

# Who Does What? Functional Assignment Challenges and How to Address Them

DeLoG Webinar



DECENTRALISATION &  
LOCAL GOVERNANCE

Thursday, 19 May 2022



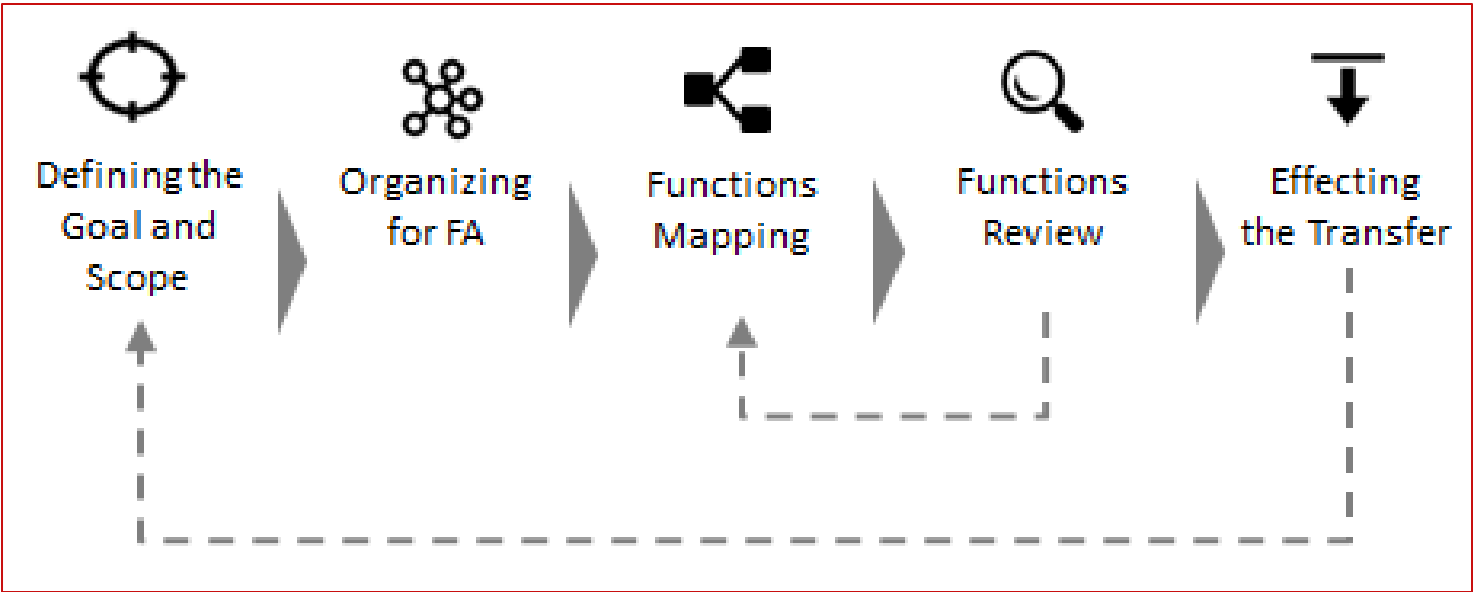
## Timetable

Agenda item	Duration
Opening	5'
Part 1: Conceptual introduction	15'
Questions for clarification from the audience	10'
Part 2: Country perspectives	30'
Open discussion	25'
Closing	5'

*Duration of webinar: 90 minutes*

# Emerging Practices in Intergovernmental Functional Assignment

Rainer Rohdewohld  
DELOG Webinar 19 May 2022



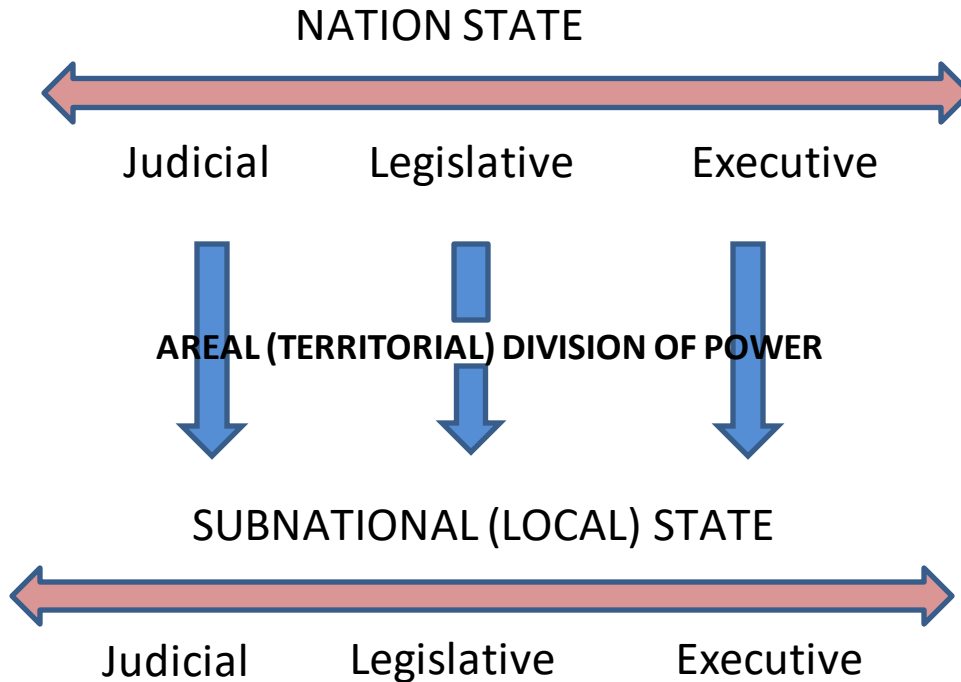
# Content

1. Background to the Concept
2. Conceptual Understanding of Functional Assignment
3. The Architecture of FA
4. The Nature of the Beast: Typologies of Government Functions
5. The Normative Process of Functional Assignment

# 1. Background of the Concept

- Emerged as a major topic of decentralization policy advice in Indonesia following Indonesia's "Big Bang" decentralization in 1999-2002
- Became an issue in subsequent decentralization reforms in Asia:
  - Cambodia since 2008
  - India 2007-2011 (under the name of "activity mapping")
  - Nepal (2016-17 -> transition to federalism following the 2015 Constitution)
  - Mongolia (2016 – 2020)
  - Pakistan (2014/15, again 2019)
- Several publications (see Annex); LOGIN e-learning courses on FA 2015-2019; ADB e-learning course on DLG 2020-2022; slow diffusion to Africa
- Terminology (FA <-> expenditure assignment)

## 2. Conceptual Understanding of FA (1)



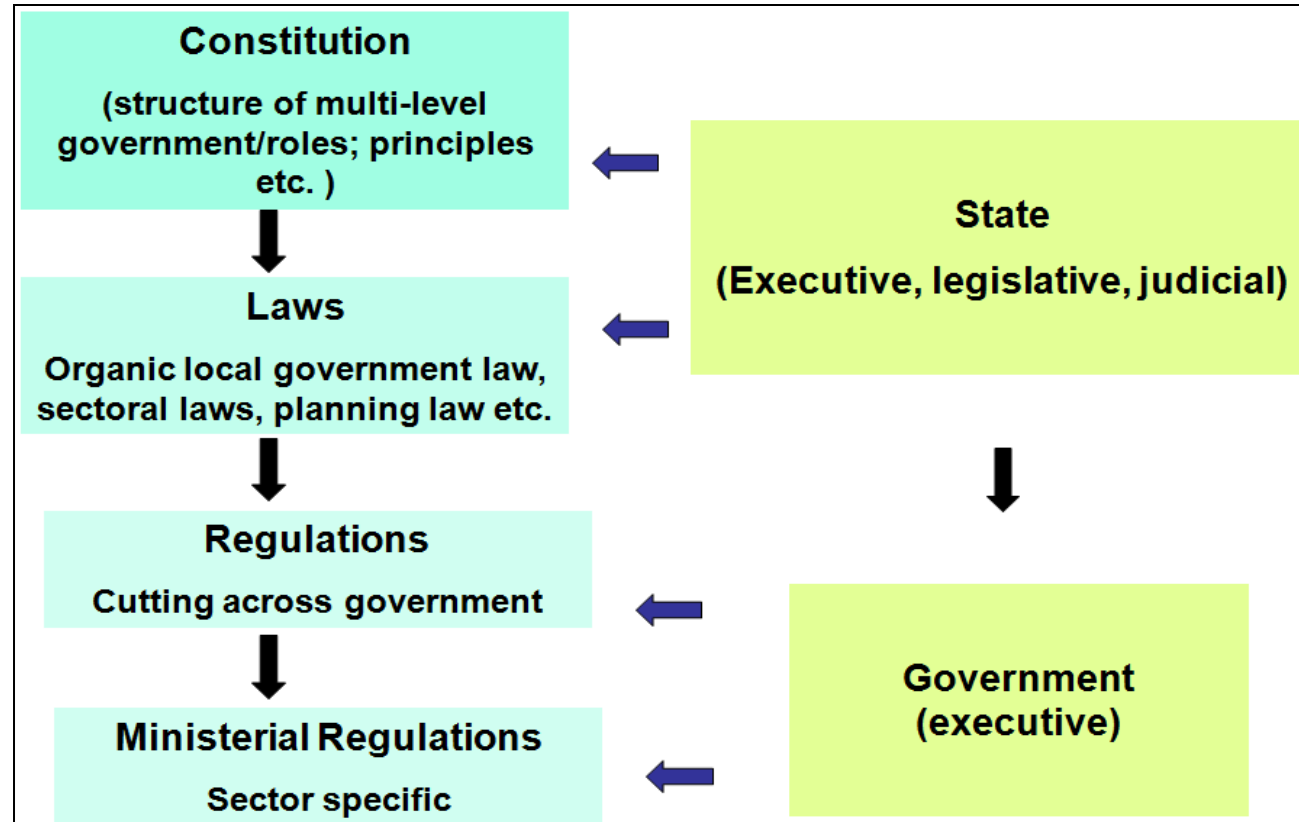
**FA deals with division of powers in a multi-level governance system:**

**“Who does What”?**

- Decisive role for sector ministries
- Strong linkages with wider fiscal decentralization framework (“funds follow functions”), human resource management in the (local) public sector, institutional set-up of local governments (“forms follows function”)
- One of the building blocks of decentralization reforms

## 2. Conceptual Understanding of FA (2)

### Legal Construction of Functional Assignment



# 3. The Architecture of Functional Assignment – Two Archetypes



## List Model

A positive list of functions – what it can do – is assigned to each level of government

A negative list – what it cannot do – used sometimes

Closed or open list



## General Competence

*(General mandate/Wellbeing power/ Home rule)*

- Only a few general objectives of SNG indicated (such as “promote the welfare of citizens”, “undertake economic development”, “maintain order and peace”)
- Powers that enable wide action may also be included
- “Right of Initiative”



**Hybrid**



Most countries use a combination of the two



## 4. The Nature of the Beast: Typologies of Functions (1)



### What is a “function”?

- Term not clearly defined
- Variety of terms used (“responsibility”, “task”, “authority”, “matter” etc.)
- Our understanding: focus on related activities leading to a certain public service
- Needs to be sorted out/defined in the context of each country

### Example of such a public service:

#### **Pre-service training of school teachers**

- determining standards of teacher preparation
- developing curriculum and methods to impart the curriculum,
- delivering training
- Examination/certification

## 4. The Nature of the Beast: Typologies of Functions (2)

- ...NOT an activity (like „construction of a kitchen for mid-day school meals“) or the operational responsibility for a certain scheme or government programme („to grant approval and ensure proper utilization of funds earmarked as untied funds under National Rural Health Mission“).
- Linked to **responsibility** („Who is ultimately responsible to ensure that a certain service is being provided?“)
- Linked to **political/social accountability**
- Distinction between „provision of services“ and „production of services“
- Of regulatory nature; can also be an internal government service

## 4. The Nature of the Beast: Typologies of Functions (4)



**Obligatory  
Functions**



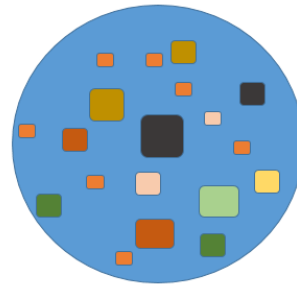
**Optional Functions**

**Exclusive Functions**

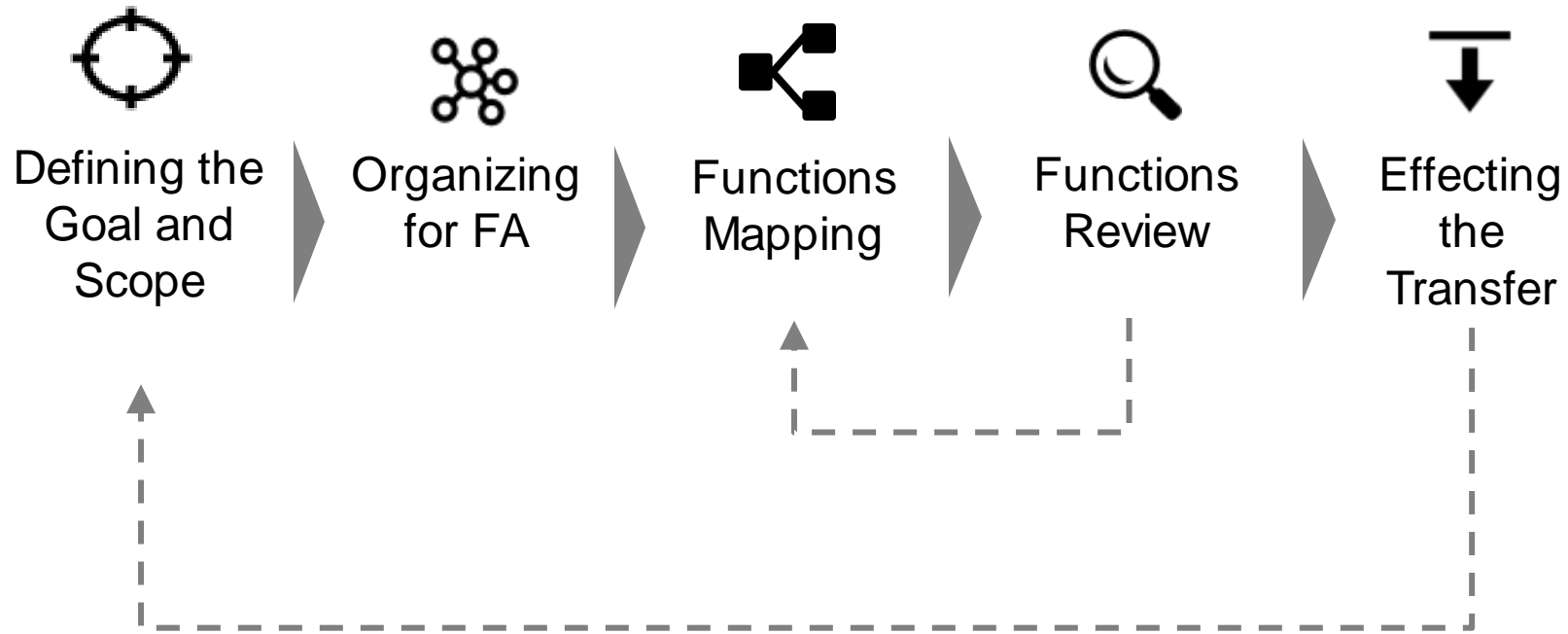
**Concurrent Functions**



**Residual Functions**



## 5. The Normative Process of Functional Assignment (1)



Such a linear approach to policy formulation and implementation is often not the reality, so some backward and forward steps, loops and inconsistencies might occur.

## 5. The Normative Process of Functional Assignment (2)

### The Concept of “Unbundling”

#### Vertical Unbundling

E.g. Health sector

- Sub-sectors
  - Leadership and Governance
  - Infrastructure, Equipment and Medical Products
  - Health Work Force
  - Health Financing
  - Health Information
  - Service Delivery

#### Horizontal Unbundling

....disaggregates core management functions for each sub-sector or set of functions.

*Common management functions:*

Policy, Planning, Budget and Funding, Regulation, Operations and Maintenance, Monitoring and Evaluation, Implementation

## 5. The Normative Process of Functional Assignment (3)

### Criteria and Principles for Transferring Functions

- Subsidiarity
- Effectiveness and Efficiency
- Economies of scale
- Externalities (Spill over effects)
- Capacity (of receiving level)
- Heterogeneity of Demand
- Equity
- Accountability

**=> Be aware  
of trade-offs!**

# References and Sources of Information

- **Functional Assignment in Multi-Level Government**  
[Volume I \(Conceptual Foundations\)](#) and [Volume II \(GTZ Experiences in Asia\)](#)  
(Technical Papers by GIZ Sector Network 2009)
- **Emerging Practices in Intergovernmental Functional Assignment** (by Gabe Ferrazzi & Rainer Rohdewohld). Routledge, London/New York 2017  
<https://www.routledge.com/Emerging-practices-in-intergovernmental-functional-assignment/Ferrazzi-Rohdewohld/p/book/9781138658240> (soon to be available as open access document)
- **Localizing Global Agendas in Multilevel Governance Systems - The Benefits of Functional Assignment as Core Element of Decentralization Reforms** (ADB Governance Brief No. 30, 2017) <https://www.adb.org/sites/default/files/publication/316991/governance-brief-30.pdf>
- **Critique of the functional assignment architecture of Punjab's local governance legislation of 2013 & 2019** ([Commonwealth Journal of Local Governance 2019](#))
- **Decentralization, Local Governance, and Localizing SDGs in Asia and the Pacific** (forthcoming), [Routledge & ADB 2020](#) (will be available as open access document)

**Thank you  
for your attention!**

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## Questions for clarification from the audience

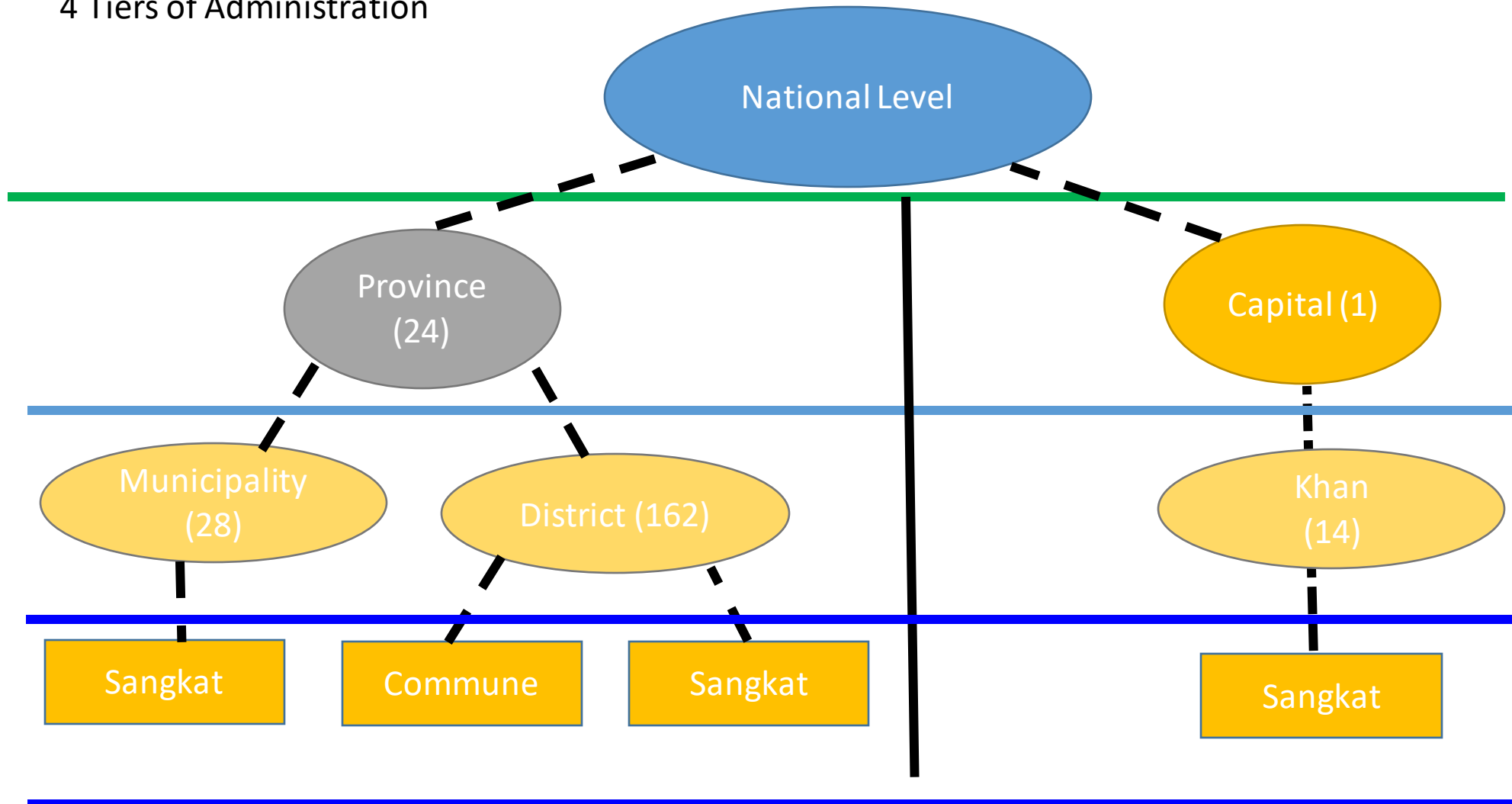
# Practical Experience and Lesson Learnt : Functional Assignment in Cambodia

DeLoG Webinar:

19 May 2022

# Current Administrative Structure

4 Tiers of Administration



# Background

Establishment of  
Commune/Sangkat Councils in 2002  
(LAMC 2001)



Decentralisation and De-  
concentration Strategic  
Framework -2005



Capital, Provincial Municipality, District, Khan  
Councils in 2009  
(OL-2008)

National Programme on  
SNDD Phase1 2010-  
2019 (NP-1)

National Programme on  
SNDD Phase2 2020-  
2030 (NP-2)



LAMC: Law on Commune and Sangkat Administrative Management  
OL: Organic Law= Law on Administrative Management Capital, Provincial Municipality, District and Khan  
SNDD: Sub-National Democratic Development

# Coordination Body

## NCDD Mission:

- Design and implement the national program and relevant reform legal instruments
- Consult, discuss and coordinate with all ministries/institutions in reviewing functions and responsibilities of the ministries/institutions, departments, units and authorities at all levels in order to identify functions, responsibilities, power and accountability for transferring to sub-national councils
- Discuss and coordinate with the Ministry of Economy and Finance and other relevant ministries and institutions, as necessary to prepare financial regimes and properties of sub-national administrations
- Discuss and coordinate with the Ministry of Civil Servant to identify policies and strategies for monitoring and reviewing the deployment of personnel, concurrent with the transfer of functions
- Develop policies, strategies and plans for capacity building of sub-national councils and administrations;
- ...etc

NCDD: National Committee for Sub-National Democratic Development

MEF: Ministry of Economy and Finance

MoEYS; Ministry of Education, Youth and Sport

MoH: Ministry of Health

MCS: Ministry of Civil Service

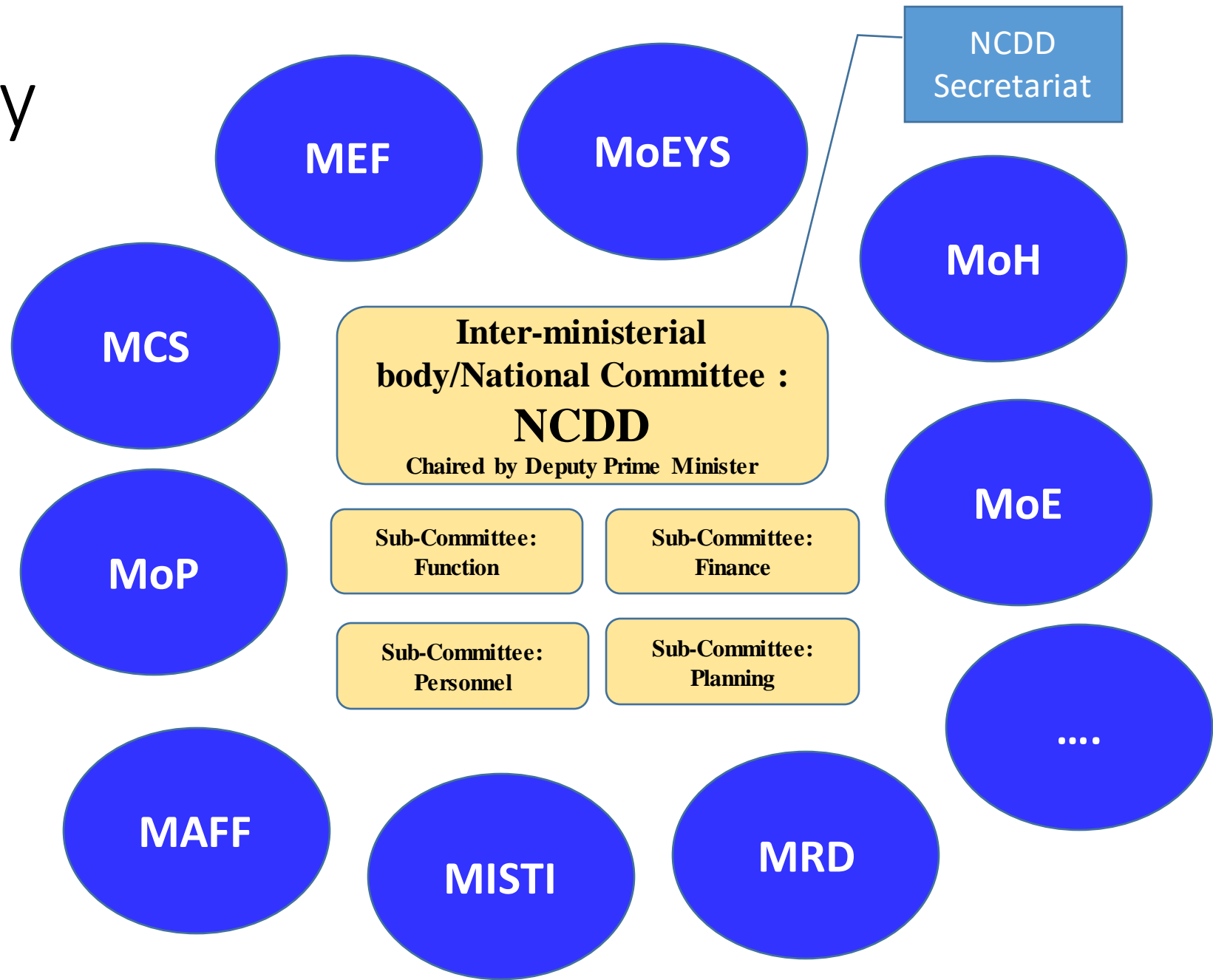
MoE: Ministry of Environment

MoP: Ministry of Planning

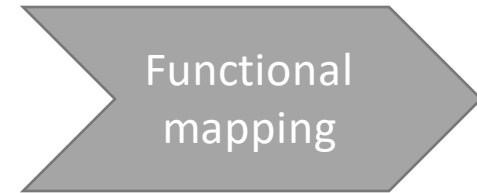
MAFF: Ministry of Agriculture, Fishery and Forestry

MISI: Ministry of Industry, Science, Technology and Innovation

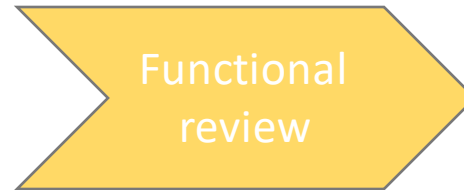
MRD: Ministry of Rural Development



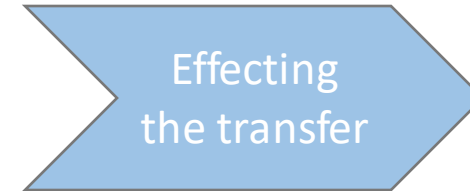
# Functional Assignment Process



Sector ministries map key ministries' functions at national and sub national deconcentration line departments and offices



Sector ministries identify which functions shall be transferred to sub national administration along with well resources (personnel and finances)



Sector ministries and relevant institutions prepare the effecting the transfer of functions and resources to SNG

# What is going on ?

Functions piloted and transferred in selected District and Municipality level (period 2014-2017)

1. Operations and Maintenance of Rural Water Supply System
2. Rural Sanitation

**Rural Development Sector with support of ADB and WB**

1. Early Childhood Education
2. Primary Education
3. Non Formal Education

**Education Sector with support of GIZ and UNICEF**

1. Maintenance of commune health center building (including sanitation service, electricity and water supply)
2. Motivate and support to Health Center Management Committee and Village Health Support Group
3. Provide incentives for health staffs
4. Provide “additional” services including community outreach and 24-hour standby services
5. Enhancing M&E mechanism of service delivery at health center and community outreach

**Health Sector with support of DFAT**

1. Solid Waste Management
2. Natural protection area management
3. Community natural protection area management
4. Climate resilience mainstreaming
5. Strengthening Environmental education

**Environment Sector**

1. State child care center management
2. NGO child care center monitoring
3. Management of child victim and venerable service

**Social Sector**

# What is going on ?

- In late 2019, SNA administrative management was restructure by integration sector offices under into SNA structure (District, Municipality and Khan administrations-DMK)
- 55 functions in 20 sectors were transferred (assign and delegate modality) to DMK.
- Health Management Function and Health Service Delivery were assigned to the Capital and Province (CP) Administrations by integrated Provincial health department into CPs structure
- Functions related to social affairs transferred to CPs following the principle of subsidiarity
- The One Window Mechanism was established in CP and DMK administrations to improve citizens' access to administrative services.
- SNA staff management systems have been developed and implemented to empower SNAs in the management, administration, and use of their staff.
- Financial management systems such as the DM and CS financial management system were established to manage, administer, and use financial resources in an effective, transparent, and accountable manner.
- SNA planning systems have been developed and implemented.



# Success Factor

- Political commitment of top level of government to foster the engagement of sector ministries and relevant institutions in moving reform forward
- Coordination body- NCDD frequently called for the meeting, discussion and lobbying the sector ministry to decide/approve on functions transfer and strictly facilitate with ministry of finance to allocate the budget follow the functions
- The engagement from DPs in supporting the reform process (both financial and technical support) to conduct pilot, extract the experiences and lesson learnt from the implementation for filling the missing gaps and improve the implementation in the next scale up plan.
- SNAs have practical experience and assume the new responsibilities, familiarize the roles, responsibility and accountability line and faster the decision making, . For instance in education sector:
  - level of motivation for SNA are high to taken up the education functions transferred according to survey finding
  - Establishment of council committees are in place in some district administration for managing and implementation the transferred functions in improving the service delivery to citizens
  - The needs/issues of school, citizens urgently taken up and deal in timely manner
- The assignment of the sector functions did not result any breakdown in delivering the sector functions.
  - MoEYS have prepared the rolling out plan and is in consideration to scale up the assignment of 3 functions to other SNAs in 5 more provinces in the up coming year
  - The feasibility study in health sector to be conducted for delegation of functions from Provincial level to district and municipality level
  - NCDD prepare the transfer more functions to SNA

# Lesson Learnt

- Engagement of relevant sector ministries and institution in the discussion and decision process still limited,
- Some sector ministries still not buy-in to decentralisation and show their reluctant in giving up powers and resources.
- Resources (financial and human) not follow the transferred functions in some sectors
- Lack of political commitment of MEF for accepting financial management authority of SNG
- Own source revenue mechanism for SNG to still limited/not available
- Budget allocation to SNA were still limited
- Effecting the transfer were not well prepared and ready.
  - Legal instruments (Financial procedure, personnel management, technical guideline for implementation. Etc) were not available/adjustable in alignment to new reform.
  - Budget transfer modality were unclear
  - Capacity building materials and delivering of training to SNAs are still limited/not available
  - The systematic support mechanism to SNAs not well/clear established
- Withdrawal of fund from some DPs in supporting the reform caused the slow progress and lack empowerment to sector ministries in moving reform forward.
- The concern on SNA capacity still the main concern for some sector ministries rather than providing the opportunities to SNA for learning
- Local council association roles in supporting to SNA are still limited





Open discussion

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Comments and questions from the  
audience



## Closing of webinar

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# Thank you for participating

For questions and to stay in touch:



DECENTRALISATION &  
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