



Local Public Sector Alliance

Strategic Plan 2022-2026



**LOCAL PUBLIC SECTOR
ALLIANCE**

LOCAL PUBLIC SECTOR ALLIANCE

STRATEGIC PLAN: 2022-2026

EXECUTIVE SUMMARY

1. The Local Public Sector Alliance aims to elevate the debate on decentralization and localization by informing, connecting and expanding the global Community of Practice, and by shifting the focus of the Community of Practice from the global level to the country level.
2. Decentralization and localization are critical for achieving resilient, inclusive, sustainable, equitable and efficient development.
3. The evolving global context within which decentralization and localization take place requires a stronger, globally networked Community of Practice.
4. The Local Public Sector Alliance is a global alliance of advocates for inclusive and efficient decentralization and localization.
5. The Local Public Sector Alliance plans to do that through a portfolio of related activities.
6. Our five-year vision is to become the 'go-to' global professional network for decentralization and localization.

LOCAL PUBLIC SECTOR ALLIANCE

OFFICERS AND BOARD OF DIRECTORS



Jamie Boex

Executive Director, Local Public Sector Alliance

Dr. Jamie Boex is the Executive Director of the Local Public Sector Alliance and chairs the Local Public Sector Alliance Board of Directors. He is a senior public finance expert with experience in decentralization, localization and public sector reforms in over 25 countries around the world.



Chas Cadwell

Director and Secretary, Local Public Sector Alliance

Chas Cadwell is an Institute Fellow at the Urban Institute in Washington, D.C. and was for many years the Director of the IRIS program at the University of Maryland. His current work targets the political economy of intergovernmental decision-making. Chas is a Director and the Secretary of the Local Public Sector Alliance.



Astrid Haas

Director, Local Public Sector Alliance

Based in Kampala, Uganda, Astrid is an independent urban economist supporting cities on urbanization strategies. Astrid has worked extensively with city governments across Africa and Asia in diverse roles, including as Policy Director at the International Growth Centre.



Paul Smoke

Director, Local Public Sector Alliance

Professor Paul Smoke is a Professor of Public Finance and Planning and Director of International Programs at NYU's Wagner School of Public Service, and a leading global expert on decentralization. Paul is a member of the Board of Directors of the Local Public Sector Alliance.



Rose Camille Vincent

Director, Local Public Sector Alliance

Dr. Rose Camille Vincent is a Postdoctoral Researcher at the Chair of Public Economics of ETH Zürich. She is a Director of the Local Public Sector Alliance.



Serdar Yilmaz

Chair, Local Public Sector Alliance Advisory Board

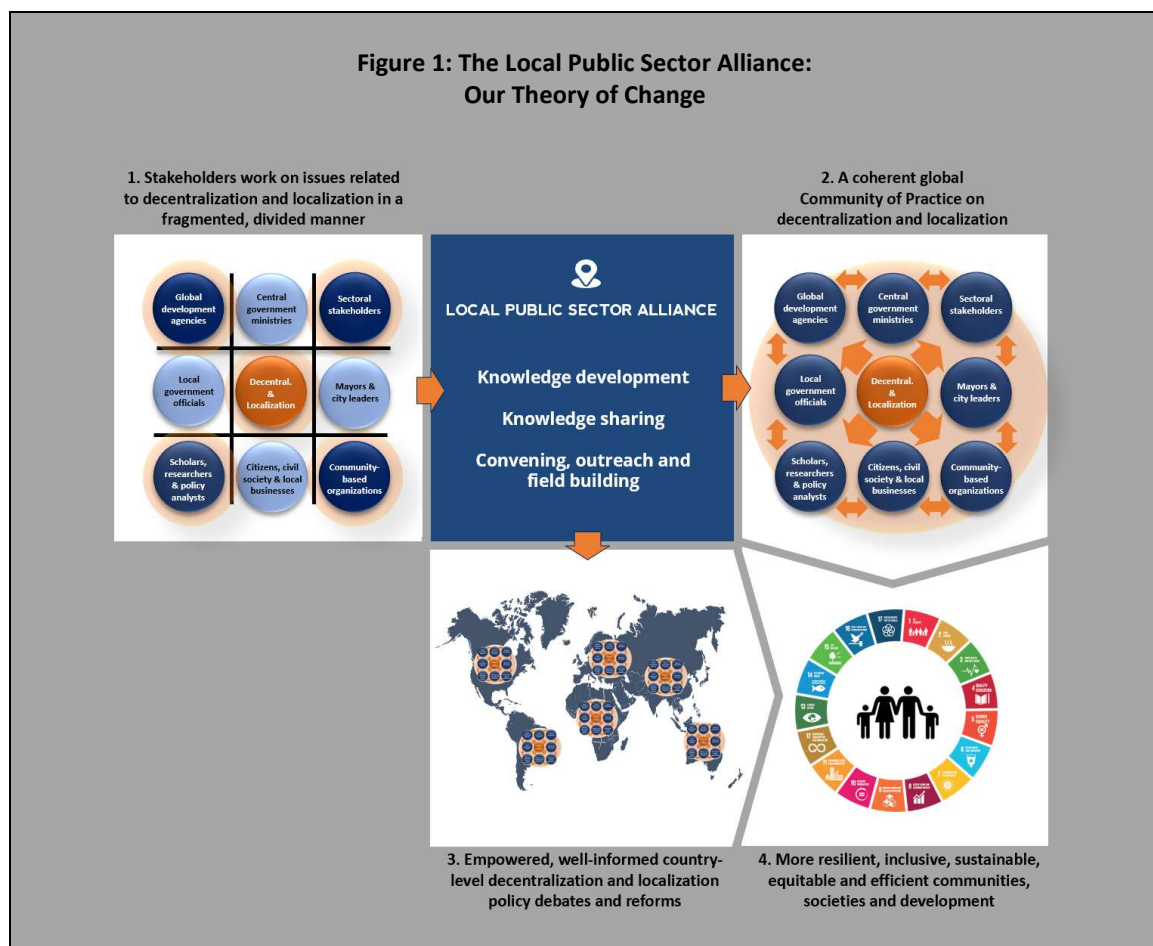
Dr. Serdar Yilmaz is the Global Lead for Subnational Governance and Decentralization at the World Bank in Washington, DC. Dr. Yilmaz is Chairman of the Local Public Sector Alliance Board of Advisors.

LOCAL PUBLIC SECTOR ALLIANCE

STRATEGIC PLAN: 2022-2026

1. The Local Public Sector Alliance as a global change agent

The Local Public Sector Alliance aims to be a global catalyst in the field of decentralization and localization by bringing together stakeholders—within and between countries; across institutions and government levels; across disciplines; and across sectors—to promote inclusive, equitable societies and sustainable global development by enhancing the understanding of decentralization and localization as complex, cross-cutting and multi-stakeholder reforms. The Local Public Sector Alliance further seeks to elevate regional and country-level debates on decentralization and localization by accelerating learning across contexts and by providing local change agents with colleagues, insights, and opportunities.



2. Decentralization and localization often form the ‘missing middle’ for inclusive governance and sustainable development

While global development actors and central governments play a critical role in promoting inclusive and sustainable global development, development does not actually take place within the walls of international development organizations and foundations. Nor does development take place within the walls of the central government ministries that are typically tasked with the achievement of global, national or sectoral development goals. Instead, public services are delivered—and inclusive, sustainable development is actually achieved—in a localized manner, in the cities, towns and rural communities where people live and work. After all, most of the public services that directly impact peoples’ lives and that are needed to achieve inclusive and sustainable development—education, health services, access to clean water, basic urban infrastructure and services, and so on—are delivered at the local level.

Box 1. Development is a multidimensional undertaking

Development is a multidimensional undertaking to achieve a higher quality of life for all people. Economic development, social development and environmental protection are interdependent and mutually reinforcing components of sustainable development.

Sustained economic growth is essential to the economic and social development of all countries, in particular developing countries. Through such growth, which should be broadly based so as to benefit all people, countries will be able to improve the standards of living of their people through the eradication of poverty, hunger, disease and illiteracy, the provision of adequate shelter and secure employment for all and the preservation of the integrity of the environment.

Democracy, respect for all human rights and fundamental freedoms, including the right to development, transparent and accountable governance and administration in all sectors of society, and effective participation by civil society are also an essential part of the necessary foundations for the realization of social and people-centered sustainable development.

The empowerment of women and their full participation on a basis of equality in all spheres of society is fundamental for development.

Central bureaucracies are rarely capable of responding directly to the needs of individual citizens or constituents. In many countries, the ability of the public sector to achieve inclusive governance and sustainable development is constrained by the vertical, multi-level or intergovernmental structure of the public sector. In order to ensure inclusive and sustainable development, the public sector needs to ensure that (1) resources flow down to the local level where front-line services are delivered (instead of getting stuck at the central government level); (2) that these resources are distributed equitably across the national territory; and (3) appropriately empower subnational officials and staff—and hold them to account—to ensure that these resources are transformed into public services and development results in an inclusive and efficient manner.

The creation of inclusive and resilient communities and societies thus requires a commitment to inclusion and equity at every level of the public sector, especially at the local level. Intergovernmental systems that empower and encourage (or as needed, constrain) local leaders to promote inclusion and equity form an important precondition for resilient, inclusive, sustainable and equitable development. Although different approaches may be suitable in different countries, decentralization and localization are quintessential to achieving resilient, inclusive, sustainable and efficient development in countries around the world.

The evolving global context for decentralization and localization reforms requires a much more granular understanding of the topic. If decentralization—in the form of devolution—is being pursued for its own sake (to achieve ‘democratic decentralization’), then the metrics needed to establish success are relatively simple: in this case, the presence of elected regional and local governments and the subnational share of revenues and expenditures would be reasonable proxies for decentralization success. However, if the objective of decentralization and localization is to achieve resilient, inclusive, sustainable and efficient development, a much more granular understanding of the topic is needed:

- The three traditional dimensions of decentralization and intergovernmental relations (political, administrative, and fiscal) can no longer be considered in isolation. Instead, there is a need to understand in detail how these three dimensions of decentralization interact to form a multi-level “accountability chain” by ensuring that inclusive, responsive and accountable governance at all levels results in efficient, equitable and sustainable localized services and development in the context of a multi-level public sector.
- In addition to the political, administrative, and fiscal dimensions, the analysis of decentralization and localization needs to take into account sector-specific aspects of decentralized administration and service delivery (“sectoral decentralization”) as well as the role of the facility-level and the “last mile of service delivery” in multi-level governance systems. These arrangements vary from sector to sector.
- It no longer suffices to only consider the functioning and funding of devolved regional and local governments (so-called budgetary general government units). In order to understand how localized development is truly achieved, there is a need to consider the role of all types of decentralization and localization, including devolved, deconcentrated, delegated, and centralized approaches to delivering local public services.
- It no longer suffices to only consider the vertical distribution of revenues and expenditures (for instance, as is done by existing subnational fiscal data sets). In addition, the analysis of fiscal decentralization, multi-level governance and intergovernmental fiscal relations should consider territorial variations in expenditure requirements and the horizontal allocation of public sector resources in much greater detail. In addition, much greater attention should be paid to variations in the “production function” of local public services: how are public sector resources (inputs) transformed into public services (outputs) and development outcomes (ore results) in different sectors.

3. The evolving global context for decentralization and localization reforms requires a stronger, globally networked Community of Practice

Historically, decentralization reforms took place intermittently and the number of global experts on different aspects of decentralization was relatively small. Prior to the new millennium, large-scale decentralization reforms were often triggered by a major realignment of a country's political system. A handful of global development actors—including the World Bank, UNDP, USAID and a handful of other development partners—traditionally played an outsized role in supporting these decentralization and local governance reforms by mobilizing a relatively small core of global decentralization experts. As a niche public policy issue, this technical expertise was concentrated in a handful of universities, predominantly located in the global North.

There are a number of global trends that demand a stronger, more networked global Community of Practice (CoP) around decentralization and localization. While the occasional transformation of political systems continues to trigger major decentralization reforms around the world, the following trends and observations demand a systematic response from the global CoP:

- **Global development progress is leading to more decentralization.** There is strong correlation between a country's level of economic development and public sector decentralization. Thus, as countries prosper, there are more countries for which decentralization and localization are relevant. With increased urbanization and the increasing complexity of country economic structures, the need for the public sector to respond in a more granular fashion to regional and local economic conditions—through more effective and responsive decentralization and localization—increases. In addition, as household incomes rise, the demand for inclusive and responsive public sector governance increases as well. As more and more countries graduate from lower income status into middle- and higher income status, inclusive decentralization and localization reforms are relevant to an increasing number of countries.
- **Improving public services and localization of sustainable development.** In addition to the direct impact of global economic development on the need for more effective decentralization, there is an equally important indirect effect: as the ability of the public sector to deliver services improves, the effectiveness and accountability of the “last mile” of public services becomes increasingly important. The need to decentralize or localize sustainable development interventions is especially apparent to scholars and practitioners in

Box. What is a Community of Practice (CoP)?

A Community of Practice (CoP) is a group of people who share a common concern, a set of problems, or an interest in a topic and who come together to fulfill both individual and group goals.

Communities of Practice often focus on sharing best practices and creating new knowledge to advance a domain of professional practice. Interaction on an ongoing basis is an important part of this.

Many communities of practice rely on face-to-face meetings as well as web-based collaborative environments to communicate, connect and conduct community activities.

different sectors, such as in health, education, or water and sanitation. Sector experts increasingly appreciate the fact that top-down reforms have limited reach if they ignore the last mile of service delivery.

- **Global climate change and urbanization play an increasingly important role.** At the same time, the global climate change community understands that climate mitigation and adaptation cannot succeed without local support; urban transformation is held back when city leaders are placed at the mercy of central ministry official rather than being allowed to manage their own affairs; and inclusive, community-led development cannot succeed without empowered local-level officials and well-resourced local governments.
- **While evidence-based research can elevate the policy debate on decentralization and localization, policymakers, civil society organizations, and researchers—at the global and country level—are often disconnected.** Tensions around decentralization and multi-level governance—and their resolution—will not follow the same path everywhere, but the issues involved are often similar across countries despite the differences in their policy contexts. While the growth of universities and research institutions in the global South is rapidly increasing the ability of countries to inform public policy decisions with high-quality policy research, policymakers may find it difficult to identify country-level decentralization experts, or to distinguish high-quality policy research from less policy-relevant or less robust research. In fact, since decentralization and localization is a complex, multi-disciplinary policy area, it is not unusual for two scholars or researchers to be sitting down the hall from each other—in the same university or institute—without knowing that they are both working on different aspects of decentralization and localization.
- **Decentralization reforms need country-level coalitions of champions to succeed.** In order for decentralization and localization reforms to be successful, such reforms should be advocated for and supported by broad-based country-level coalitions that should include not only citizens, community-based organizations and civil society organizations (pushing from the bottom up); but also, local government officials, local representatives and their associations (advocating from the middle); as well as reform champions and allies at the central government level who understand the effective decentralization or localization is the key to inclusive and sustainable development. In addition, global development agencies and international financial institutions often have an important role to play in this reform process, as global knowledge brokers, trusted conveners, and possible financiers of public sector reforms. In order to effect policy reform in support of more inclusive governance and sustainable, localized development, stakeholders that have traditionally worked in separate spheres—and often lack a common vocabulary—need to increasingly work together across government levels; across disciplines; and across sectors in order to advocate for more effective decentralization and localization.

4. The Local Public Sector Alliance is a global alliance of advocates for inclusive and efficient decentralization and localization

Our beginning: the Local Public Sector *Initiative*. The precursor to the Local Public Sector Alliance—the Local Public Sector *Initiative*—was initiated in December 2010 by the Urban Institute in Washington, D.C.. LPSI's mission was to promote international development and to strengthen public sector governance worldwide by advancing the understanding of the local public sector, and by strengthening systems of intergovernmental relations, subnational governance practices, subnational public finance management, local public service delivery and local economic development efforts in developing and transition countries around the world.

Envisioned primarily as a research initiative, LPSI's efforts focused on better defining and measuring devolved and non-devolved local public sector arrangements; exploring the impact different multi-level governance arrangements on public sector outcomes; and better understanding ways to unlock the local public sector in order to achieve inclusive and sustainable development at different government levels.

From Initiative to Alliance. While LPSI's collaborative research efforts engaged with—and were supported by—a broad range of bilateral and multi-lateral agencies, its institutional position and its primary focus on research limited its ability to effectively pursue its outreach mission. In response to the changing global environment, the Local Public Sector Initiative began the process of transforming itself from a research initiative into the Local Public Sector Alliance in early 2021.

Our mission. The mission of the **Local Public Sector Alliance** is to promote inclusive, equitable societies and sustainable global development by enhancing the understanding of decentralization and localization as complex, cross-cutting and multi-stakeholder reforms.

Governance structure. The Local Public Sector Alliance was incorporated in January 2022 as a non-profit organization in the Commonwealth of Virginia, organized exclusively for charitable, educational and scientific research purposes. As a non-profit organization, the IRS determined the Alliance to be exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. Contributions to the Alliance are deductible from federal income taxes as charitable contributions in the United States. The Alliance is governed by its Board of Directors and is committed to inclusive and transparent corporate governance in service of its global Community of Practice.

Partnerships and activities in 2021. In early 2021, the nascent Local Public Sector Alliance established *Decentralization.Net* as its online platform; set up an initial advisory board and links with partner organizations; established a social media presence (on Facebook and LinkedIn) and launched a bi-monthly newsletter. In order to assess the state of decentralization and localization around the world, the Alliance further organized a number of webinars on decentralization and localization in Africa and Asia in partnership with a number of global organizations, including the

World Bank, the United Nations Development Program (UNDP), the U.N. Capital Development Fund (UNCDF), with additional webinar sessions supported by The Asia Foundation, DeLoG and others.

The response from the Community of Practice to our early efforts has been extremely positive, to the point that our ability to respond to interest from the Community of Practice and partner institutions is limited by our organizational structure, the (largely) volunteer nature of our operations and the financial resources needed for expansion.



5. Local Public Sector Alliance: our five year strategic vision

In five years, the Local Public Sector Alliance aspires to be the ‘go-to’ global network for decentralization and localization. This means:

Table 1: Our five year strategic vision	
Program Area	In five years, the Local Public Sector Alliance:
1. Knowledge development	<ul style="list-style-type: none"> • aims to have advanced the state of knowledge on decentralization and localization as an intervention to promote inclusive and sustainable development • aims to have built an open access library of up-to-date primers, guidance materials and other knowledge products to guide inclusive and sustainable development through decentralization and localization • aims to have built an open access global database on decentralization and localization • aims to—through its network and partners—be in a position to offer responsive support to country-level knowledge development and research support • aims to—through its network and partners—be in a position to offer on-demand research (including on core decentralization issues as well as thematic issues) and country-level technical assistance
2. Knowledge sharing (website, newsletter and webinars; online courses)	<ul style="list-style-type: none"> • aims to serve as the main online knowledge sharing platform for the global Community of Practice through its website, newsletter, webinar and other social media • aims to be able to offer a catalog of online courses, targeting the fundamentals of different aspects of decentralization and localization, as well as online courses specific advanced topics
3. Convening, outreach and field building	<ul style="list-style-type: none"> • aims to have regional chapters (Africa, Asia MENA) and thematic chapters (e.g., health, climate, urban), with active involvement of partner institutions and members
Institutional governance and self-sustainability	<ul style="list-style-type: none"> • aims to have its institutional governance (Board of Directors, Advisory Board) should reflect our global mission in an inclusive manner • aims to achieve a path towards financial sustainability (through a combination of LT foundation support; contributions by members and partners; and/or contributions by global development actors or governments).

Attaining this vision, and whether we will be able to attain this vision within five years, will depend on the resources that the Alliance will be able to attract during its start-up phase and its transition towards long-term sustainability.

6. How does the Local Public Sector Alliance plan to do elevate the debate on decentralization and localization around the world?

The Local Public Sector Alliance seeks to elevate the debate on public sector decentralization and localization by pursuing three inter-related programs.

Program 1. Knowledge development. Much of the core literature on decentralization and localization was produced prior to the year 2000 and is increasingly outdated. As noted earlier in this document, the evolving global context for decentralization and localization reforms requires a much more granular understanding of the topic. LPSA aims to advance the state of knowledge on decentralization and localization as an intervention to promote inclusive and sustainable development. In so doing, LPSA will build an open access library of updated primers, methodologies, guidance materials and other knowledge products that will provide broad-based access to practitioners and scholars on the topic of decentralization and localization. In addition to the development of the LoGICA and InFER methodologies themselves (see box), the Alliance aims to build a core team of global experts that can backstop country-level teams and provide quality assurance. The Alliance further aims to serve as the online repository of completed country profiles and aims to build an open access global database on decentralization and localization indicators, which would allow country-level decentralization experts and practitioners to compare their situation to other countries, including neighboring countries in their global region.

Box. Updating the methodologies for understanding and measuring decentralization and localization (LoGICA and InFER)

In 2012, the Local Public Sector Initiative developed the first set of detailed metrics to capture the institutional and fiscal aspects of the local public sector as part of its *Local Public Sector Country Profile Handbook*. While this methodology was applied to close to a dozen countries, the global application of this methodology was limited, in part because of the complexity of completing the fiscal part of the profile, and in part because the completion of the institutional and fiscal parts of the profile requires different skills sets. A derivative tool produced in 2015—the **Local Governance Institutions Comparative Assessment (LoGICA)**—resolved these challenges but lacked the depth of the full country profile.

The Local Public Sector is now in the process of reviewing and refining its existing methodologies to arrive at two up-to-date comparative tools for measuring and analyzing decentralization, multi-level governance and finance: first, an updated LoGICA framework and, second, the **Intergovernmental Fiscal and Expenditure Review (InFER)**.

These two methodologies are designed not only to inform country level policy debates and reforms on decentralization and localization (based on the ultimate goal of achieving resilient, inclusive, sustainable and efficient development), but also to provide inputs in global comparative data set which will allow countries to assess their state of decentralization and localization with other countries in a comparative manner.

In addition to the development of global knowledge products such as primers, methodologies and datasets, the Local Public Sector Alliance plans to support country-level knowledge development and the development of evidence-based policy research. At the country level, this activity will generally involve providing support to country-level teams to apply LPSA's LoGICA and InFER methodologies (as well as other methodological tools). To the extent possible, these profiles and reviews will be conducted (with an initial focus on Africa, Asia and the MENA region) in a collaborative and participatory manner by multi-disciplinary teams of country-level stakeholders, including development practitioners, policy makers, local government representatives, academics/researchers and civil society organizations.

In addition to implementing and supporting the roll-out of these standardized profiles and reviews based on LoGICA, InFER, and future LPSA tools, the Alliance will make itself available on an "on-demand" basis (or as funding opportunities arise) to provide country-level technical assistance on decentralization and localization reforms, and to conduct thematic research on sectoral localization efforts.

A second area of targeted knowledge development will be the application of LPSA's general knowledge of decentralization, multi-level governance and intergovernmental relations to specific sectors (including health, water and sanitation, urban services) and thematic issues, including issues such as localization of the SDGs, climate change, urbanization, equitable territorial development, community-led development, and fragility, conflict and social inclusion. The Alliance will pursue these opportunities on an "on-demand" basis or as funding opportunities arise.

Program 2. Knowledge sharing. The Local Public Sector Alliance seeks to elevate the debate on public sector decentralization and localization by maintaining *Decentralization.Net* as an information hub for policy makers and researchers interested in decentralization and localization; by providing opportunities for information exchange through our newsletter, social media presence and webinars.

The topics and content focus of the website, newsletter and webinars will be determined annually in a consultative manner with LPSA's Advisory Board, institutional partners, and open consultations with the Community of Practice in order to reach and serve the widest global audience possible. As such, the knowledge sharing agenda of the Alliance will be developed hand-in-hand with its convening, outreach and field building agenda (Program 3).

In addition to the core operational efforts to knowledge sharing, the Alliance also aims to offer a portfolio of online courses on decentralization and localization. Although there are a number of organizations that provide in-person training courses on different aspects of decentralization and localization, there is no global standard, qualifications or accreditation for the basic knowledge needed to work on issues related to decentralization and localization. We aim to set this global standard by developing a catalogue of online courses, which will provide an entry-point to newcomers in the global Community of Practice, and which will help elevate the debate among

more senior practitioners. As the courses will be offered as a combination of free and fee-based courses, these courses will provide an ongoing revenue stream for the Alliance.

Program 3. Convening, outreach and field building. In order to accomplish real-world policy changes, the Local Public Sector Alliance can't focus exclusively on knowledge development and knowledge sharing: the Local Public Sector Alliance will have to shift the focus of the decentralization debate from the halls of academia and international development agencies towards country-level policy debates, where empowered and well-informed central, local and civil society stakeholders are able to join forces and—through their combined efforts—gradually effect policy change or prepare to take advantage of periods of openness to change.¹

Unlike existing organizations active in the field, the Local Public Sector Alliance does not see itself as an alliance of institutions, but rather, as a global alliance of policy makers, government officials, development practitioners, scholars, policy researchers, other professionals, civil society representatives, and citizens. As such, the Alliance will actively reach out, bring together, convene and empower global, regional, country-level and local and civil society actors in their quest to achieve inclusive and efficient decentralization and localization.

The Alliance's global-level convening efforts will focus on partnering and bringing together diverse global voices, including global and regional development organizations and foundations; leading global universities scholars and research organizations; local government organizations; as well as and global actors promoting good (local) governance and community-led development.

In addition, the Alliance aims to reach across sectoral stovepipes to develop joint practice communities in different sectors where possible, including in areas of health; water and sanitation; urban development; climate change; conflict, fragility and social inclusion; and so on.

Finally, as part of its convening, outreach and field building strategy, the Alliance hopes to set up regional and/or country-level networks—particularly in Africa, Asia and MENA—that can potentially function as semi-independent chapters of the Alliance.

Institutional governance and self-sustainability ("Program 0"). Beyond our programmatic ambitions, we want to ensure that our institutional governance responds to the needs of (and increasingly reflects) our global Community of Practice and reflects our organizational ambitions—to shift focus of the decentralization debate from organizations in Washington, New York, London and Paris to countries, cities, towns and communities around the worlds.

Beyond the expectation that the gradual increase in the size and composition of the Alliance's Board of Directors will reflect its global mission, the Alliance aims to develop an increasingly involved and wide-reaching global Advisory Board alongside (as noted above) the development of regional and/or country level chapters, as appropriate.

¹ We define "field building" as the activities or investments that drive a field's progress toward impact at scale.