

BOOK REVIEWS

Decentralization, Local Governance, And Localizing the Sustainable Development Goals in Asia and the Pacific Edited by Bruno Carrasco, Hanif A. Rehmentulla, and Rainer Rohdewohld, Co-publication of the Asian Development Bank and Routledge, 2023, pp. 1- 380.

The authors wrote this book focusing on localizing the Sustainable Development Goals (SDGs). The main discussion of this book is circulating on Asia and the Pacific region with in-depth assessments of the constitutional responsibilities and the implemented Decentralization and Local Governance (DLG) models. In the initial discussion, the authors highlight that less than 10 per cent of efforts are dedicated among Asian countries to achieve the targets of SDGs. A similar figure was also mentioned in the latest report published by UNESCAP. However, this publication's central theme is to support involving local government institutions to meet SDGs targets by 2030. The author Rainer Rohdewohld refers to the study conducted by Sach in 2019 and highlights that around 65 per cent of 169 SDGs require operationalizing through Sub-National Government (SNG). However, the book also covers the impact of Covid-19 on Asia and the Pacific regions and points out that the pandemic has increased expenditures by 10 per cent, and revenues declined by 5 per cent. In addition, the pandemic also restricted the overall performance of the SDGs-related indicators.

In the detailed discussion of decentralization, the authors mentioned that in Asian countries, there is a misperception of the debate on the DLG. Initially, decentralization focused on the devolution of services to the grass root level, and then it considered the citizens' voice in influencing service delivery. The chapter contributed by Rainer Rohdewohld explains that the current forms of decentralization depend on constitutional assignments in the context of administrative decentralization. However, the outcomes of the decentralization depend on context matter (involvements of the stakeholders) and design matter (reducing cost of service delivery and empowering the communicates). The book describes the term as referring to the power of the LG as 'Elite Capture', which means the local elite exploit existing power asymmetries to control local institutions and their financing for their interest. In addition, the author also discusses the idea of sector decentralization, which means restructuring the power in a particular sector. The author argues that most countries still need to clearly define administrative decentralization, creating the problem of 'who is in charge of what'.

In the context of fiscal decentralization, Roger Shotton highlights that subsidiarity principles are the critical tool for fiscal decentralization. Still, in most regions, politi-

cians are not interested in devolving the financial powers to the LG. The author also mentioned four pillars of fiscal decentralization: expenditure responsibilities (finance follows function), revenue power, intergovernmental fiscal transfers, and borrowing powers. Gerhard Van'T Land focuses on the importance of the LG or finance laws that may be helpful tools for achieving desired outcomes. In addition, this strategy helps to achieve the principle of good governance (like inclusiveness, transparency, and accountability). The chapter contributed by Sebastian explains the role of political economy in the decentralization process and also mentions the phases of reforms, comprised of sequences and organizing processes. The author also indicates that the lack of governance capacity and availability of resources are the two essential elements that restrict the outcome of decentralization. However, for the success of DLG, regular consultation, support from all stakeholders, and well-designed frameworks are the essential steps to achieve the outcomes of DLG.

The book discusses the DLG of Asia and Pacific countries, including Cambodia, Indonesia, Mongolia, Nepal, and Pakistan, in a separate chapter for each country. The DLG in Cambodia was initiated with the small-scale rural infrastructure and the resettlement of internally displaced persons. However, 2010 the royal government announced the national program for sub-national democratic development. Currently, the Cambodian government is implementing the second phase of decentralization, focusing on gender, climate change, and e-governance. The author also covers the existing challenges that are being faced by the LG institutions, which include controlling the space for political competition and developing the relationship between citizens and the councillors. However, at the district level, the government must integrate the de-concentrated offices at the grass root level and implement the assigned and delegated functions.

The chapter on Indonesia highlights that the national constitution gives full responsibility across different tiers of government. In Indonesia, the government has an initiative of another centre of excellence at the university level and a voluntary reporting mechanism to promote the SDGs among youth. The author of the chapter refers to the World Bank's study, which mentioned that decentralization improves 258 per cent of real per capita income in Indonesia while 33 per cent access to essential services. In addition, the author indicates that in the next decade, the most centralized country will become one of the most decentralized economies, which contributes around half of the public expenditures at the local level. Regarding the existing challenges, the author indicates a need to develop an intensive co-management system that helps achieve the SDGs targets. This step may engage all stakeholders and more robustly localize the SDGs.

The discussion on Mongolia is mentioned that there is no single law that indicates the responsibilities of SNG. From 1991 to 2002, the SNG was granted considerable autonomy, while after 2002, the SNG's sovereignty was recentralized and served as an agent for national governments. However, in 2012, the budget law restored the

SNG's autonomy. Since then, no clear policy statement indicates a vision of decentralization. However, 60 per cent of women are working on SNG, which reflects the highest ratio at the regional level. In addition, the country also engages civil society in creating awareness about the SDGs among the population. The author considers the current challenges internally inconsistent with the policy, legal and regulatory framework. Similarly, the same functions and blurs in accountability are also challenges of LG in Mongolia.

Regarding LG in Nepal, the LG system was introduced in the village/ panchayats laws in the early 70s. While in 1990, The LG institutions were involved in the national political and administrative system. In 2015, the constitution protected the LG institutions and extended their power through legislative and judicial functions. After this law, the local government system has been operational since 2017. Previously assessment of the LG in Nepal was conducted in 2009, which indicates that out of 20 defined sectors, only 03 sectors, including education, infrastructure, and health, were decentralized.

The country has aligned its fiscal decentralization better than the political and administrative decentralization framework, thus creating some fiscal gap for SNGs to spend on their SDG indicators. In addition, it is the only country in the area that allocates gender-based budgeting, as 50 per cent directly benefit women. Previously, the government implemented a performance-based grants system called minimum conditions and performance measures. Under the current system, the country has taken multiple steps to monitor SDGs' progress, such as conducting two voluntary national reviews and SDGs needs assessments, costing and financing strategy. In Nepal, multiple engagements involve civil society through community empowerment. However, during the pandemic, the LG institutions also play an essential role in formulating a disaster management plan, training volunteers, and creating a local database. Regarding the challenges, there is a need to clearly define the roles and mandates of different actors involved in the DLG by the level of government.

The chapter on Pakistan highlights that Article 140-A of the 18th Amendment allowed the SNG to establish their LG institutions under the political government. Previously the military government has established the LG institutions to control the power at the grass root level. The author discusses that various forms of LG institutions are implemented in the existing environment. For instance, the KPK province devolved primary education to the LG, whereas Sindh recentralized this function from the LG to the provincial government. Punjab, the largest province in terms of population, established multiple authorities at the district level, including health and education, in 2021. Balochistan is the only province that has yet to make any changes in the past several years. The LG tier is just a representative tier of government with no clear role and mandates to deliver at the district level.

Pakistan was the first country in the world who adopts the SDGs through the national development agenda in the national assembly. The Government of Pakistan di-

vided the SDGs into three categories to implement SDGs. Category I needs high priority, like food insecurity, equitable quality education, and responsive institutions. Category II needs a longer time frame and consistent support, while the last category requires substantial reforms. For this purpose, the government has established the SDGs support units at the federal and provincial levels.

Regarding the pandemic, during COVID-19, the provincial government played an essential role in reducing the pandemic's impact on society. However, during the pandemic, the regional administration controlled the crisis on behalf of the LG elected members, as their LG tenure was completed in all provinces.

No sources are available to share the data regarding the revenues and expenditures-related information. However, the KPK province highlights in the law that 30 per cent of the budget may be allocated to LG institutions. The Punjab and KPK provinces designed the proper mechanism for their provinces' provincial finance commission (PFC) awards. In contrast, Sindh and Balochistan did not devise a fiscal transfer mechanism for their regions. The chapter refers to the study conducted by Seiler 2019, which indicates that in the PFC, an award does not address the financial need required to achieve the SDG target at the SNG.

However, the LG system before the 18th Amendment has significantly improved service delivery at the grassroots level. As referring the challenges of the LG is concerned, the frequent changes in the LG institutions may create problem in improving the system. Lack of fiscal transfer and limited autonomy are the main issues of the LG after the devolution. The delay in the LG's election has also given the political members space to spend the fund in their respective districts. The author of the chapter highlights the weakness of the 18th Amendment in the context of LG, which is not set the minimum requirements for the structures, compositions, functions and resources.

Overall the book discusses that at the global level, after 2016, countries have taken many initiatives to meet the targets of SDGs. For instance, most countries have taken imitative to conduct a voluntary local review to monitor the performance of the indicators. However, the COVID-19 pandemic has restricted the fiscal space for SNG, which slows the progress of the monitoring mechanism of the indicators. Similarly, in most countries, the division of functions needs to indicate the responsibilities by the level of government, which creates problems for the accountability mechanism at the grass root level. The problem can be resolved by giving each tier of government a clear role. Similarly, the holistic description of the boundaries of transferred functions also helps to reduce the overlapping in the functional assignments.

Overall the authors suggest the involvement of society as a Whole of Society, which indicates the commitment and the contribution of all parts of society to achieve the target of sustainable development. This publication highlights four different plans for this concept, including clear functional responsibilities of SNG, participation in the national level policy arenas, planning and budget, localizing monitoring and evaluation, and data collection system. In addition, the electoral system, fiscal reforms

and revenue arrangement and civil service arrangement, and supervisory and monitoring systems can be the way to involve the grass root level. In the current context, the book considers the Decade of Action, which requires efforts from all stakeholders and leaves no one behind from the involvement in the decision-making.

Three reforms are necessary to implement the localization of the SDGs, comprises on governance, financing, and public management reforms. However, in the context of the future of the localizing SDG, the book mentions four thematic areas, including digitalization, resource mobilization, data system and the regional corporation, which will be required to meet the SDGs targets. The authors claim that international donor agencies are interested in localizing SDG targets in Asian countries. In contrast, the regional donor partners should have acknowledged the local government institutions to localize the SDGs targets.

Shabbir Ahmed

*Economics and Management Sciences
NED University of Engineering & Technology, Karachi*