the fragility circle, differentiating between the basic conditions that need to be established to ensure LGAs' operational sustainability and credibility, and the targeted support to LGAs to enable them to exercise their role vis-à-vis other government layers and the international community. Given that this role differs depending on the stage of fragility the state is in, the type of LGA support offered by VNG International also varies.

¹ UNDP. (2009). 'Users' Guide on Measuring Stability. Accessed on 10 December 2014 http://www.undp.org/content/dam/undp/library/Democratic_Governance/OGC/Usersguide_measure_fragility_eng.pdf



1. THE CHALLENGES OF A FRAGILE STATE

1.1 DEFINITIONS

The overarching challenge when designing interventions to tackle state fragility is that there is no clear definition of when a state is fragile. According to the OECD/DAC definition, fragile states “have weak capacity to carry out basic governance functions, and lack the ability to develop mutually constructive relations with society”. The Fund for Peace yearly publishes the Fragile State Index: a ranking of states on their level of fragility, from ‘very high alert’ (South Sudan, Somalia, Central African Republic, Democratic Republic of Congo, Sudan) to ‘very sustainable’ (Finland). The Index takes into account a set of 12 social, economic and political indicators. According to their definition, the governments of fragile states no longer have physical control of their territory; a monopoly on the legitimate use of force; legitimate authority to

make collective decisions; the ability to provide basic public services; and/or the ability to interact with other states as a full member of the international community.

We view fragility as a state of affairs and not as a specific result or event. A state is not fragile only because there is civil war, a natural disaster, an epidemic or an imploding economy. Although fragility often times triggers these types of crises, fragility itself is primarily an indication of a state’s capacity to avert crises or mitigate their effects. Fragility in essence reflects the lack of resilience of the state towards internal or external shocks. In a fragile state the government lacks the willingness and/or capacity to fulfil its responsibility in terms of *(1) providing a safe and secure environment for*

their citizens, and controlling their territory; (2) establishing and maintaining legitimate, transparent, and accountable government institutions; (3) fostering an environment conducive to sustainable and equitable economic growth; and (4) providing basic public services to its population.

Yet despite these existing definitions and symptoms, it is often only after the outbreak of a crisis (such as civil war, famine, revolts, the effects of a natural disaster) that a state is labelled as fragile. Fragility is determined by its effects, rather than its causes. Mali provides a case in point. Although Mali's recent plunge into fragility is often linked to the 2012 Tuareg uprising, the subsequent Jihadist overtake of the North and the coup in Bamako, the process towards these disastrous events is one of decades. Although for long heralded as a beacon of stability by the international community, in reality the central government of Mali operated in a fragile balance that was easily turned once these events unfolded. The international community paid little attention to academic research on the fragility of Mali's state institutions. The government's lacking resilience to shocks should not have come as a surprise, as Mali since long checked numerous fragility boxes.

The classification of states as 'fragile' is further complicated by the fact that states try to avoid being labelled this way, especially if they feel that they are managing their development as best as they can in difficult circumstances. Fragility implies vulnerability, and no government will openly admit that they need special treatment. Governments of fragile states tend to keep up appearances. As a result, some of these states are only recognised as being fragile once the outbreak of crisis has exposed the weak position of the government.

What sets fragile states apart is that even if a crisis has not yet manifested itself, state institutions already embody and in some cases preserve the conditions of crisis. State institutions may reinforce stagnation or low growth rates, or embody extreme inequality in wealth, land or opportunities; conditions that may trigger an economic crisis. Also, they may be conducive to social conflict when they embody a lack of access to basic services for all, or for some, often paired with extreme inequality. Political institutions and the security apparatus may entrench exclusionary coalitions in power along ethnic, religious or geographic lines. The outbreak of conflict in South Sudan in December 2013 shows how easily a country spirals into a crisis when those conditions are present in, and nurtured by, the state institutions themselves.

² OECD-DAC International Network on Conflict and Fragility (INCAF). (2012). *Fragile states 2013: Resource flows and trends in a shifting world*. Accessed on 10 December 2014 <http://www.oecd.org/dac/incaf/FragileStates2013.pdf>
³ *Fragile State Index* (2014). Accessed on 26 February 2014 <http://library.fundforpeace.org/library/cfsir1423-fragilestatesindex2014-06d.pdf>
⁴ *Fund For Peace*. (2014). *FSI FAQ: What Does "State Fragility" Mean?* Accessed on 10 December 2014 <http://ffp.statesindex.org/faq-06-state-fragility>

1.2 THE FRAGILITY CIRCLE

The Mali example illustrates that fragility is often equated with crisis or conflict, whereas in fact fragility takes on different forms. It is therefore essential to take the specific context of a state as the starting point when examining the causes and manifestations of fragility. This is in fact the first of ten “Principles for Good International Engagement in Fragile States & Situations” as developed by the OECD. The OECD differentiates between (i) post-conflict/crisis or political transition situations; (ii) deteriorating governance environments; (iii) gradual improvement, and (iv) prolonged crisis or impasse. Building upon this classification we developed the ‘fragility circle’ (figure 1) to capture the three stages of fragility. A state may move from ‘stable fragility’ into crisis due to a ‘shock’, as illustrated by the arrow.

On the top is a situation we describe as ‘stable fragility’, which refers to the OECD’s phase of deteriorating governance environments. In this stage there is no ongoing violence or massive unrest. Despite continuing problems related to, among other issues, government accountability and basic service delivery, at the surface the situation appears to be calm. As an example, take South Sudan immediately after independence or Iraq preceding the uprising/incursion by Islamic State. Government institutions were hardly functioning or delivering services to certain segments of society, and any economic development was unevenly distributed. At the same time though, the countries were relatively stable, as illustrated by the flows of investment and donor money earmarked for development projects entering the country.

The situation in the lower right corner is one of ‘prolonged crisis’ (similar to the OECD’s fourth phase of fragility). During this stage, fragility becomes



Figure 1: Fragility circle

visible in the form of violence or public disorder. Continuing with the South Sudan example, the northern part of the country is in a situation of prolonged crisis: in this region the conflict that erupted following the violence in Juba in the night of December 15th, 2013 is still ongoing. The central government of South Sudan cannot – and is also unwilling to – deal with the effects of this conflict, which include huge numbers of IDPs, food shortages, damaged infrastructure, etcetera. Where stable states can cope with the effects of a shock, fragile states are unable to do so, leading to a situation of prolonged crisis. Compare how the governments of Haiti and Japan dealt with respectively the January 2010 earthquake and the March 2011 explosion in the nuclear power plant. Both events put an enormous pressure on the state, but whereas the earthquake disrupted the entire society in Haiti, the functioning of the government and the provision of the most basic services to the citizens, the Japanese government was by and large able to control the situation.

In the lower left corner, there is 'instability'. In OECD terms this relates to post-conflict/crisis or political transition situations. Parts of South Sudan are currently in this stage (in contrast to the Northern states of South Sudan that are still in a prolonged crisis); several Arab countries are, and so are countries such as the Ukraine. In (parts of) these countries the situation has

eased, but remains highly volatile. The instability stage is a time for crisis recovery and, hopefully, stabilisation. However, when instability endures and cannot be curbed into stable fragility it will lead to a complete failure of government systems and the emergence of a so-called failed state. Although again a clear definition is lacking, the term 'failed state' is used to describe the states at the most extreme end of the fragile state spectrum. The central government's authority to impose order has collapsed and state institutions have ceased to function.

Figure 2 illustrates the vicious spiral of fragility. It shows that, if the causes of fragility are not tackled, a state will remain in a loop of events leading from one crisis to another.

If this vicious cycle remains unchallenged, the circle takes the form of negative spiral. With every crisis, a fragile state spirals into further disintegration.

To escape this negative spiral, the circle of fragility has to be broken. Interventions can take place at two stages of the fragility cycle. The first approach – curbing instability and enabling stable fragility – addresses the direct aftermath of a crisis and its effects, rather than the causes of fragility. The second approach – transforming stable fragility into stability – deals with the causes of the fragility, rather than its effects. These two approaches are illustrated in Figure 3.

⁵ Crisis States Research Centre. (May 2006). *War, State Collapse and Reconstruction: Phase 2 of the Crisis States Programme*. Working Paper no.1 (2nd edition). London: Author, p. 4

⁶ OECD (April 2007). *Principles for Good International Engagement in Fragile States & Situations*. Accessed on 10 December 2014 <http://www.oecd.org/development/incaif/38368714.pdf>



Stable Fragility
Prolonged Crisis
Instability
Prolonged Crisis
Instability
Prolonged Crisis
“Failed State”

Figure 2: Fragility spiral

Tackling the causes of fragility requires a fundamentally different approach than dealing with its effects, i.e. crisis and instability. In a prolonged crisis, the normal course of life is completely disrupted. In such instances, humanitarian relief – tackling the immediate effects of the crisis – is the only feasible approach. Food, water, shelter and medical care need to be provided to alleviate suffering and prevent the death toll rising further. In a period of

instability, both the immediate effects and the causes of the crisis need to be tackled. Crisis recovery goes beyond the provision of immediate relief: it includes the rebuilding of infrastructure, the provision of basic services and the strengthening of people’s resilience to deal with future crises. Crisis recovery thus deals with the effects of fragility (the fragile nature of the state meant that a shock was able to paralyse society), but not with its causes.

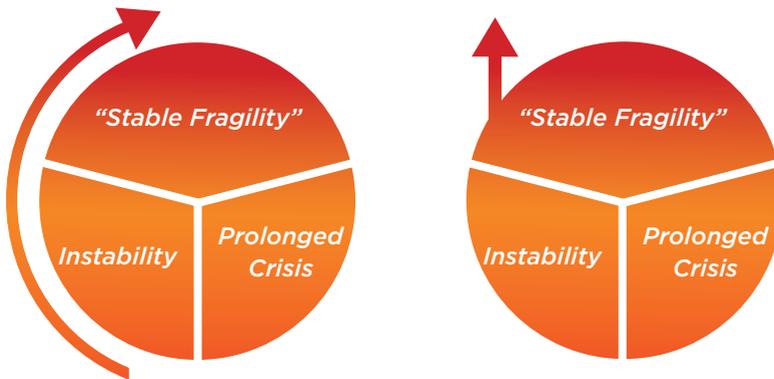


Figure 3: Approaches to overcome the causes and effects of fragility

However, in order to move beyond fragility, these causes need to be addressed. In a period of stable fragility, there may be an opportunity to work on the underlying causes of fragility: the government institutions' lack of legitimacy and capacity to act.

VNG International believes that Local Government Associations can be instrumental in addressing both the causes and effects of fragility. The next section looks more closely at the different roles that LGAs can play, and provides tools for implementing both approaches.



2. LGAs AND FRAGILITY

Fragility primarily poses a challenge to the people. They are the ones who suffer from the absence of basic services such as clean water, healthcare and education, from the lack of economic development opportunities and from insecurity. It is at the local level that people experience what the government, traditional leaders, armed movements, civil society organizations, NGOs and international actors do – or fail to do – to mitigate fragility. Local governance emerges in the interplay of these actors. For solutions to their problems, people look at the tier of government that is closest to them, be it their boma or county (South Sudan), cercle or commune (Mali), or gada or urban district (Iraq). Further, the conditions of fragility are embodied and/or preserved at the local level just as much as at the central level, although the specifics may differ between the different layers of decentralized institutions, as well as horizontally between those institutions. Fragility relates to the lack of willingness and/or capac-

ity of the government to fulfil its responsibilities. Citizens will first turn to the local government with their problems, and will lose confidence in their government if it fails to address their problems. In order to regain trust, the issue of transparent and accountable government needs to be addressed at the local level first.

Local Government Associations have the potential to play a pivotal role in dealing with the challenges posed by fragility to the people on the ground. As umbrella organizations, they are in a stronger position than individual local governments when it comes to influencing the central government. They can lobby the central government on behalf of their members to address the challenges posed by fragility at the local level, such as a lack of basic service provision, low economic development and insecurity. At the same time, they can encourage local governments to accept their responsibilities and help to strengthen their capacity to do so,



for example by facilitating horizontal exchanges between local governments or bringing different layers of local governments within a region (such as Provincial Council and municipal councils) together to discuss issues that affect them. Furthermore, LGAs can work with other partners including, most importantly, the international community. Especially where the central government is weak or unresponsive, LGAs should work with donor organizations to ensure that local governments are included in donor programmes. They can also use their connections with the international community as leverage vis-à-vis the central government. As such, LGAs have various instruments at their disposal to act as drivers of change in fragile states. They have a role in dealing with the causes of fragility, as well as with the effects.

The fragility circle shows that fragility can take different forms. Although the divisions between the different stages of fragility are not always clearly drawn (there are many grey areas), it is important to acknowledge the different types of fragility since the role of LGAs is fundamentally different in each. In a

situation of stable fragility (upper part of the circle), LGAs play a crucial role in tackling the root causes of state fragility. These causes relate to the performance of the state and do not relate to the crises triggered by fragility. In a 'stable' fragile state (lower left sector of the circle), the primary role of an LGA is to push this towards 'stability'. LGAs can also become involved during a crisis (lower right sector of the circle), although their role is likely to be limited. Interventions in such situations do not primarily tackle the root causes of fragility but, rather, the effects of a shock or crisis and, as such, should be seen as part of humanitarian relief. The possibilities for LGAs to act during a crisis depend on the type of crisis. Finally, LGAs can play a role in the aftermath of a shock or crisis. When lacking resilience to shocks, fragile states quickly descend into periods of prolonged crisis or instability. The main objective here should therefore be to curb this instability and help create a situation of stable fragility. This primarily involves ongoing humanitarian relief (addressing the effects) as well as crisis recovery (addressing the causes).

3. LGAs IN THE FRAGILITY CIRCLE: THE VNG INTERNATIONAL APPROACH

LGAs need to meet certain basic criteria if they are to become active players in fragile states, and the more fragile a country, the more difficult it is to establish the basic preconditions. In general, fragility has direct relationships with poverty and with the distribution of wealth. In fragile states, the fight against poverty is slower than elsewhere, and income inequality tends to be higher. As a result, local governments, and especially Local Government Associations – which are dependent on membership fees, suffer from a lack of funding. This hampers the operational sustainability of LGAs. Another precondition for LGAs to operate successfully in fragile states is for them to have credibility. The essence of

an LGA is that it represents its members, and therefore its credibility directly relates to the relationship it has with its members. In order to be able to effectively address issues of poor governance, the LGA itself needs an accountable governance structure.

LGA operations vary fundamentally, determined by the fragility phase in which they are operating. When working with LGAs in fragile states, VNG International uses a three-step approach (see Box): *(I) ensure the LGA's operational sustainability; (II) ensure the LGA's credibility; and (III) support the LGA in exercising its role vis-à-vis the various government layers and the international com-*

munity. These three processes can run in parallel although a basic level of institutional capacity and credibility needs to be present before the LGA can be a relevant interlocutor. The type of support offered by VNG International

to LGAs in step III depends on whether they are active in (a) *transforming stable fragility into stability*; (b) *providing humanitarian relief*; or (C) *curbing instability and enabling stable fragility*.

The VNG International Approach:

Prerequisites for LGA operations in fragile states:

Ensure the LGA's operational sustainability

- Gain funding for both short-term and long-term interventions
- Continuous capacity building of staff

Ensure credibility as an Association

- Create transparent feedback loop with its members
- Create accountable leadership and democratic processes
- Ensure continuous two-way communication

Support for targeted LGA operations in fragile states:

In a situation of stable fragility

- Ensure support from central and local government
- Sit at the table from the very beginning
- Become visible in the public debate
- Empower their strongest members in public debate
- Focus on the direct needs of members
- Separate state developments from local developments
- Position decentralization questions in the context of fragility
- Strengthen cooperation with donors

In a prolonged crisis

- Voice the direct needs of members to the central government and the international community
- Align with international interventions and follow international coordination
- Ensure alignment of local governments with international protocols
- Provide direct assistance (humanitarian relief)

During a period of instability

- Analyse the causes of the crisis and ensure local governments are better equipped to address future crisis situations
- Seek alliances with the international donor community
- Where necessary, provide direct assistance (humanitarian relief)

⁷ OECD-DAC International Network on Conflict and Fragility (INCAF). (2012). *Fragile States 2013: Resource flows and trends in a shifting world*. Accessed on 10 December 2014 <http://www.oecd.org/dac/incaf/FragileStates2013.pdf>, p.27

4. PREREQUISITES FOR LGA OPERATIONS IN FRAGILE STATES

4.1 ENSURE THE LGA'S OPERATIONAL SUSTAINABILITY

A Local Government Association can only act as a partner during a fragile situation if it is fully operational and has access to the necessary financial and human resources. Although this may seem to be stating the obvious, most LGAs in fragile states have difficulties in ensuring operational sustainability.

Financial sustainability and independence

LGAs' funding traditionally comes from membership fees, but local governments in fragile states often have difficulties achieving efficient and sustainable financial management and may be unable or unwilling to pay a sufficient contribution. Local governments may not see the added value of their LGA if the results obtained are invisible or altogether absent. Local governments with limited resources may choose to spend their little money on other things and opt out of paying their membership fee. Especially during crises and

instabilities, the financial links between LGAs and their members are often cut.

In most cases, even when membership fees are paid, they do not cover an LGA's expenditure. Given their limited options in such situations, LGAs often turn to international donors. Although this is an understandable step, it is also a threat to the core relationship between an LGA and its members and, as a consequence, to the members' ownership of the LGA. Fees not only make operations possible, they are also the prime instrument that members can use to steer the direction of the LGA. This argument is also applicable to LGAs that try to get funding directly 'at the source' - a poorly chosen term for seeking funds directly from the central state budget (and bypassing their members who should be their natural 'source'). This type of guaranteed funding is attractive to LGAs, but threatens their independence vis-à-vis the central government and the balance of power between the LGA and its members. When funding is guaranteed, members lose the instrument of halting the money flow when they are dissatisfied with LGA services or representation.

Adequate Human Resources

Inadequate human resources can also pose a challenge to LGA functioning. LGAs may lack the necessary funds to hire appropriate staff. What is more, as a partner in a fragile situation, LGAs will take on additional tasks and activities that lie outside their regular scope

of operations and are thus beyond their staff's original job descriptions. LGAs can also be instrumental during a crisis response and recovery situation, but this often requires a very different set of skills and instruments. During the crisis and instability phase, the capability to implement projects might become more relevant. Continuous capacity building of LGA staff is therefore important since this can ensure that they can execute their tasks in an efficient and effective manner. The focus should be on lobbying and advocacy, good relationship management (with central and local governments, and also with donors and other partners), service provision to their members and project management.

4.2 ENSURE THE LGA'S SUSTAINABLE CREDIBILITY

A key factor in the success of LGAs' strategies and activities in fragile states is that the central and local governments accept and respect the LGA as a partner. Without credibility with both its members and its external partners, an LGA becomes irrelevant. This does not mean that the organization ceases to exist. Such crypto-LGAs often continue to play an active role at the national level but, without being rooted in local government, they become part of the central political system they should be addressing. In most cases, the situa-

tion is not black and white, but many shades of grey. Sometimes a country has multiple LGAs, representing different types of local governments or political/civic ideologies. Sometimes only a subset of local governments is involved in the LGA. As a general rule, fewer members means less credibility. A balanced political representation is also crucial and, although LGAs are political bodies, party politics should play as little a role as possible. Only then can all members (as institutions) be truly represented. The larger the role of party politics, the less credible the LGA becomes as a spokesperson for the needs of local government in general. In order to be effective, an LGA needs to ensure that structures and operations incorporate transparent governance with a central focus on accountability to as many members as possible.

Transparency

LGAs should ensure that their finances, strategies, operations and results are transparent and accessible. Members should be able to access every relevant step of their LGA's work at all times.

Accountability and Reliability

LGAs should ensure that they are accountable to their members: they are the ones who should be steering the direction and operations of the LGA. This can be best organized by a board that sufficiently reflects the political landscape of the country. In general, an LGA can only be accountable to local

government if its composition sufficiently covers the political landscape of the state and is a true representation of the different types of local government (rural and urban, small and large). This is of particular importance in fragile states where relations between ethnic groups are tense. In most ethnically diverse countries, ethnic groups tend to be concentrated in particular parts of the country and will thus have local political representation. LGAs should ensure that all local governments feel represented in order to achieve buy-in from all ethnic groups.

Turning to the central government side, LGAs should establish good working relationships with the relevant national ministries, such as the ministry responsible for local government. Central government institutions should be aware of the role of the LGA as an effective single entry point for communication from central government to the local government level. Also, they should see that LGAs have an important role in streamlining bottom-up inputs from individuals or groups of local governments, and that this can improve the effectiveness of central government policies.

Inclusivity

If you want to speak on behalf of local government, you have to first let local government speak. This requires you to establish a feedback loop with your members, at least at a rudimentary level. As an LGA, you represent your members and your message should reflect their position. Especially in frag-

ile circumstances, when it is difficult to maintain member contact, LGAs often turn to unilateral action on the basis of an existing political mandate. However, without including members on a content level, the political mandate soon becomes meaningless. In the case of Mali for example, the LGA's technical commission ceased to operate as funding dried up. This stopped the generation of members' inputs on many topics. The LGA continued to follow its existing mandate in representing its members at the national level, but encountered difficulties in its lobbying processes as it could not bring member-generated feedback to the table. External partners expect an LGA to know what its members want, so a lack of inclusivity will quickly harm an LGA's credibility when dealing with external actors. An LGA should represent all its members, and strike a balance between reflecting the consensus view among local governments towards the central government and ensuring that minorities, who may have different interests, are not alienated: it should ensure that all voices are heard.

Mandates are a matter of both supply and demand. LGAs demand a strong mandate from their members, who may include large cities that can choose to lobby on their own, as well as local governments in different parts of the country that may be in conflict with one another. All these members need an incentive to supply the LGA with a strong mandate. In our experience, LGAs should have at least one 'political-administrative project', or lobby, that unites all its members. In Iraq, for example, the Law on Subnational Government of 2008 filled this role; in Tunisia, it was the 2014 constitution; in Rwanda post-2000, it was the desire to decentralize without creating new opportunities for the violent divisions of the past; in Bosnia and Herzegovina after 2002, it was the agenda to realize decentralization below the entity and canton level. Although all these cases are very different, in each one the LGA sought out a unifying lobby that became the anchor for its mandate.



5. SUPPORT FOR TARGETED LGA OPERATIONS IN FRAGILE STATES

5.1. LGAs IN SITUATIONS OF STABLE FRAGILITY

Drivers of Change in a situation of 'stable fragility'

Local Government Associations can play an important role in escaping fragility and supporting development towards achieving stability. As we stated in Chapter 1, it is the under-performance of the state itself, and

its incapacity to deal with internal or external shocks, that defines state fragility. LGAs are uniquely positioned to challenge the performance of the state vis-à-vis its population and to channel feedback on the specific needs of the people to both the central and local governments. Certain preconditions need to be in place for LGAs to successfully intervene and address problems caused by government failure. Operational stability and credibility are crucial. Good working relations between the LGA and the national government are an asset, although a difficult working relationship is not necessarily detrimental. If the government is open to the LGA's arguments, and willing to

adapt and improve, this will speed up the process but, if this appears difficult, the LGA can also work with other actors such as the international community. Whichever approach is chosen, when successful, LGA intervention can help prevent a retreat into crisis and help turn a situation of 'stable fragility' into one of stability. Figure 4 shows this process schematically:



Figure 4: Replacing 'stable fragility' with stability

Local Government Associations in countries that find themselves in a situation of stable fragility can use their unique position to work with, and try to influence, various actors in order to address the causes of fragility. LGAs have relationships with all layers of government. Here, their activities can target the national or local government specifically, for example by lobbying the central government to release more funds to the local level or by assisting local governments to strengthen their position and deliver basic services to their citizens. Alternatively, they can bring the different government layers together and facilitate an inclusive dialogue.

LGAs operating in fragile states are in a fundamentally different position than those in stable countries. In fragile states, the central government is underperforming and often oblivious to the needs of its citizens. This makes the central government a difficult counterpart for LGAs and, in fragile states, the direct relationship between LGAs and the central government is often weak. LGAs should therefore explore other counterparts to generate pressure on the government to accomplish their goals. The most obvious partner for LGAs to work with in a situation of stable fragility is the international community.

Supporting LGAs in the fragility-stability dialogue

Once an LGA has established an acceptable level of operational sustainability and credibility, VNG International's support focuses increasingly on enabling them to be a valuable partner in the fragility-stability dialogue. LGAs should secure a seat at the table from the very beginning to ensure that they are included in all relevant discussions and can effectively lobby the central government. VNG International assists LGAs in developing a good advocacy strategy that identifies the issues that are important for the LGA and the tactics that should be used. A good advocacy strategy for an LGA identifies its aims and objectives; is clear about the target audience and formulates its messages accordingly; is aware of timing; and involves continuous monitor-

ing, evaluation and, if necessary, adjustment of the advocacy message.

A sound understanding of the political, social and economic dynamics is essential to crafting an effective advocacy or lobbying effort. It is essential to grasp the full picture of proceedings, interests, responsibilities and channels of influence, and how these relate to each other. This is a particularly difficult task in situations of stable fragility where, on the surface, the situation may seem calm. This stability is, however, built on very fragile foundations and the government is unable or unwilling to neutralize any internal or external challenge to this stability. A situation of precarious stability can be used to bring all layers of government together to formulate a joint strategy to tackle fragility (such as by focusing on basic service delivery, strengthening government capacity and legitimacy, and improving safety and security for citizens). LGAs in their unique role can play a facilitating or even enabling role in this process but, in order to do so, a thorough understanding of the context, as well as the perspectives and interests of the central government, is essential.

The defining factor in state fragility is the inability and/or unwillingness of the central government to fulfil some of its most fundamental tasks. The more fragile a state, the less likely it is that the government apparatus will be susceptible to feedback on its performance. However, even if the central government refuses to see the LGA as

an important player, this does not mean that the organization becomes irrelevant in the fragility-stability debate. In such circumstances, leverage vis-à-vis the national government needs to be generated elsewhere. If a bottom-up approach (from local to national level) does not work, leverage can be created in a top-down approach through the international community.

In countries plagued by conflict, LGAs can foster a transition towards stability by enabling cross-border cooperation between local governments. In fragile states with a recent history of conflict, cross-border cooperation is rarely only a technical issue. Borders – demarcating states or local administrative units – are key in any conflict. Rebellions and incursions are staged from behind borders, with the insurgent groups aiming to increase the territory they control. Borders may have been the scene of painful separation or ethnic cleansing. Depending on the outcome of a conflict, borders may have been redrawn, thereby arbitrarily separating those who were once neighbours. Given this politicization of borders, cross-border cooperation can be an important instrument to move beyond conflict and instability in a situation of stable fragility. VNG International has supported LGAs in using their political capital to establish cross-border cooperation, including between Israeli and Palestinian municipalities and between municipalities on the Tunisian-Libyan border. The key is to concentrate on common interests, such as development planning and water quality.



International Community

In many instances, national governments are more susceptible to pressure from the international community than from their own sub-national governmental levels. International organizations and bilateral donors bring money. Many national governments are also more sensitive about maintaining a decent reputation internationally than at home. Although this is an unfortunate reality, it also shows where leverage can be found. International donors are familiar with the weaknesses and opportunities of both central and decentralized development and are therefore relevant partners in seeking short-term change. Since national governments in fragile states often rely heavily on external aid, the international community often has considerable leverage. Players such as the EU acknowledge the importance of LGAs and local governments in development, but primarily perceive them as sources for their own programmes. LGAs should strive to approach them as instruments for their own good.

In the relationship between LGAs and the international community, a distinction can be made between three types of partnerships: (1) *LGAs use the international community to generate pressure for change at the central level*, (2) *the international communi-*

ty uses LGAs for input for their policy development, and (3) LGAs are partners in the implementation of donor-funded development programmes.

In dealing with situations of stable fragility, all three relationships can be relevant but the most important – LGAs using the international community for leverage – is unfortunately often the least developed. The main reason for this in our view is that the relationship between LGAs and the international community is often dominated by financial dependency and top-down perspectives, which hinders a reversed relationship with LGAs using the international community as an instrument for their goals. The relationship with the international community should be a two-way street, effectively navigated in both directions. This twofold approach was at the centre of the EC-funded ARIAL programme that VNG International implemented between 2010 and 2013. Throughout the African, Pacific and Caribbean regions, LGAs were trained to boost their lobbying capacity vis-à-vis international partners in general, and the European Commission in particular. The principle behind the programme was that the EC needed more input from LGAs for their decentralization programmes while, at the same time, LGAs were trained to make use of the international community in pursuing the local government/ decentralization agenda.

⁸ See Communication from the Commission to the European Parliament, the Council, The European Economic and Social Committee and the Committee of the Regions. (2013). Empowering Local Authorities in Partner Countries for Enhanced Governance and More Effective Development Outcomes. Accessed on 13 February 2015
http://ec.europa.eu/europeaid/sites/devco/files/communication-local-authorities-in-partner-countries-com2013280-20130515_en_4.pdf

In fragile states, governments underperform and are largely insensitive to feedback on their own performance. At the same time, they are heavily dependent on international donors. Central governments receive vast amounts of non-earmarked budget support, and donors often support government systems that are in fact the embodiment of fragility. These funding streams offer leverage to the international community to direct the way central governments work. LGAs should try to influence the international community to use this leverage in a way that boosts the local government's interests. LGAs should not wait for donors to ask them for input to their local government programmes, they should directly approach donors on issues such as intergovernmental relations, decentralization and the performance of state institutions. The fact that donors increasingly bypass central governments (due to a lack of trust) and directly work with local governments or CSOs shows that this is indeed a fruitful approach for LGAs wanting to increase their influence.

5.2 LGAs IN SITUATIONS OF PROLONGED CRISIS

Traditionally, the role of LGAs during a crisis is limited. When a crisis strikes, the core functions of an LGA – lobbying and advocacy – become largely

irrelevant for a short period as the crisis itself dictates everything. The government, at both national and local levels, is either actively involved in the crisis (in cases of civil strife) or is unable to deal with the crisis (such as a natural disaster) in an effective way. Likewise, in periods of crisis, the international community often shifts its attention from development initiatives to humanitarian relief. Although this is understandable, given the immediate needs of the suffering population, it is essential that wherever possible, such as in areas that have not been struck by the crisis, development initiatives continue as these will enable the country to move beyond the crisis stage.

The role of LGAs during a crisis depends on numerous factors, including the LGA structure and its existing involvement in donor-funded project implementation, the type of crisis as well as the type of needs at the local level. In locations at the centre of the crisis, relief operations may be the only possible and desirable interventions.

Given that so many factors influencing a crisis situation, it is impossible to present a one size fits all approach to crisis interventions. Depending on the particular situation, LGAs can fulfil the following tasks in a crisis situation:

- Voice the immediate needs of their members to the central government and the international community;
- Align themselves with international interventions and follow international coordination activities;
- Ensure local governments are aligned with international protocols;

- Provide direct assistance (humanitarian relief).

The unique position of local governments and their LGAs during crises provides opportunities for humanitarian relief that are not always available to national and international actors. For example, the Local Government Association in Mali (AMM) played an important role in the continued provision of support to the northern part of the country by coordinating aid delivery to northern cities and establishing aid-relations between municipalities in the North and the South. The added value of this local approach is clearly illustrated by the fact that mayors and AMM personnel could travel freely to and from the conflict region in the North, while this was impossible for expats or central state representatives as they were seen to be part of the conflict.

Operating in these circumstances is not without institutional risks for an LGA. A crisis may open the possibility of parts of a country breaking away. Libya and Ukraine are but two recent examples. In such cases, a common reflex is to equate decentralization with federalism, and federalism with separatism. An LGA can easily make several enemies in such an environment. A good example of an LGA that managed tensions quite successfully was the Iraqi Local Government Association (ILGA) in the period 2005-2010. During these years, the ILGA, with help from RTI and VNG International, defined the terms 'decentralization' and 'federalism' in Arabic and gave meaning to these terms in the public discourse. Although

the decentralization was only partial and incomplete, and the ILGA was by no means successful in all accounts, local government performance and public satisfaction became part of the discourse. Further, the ILGA managed to keep councillors from all 18 governorates of Iraq around one table.

5.3 LGAs IN SITUATIONS OF INSTABILITY

Lastly, LGAs can also be crucial actors in curbing a situation of instability and turning it into a process of recovery towards stable fragility, rather than letting instability deteriorate further into crisis with the risk of becoming a failed state. During periods of instability, the immediate crisis has ceased but the effects of the crisis are still visible and, more worryingly, the causes of the crisis have not yet been addressed. The current situation in Juba, South Sudan, provides an example. Although there have been no more instances of fighting over recent months, the situation in Juba remains highly inflammable. The effects of the December 2013 conflict are still visible: the large number of IDPs in the UN camps, the increased number of military and military police on the streets, the government-imposed curfew, etc. At the same time, for many in Juba – both locals and expats – it is more or less back to 'business as usual'. During this period of instability, not only the effects but also the causes of conflict should be addressed.

The international community has been trying, so far unsuccessfully, to address the conflict between the Kirr government and the opposition, for example in the Addis Ababa peace talks led by the Intergovernmental Authority on Development (IGAD) and through several donors, including the Netherlands, suspending direct aid to the central government. In similar situations of instability, LGAs or, as in the case of South Sudan, where there is no LGA, the Local Government Board and/or the Governors' Forum, can use their position to address the causes of conflict. In situations of instability, the central government becomes so weak that the essence of the state itself becomes threatened. Local governments often pay a heavy price as the already self-involved central government becomes even more preoccupied with its own existence and powers. The roles of LGAs during periods of instability are twofold. Firstly, they should address the effects of the crisis. In particular, LGAs can play a pivotal role in strengthening local governments and lobbying on their behalf. Given that local governments have the most direct relationship with the population, they need to maintain a certain level of basic functionality in situations of crisis or instability where other government levels may cease to function. Under such circumstances, LGAs, as the representatives of the local government, can make vital connections with external parties, most notably with the international community, when the central government is unable to do so. It can support relief efforts through its network of members, as well as foster

connections and partnerships between members to establish a minimum level of operations. An essential role of LGAs during instability is thus to address the effects of the conflict by enabling local governments to carry out their basic tasks and as such pursue recovery, and later on, stable fragility.



Figure 5: Transforming instability into stable fragility

Secondly, LGAs can play a role in addressing the causes of a crisis. These causes are usually manifold, and vary depending on the type of shock that occurred, and may include ethnic tensions (conflict), inadequate infrastructure and procedures (natural disasters), and the unequal distribution of wealth (economic crash). One should, nevertheless, recognize that LGAs can play only a modest role in addressing the causes of a crisis. Depending on the nature of the crisis, and the extent to which the effects of the crisis have already been addressed, the role of LGAs during a period of instability can include:

- Analysing the causes of the crisis and

ensuring that local governments are better equipped to address future crisis situations; for example:

- If the crisis takes the form of conflict: ensuring that the needs and concerns of local governments are considered in the peace negotiations and that local governments are part of the subsequent peace-building process;

- If the crisis takes the form of a natural disaster: lobbying the central government for better infrastructure (both physical and communications) and procedures to enable local governments to prepare themselves for future natural crises;

- Seeking alliances with the international donor community;
- Where necessary, providing direct assistance (humanitarian relief).

As stated earlier, the differentiation into different stages of the fragility circle is not set in stone. One factor defining fragility is the unpredictability of the situation. States may easily shift from crisis to instability to stable fragility, and back again. This means that there can be overlaps in the type of interventions made by LGAs in the various stages of the fragility circle. The main role for LGAs in a situation of instability is to curb the instability and create a more stable situation by dealing with the causes of crisis. If effectively done, this allows the causes of the fragility itself to be addressed. Although not a cause of fragility, an enduring instability affects the quality of government and makes it less resilient to shocks. Tackling instability efficiently and effectively is crucial in avoiding further deterioration and the possibility of descending into a vicious cycle of fragility.

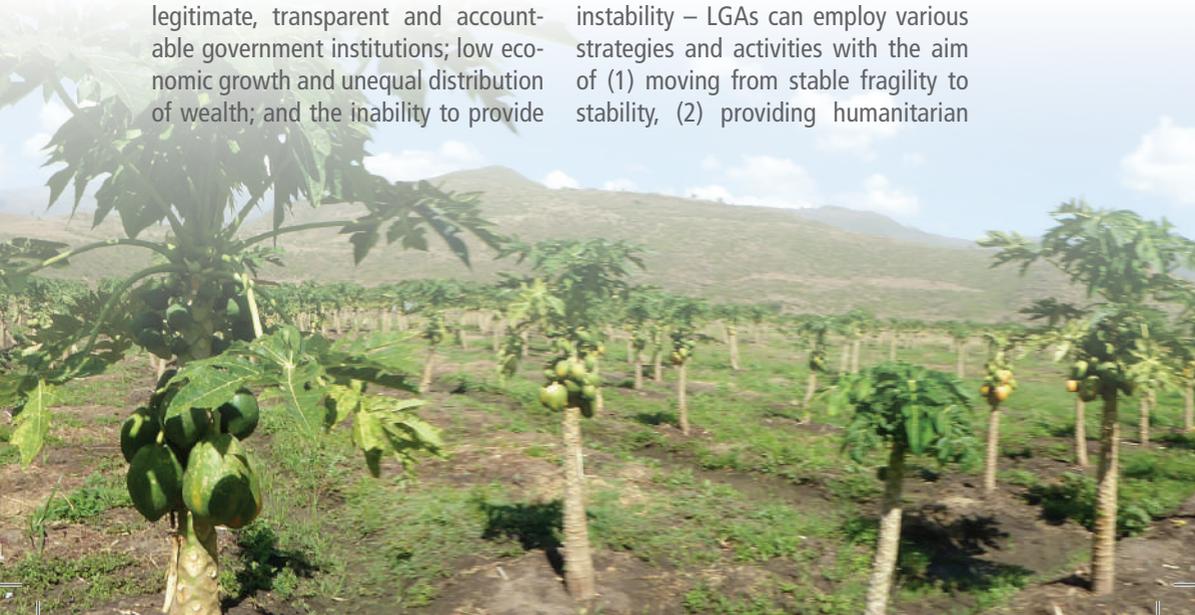


6. CONCLUSIONS

Over the past two decades, the international community has increasingly focused its development efforts on so-called fragile states. Although a commonly accepted definition is lacking, the term is used to refer to those states that are extremely vulnerable to internal and external shocks such as environmental disasters, economic or political crises or outright civil conflict. The reason for this vulnerability is the inability and/or unwillingness of the government to act in an efficient and accountable manner. Fragility is thus a state of affairs, and not a specific result or event. Factors characterizing fragility are the government's lack of control over its territory and monopoly on the legitimate use of force; the absence of legitimate, transparent and accountable government institutions; low economic growth and unequal distribution of wealth; and the inability to provide

basic public services. The unpredictability of fragile states poses a great challenge to the people on the ground: they are the ones suffering from insecurity, violence and a lack of basic services, all without the prospect of a better future.

As the tier of government closest to the people, the local government is an important actor in fragile states. Given that they can be part of both the problem (due to underperformance) and the solution, involving them in development efforts is crucial. Local Government Associations, as umbrella organizations of local governments, can play a key role in such efforts. Depending on the stage of fragility a country is in – stable fragility, prolonged crisis or instability – LGAs can employ various strategies and activities with the aim of (1) moving from stable fragility to stability, (2) providing humanitarian



relief, and (3) turning instability into stable fragility. In all three stages, basic operational sustainability (adequate financial and human resources) and credibility (transparency, accountability and inclusivity) have to be ensured. In a prolonged crisis, LGAs can often contribute to humanitarian relief as they can be neutral actors granted access to conflict zones. The aim here is to deal with the immediate effects of the crisis and alleviate human suffering. During periods of instability, LGAs can take an active role in curbing instability and moving towards stable fragility. They should address the effects of the crisis by enabling local governments to perform their basic tasks and, as such, pursue recovery. Furthermore, LGAs should address the causes of the crisis. This could include representing local governments during peace negotiations and addressing their concerns, lobbying for additional funding so that local governments can perform their basic tasks and supporting local governments in small development initiatives. In situations of stable fragility, LGAs have a role in turning this stable fragility into stability. This involves working on boosting the resilience of the government in dealing with shocks.

LGAs can, either directly or through the international community, lobby the government to ensure that the making and implementing of policy involve a bottom-up perspective and that sufficient funds are released to the local level to perform their tasks. They can also work more directly with local governments to strengthen their capacity. Furthermore, they can, through their efforts, increase the legitimacy of the central government by improving relations between the various government layers and facilitating inclusive dialogue.

Nevertheless, one has to acknowledge that Local Government Associations by themselves are not the solution to state fragility. LGAs do not operate in a vacuum and the success of any intervention strategies they employ will be heavily dependent on their interaction with their own members, with central government and with the international community. However, their unique position offers good opportunities to address state fragility from the bottom up, making LGAs important engines for stability and development during times of fragility.





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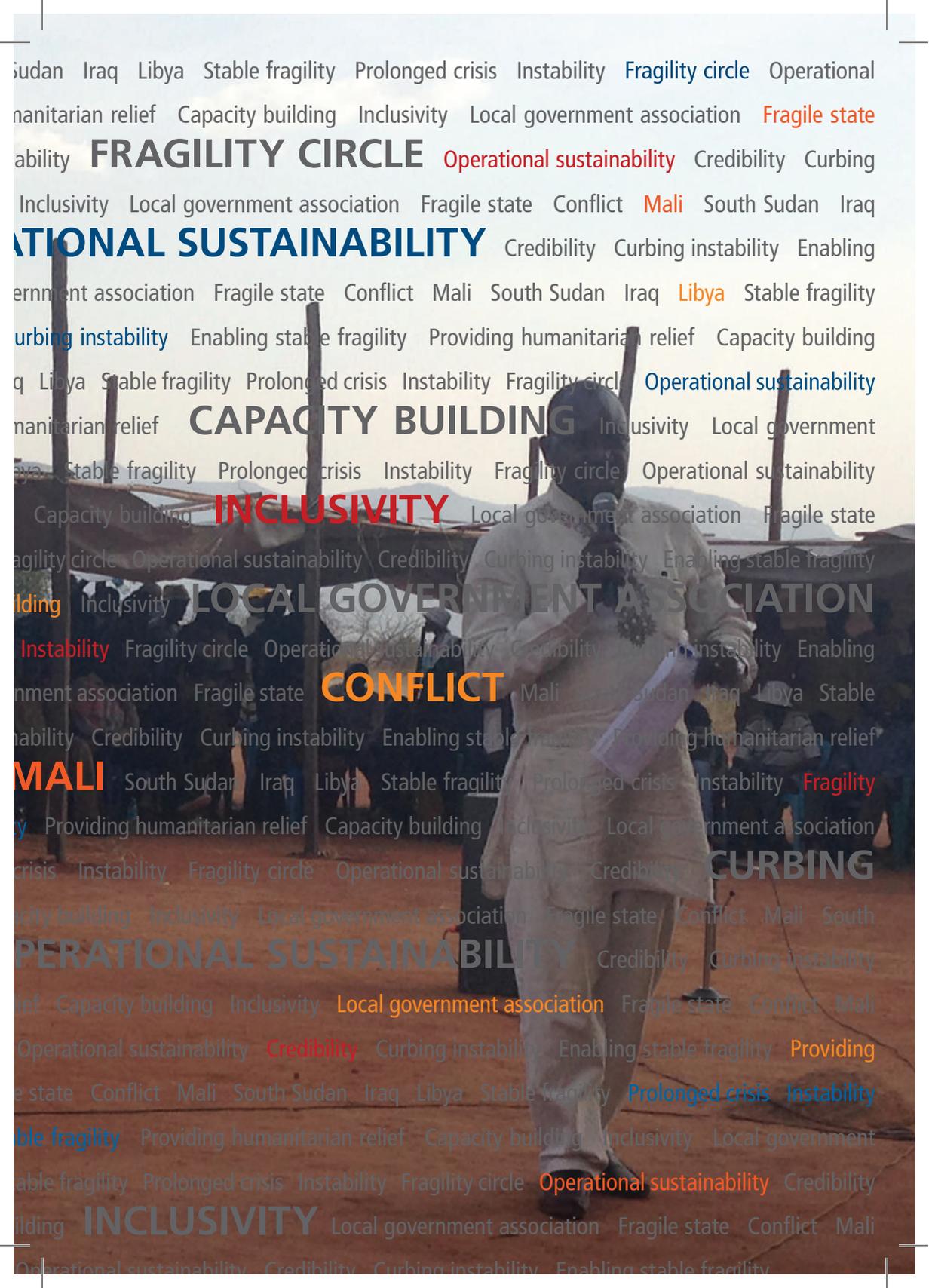
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