## FOURTH GLOBAL FORUM ON REINVENTING GOVERNMENT

Capacity Development Workshops on Citizens, Businesses, and Governments: Dialogue and Partnerships for the Promotion of Democracy and Development

Marrakech, Morocco, 10 - 11 December 2002

## 1. SPONSORSHIP AND PURPOSE

The Fourth Global Forum on Reinventing Government, to be held in Marrakech on 11 - 13December 2002, will be hosted by the Kingdom of Morocco, and organized with the support of the United Nations Department of Economic and Social Affairs (UNDESA). It will focus on "Citizens, Businesses, and Governments: Dialogue and Partnerships for the Promotion of Democracy and Development". The overall goal of the Fourth Global Forum is to devise means of promoting democracy, as well as economic and social development through cooperation and partnerships between various components of society and the international community.

Within this context, the Government of Italy and UNDESA intend to organize two-day preparatory capacity development workshops, which will be hosted by the Kingdom of Morocco and held in Marrakech on 10 and 11 December 2002. The objective of the Workshops is to provide a platform for high-level officials, regional/municipal leaders, representatives of civil society organizations (NGOs) and key stakeholders, from developing countries and countries with economies in transition, to exchange views and practical experiences on the interaction between government and citizens. More than 200 participants from around the world are expected to take part in this event and to benefit from 11 workshops of three sessions each aimed at training and knowledge sharing.

## 2. BACKGROUND

In recent years, there has been a growing consensus over the need to foster democracy and development through more dynamic and participatory approaches to governance. These ideas have been discussed over the past decade at several United Nations conferences and other major international meetings. Among the latter, the Global Fora on Reinventing Government have been quite successful in galvanising the attention of government leaders and international actors on crucial issues related to partnerships for democracy and development.

In January 1999, the First Global Forum, organized by the Government of the United States, was launched in Washington D.C. This event provided a platform for discussion among high-level representatives on the role of Governments at the outset of the new millennium. The Second Global Forum, which was hosted by the Government of Brazil and took place in Brasilia in May 2000, focused on the theme "Democratic State and Governance in the 21<sup>st</sup> Century". In March 2001, the Government of Italy organized in Naples the Third Global Forum on "Fostering Democracy and Development through e-Government". More than 1,000 participants representing 122 countries attended the plenary sessions and the various workshops.

The Third Global Forum was preceded by capacity building workshops organized and financed by the Government of Italy through the Presidency of the Council of Ministers - Department of Public Administration-, under the auspices of the Ministry of Foreign Affairs, and UNDESA. Major training schools, research institutes, as well as public and private institutions took part in the organization of the workshops. Participants from 74 developing

countries attended the three days workshops, and later had the opportunity to participate in the Third Global Forum.

During the closing ceremony of the Third Forum, the Government of Morocco announced its intention to host the Fourth Global Forum. At the same time, the Government of Italy announced that it would support, in collaboration with UNDESA, high-level capacity development workshops for participants from developing countries as a preparatory activity for the Fourth Global Forum.

## **3. CONTEXT**

Two of the major inter-related challenges of our times are to deepen democracy and promote development, as well as to strengthen the capacity of developing countries to benefit from the rapid pace of globalization. Despite the progress made by many countries in building democratic institutions and protecting human rights, democracies in some regions of the world are still fragile and institutions too weak to ensure effective governance. Strengthening democratic institutions and fostering a participatory approach to governance are seen by many development practitioners as important tools to promote social and economic development and to enable a country to manage emerging global, national and local issues. In this context, the importance of promoting dialogue and partnerships between government, the private sector and civil society is gaining growing consensus. Promoting partnerships is increasingly relevant in a globalizing world in which citizens, who have easier access to multiple sources of information and greater knowledge of national and international trends, are demanding enhanced participation and control over decision-making processes.

In fact, globalization is increasing the interaction and interdependence among people and economies through liberalization of trade, foreign direct investment, technological change and increased information flows. It is also posing new opportunities and challenges to many countries around the world. There is an increased awareness that globalization and greater openness to the world economy can benefit fully a country and its people only in the presence of solid democratic institutions and policies, which help redistribute the gains from open trade and from greater exchange. Reinforcing the capacity of the State to provide an enabling environment for development, to ensure the participation of the private sector and civil society, as well as to protect public goods, including the environment, thus becomes a vital element for any country that wishes to seize the opportunities of globalization.

## 4. OBJECTIVES

The 11 parallel Capacity Development Workshops will provide an opportunity for participants to:

- Discuss key issues regarding the changing role of the public sector, the capacity of governance institutions to promote development in a globalizing world and to foster partnerships for social development;
- Share experiences and best practices in promoting dialogue and partnerships between the government and citizens;
- Identify strategies and approaches to formulate and implement policies,

programmes and initiatives fostering synergies between the State and its citizens;

- Promote co-operation among government, the private sector, and non-governmental organizations; and
- Identify existing or potential areas of North-South and South-South co-operation in promoting good governance and enhanced capacity of countries to cope with globalization.

## 5. ORGANIZATION AND OUTCOME

## 5.1. Participants

Participants will include ministers and senior government officials, parliamentarians, mayors and other local government officials, representatives of civil society, non-governmental organizations (NGOs), and representatives of international institutions.

5.2. Official languages

The official languages of the Forum will be Arabic, English, French, and Spanish.

5.3. Electronic networking

Electronic communication will be utilized to encourage wide and representative participation in discussions. All the documents of the workshops will be posted on the United Nations Public Administration Network –UNPAN. (http://www.unpan.org).

## 5.4. Expected outcome

The Workshops are expected to achieve the following goals:

- Enhance the understanding of the interface among the State, the private sector and civil society to promote effective governance for sustainable development;
- Strengthen North-South and South-South cooperation to enhance public sector capacity, economic development in a globalizing world, and partnerships for social development; and
- Increase partnerships among governments, CSOs, parliamentarians, mayors and the private sector in governance related areas.

## 5.5. Format of the Workshops

The opening ceremony will be followed by a plenary session during which a few keynote speakers will introduce selected themes. After the plenary session in the morning of the first day, the participants will be divided into 11 workshops. Each workshop will focus on one or more of the following themes. Each theme will be introduced by two or three experts, and followed by presentations on country level experiences and good practices. In the concluding plenary session, key issues presented and discussed will be summarized by the Secretariat of the Workshops.

## 6. THEMES FOR DISCUSSION and Lead Institutions

### 6.1. Strengthening governance institutions and systems

## (International Institute for Democracy and Electoral Assistance -IDEA, and UNDP Human Development Report Office)

Reinforcing democracy, in all its manifestations, as well as governance institutions – political, judicial and economic – is essential to formulate people-centred policies and programmes, ensure the rule of law, involve citizens in the development process, and monitor and evaluate the effectiveness of government actions.

Recognizing that democratic institutions provide a framework for representation, accountability, checks and balances, as well as citizen participation, this workshop will discuss how to improve democratic governance in the 21<sup>st</sup> century. It will explore what capacities States need to develop in order to meet the demands of globalization and how to strengthen governance institutions, including electoral management bodies, parliaments and judicial systems. To this effect, the workshop will review experiences, innovative practices and reforms in the aforementioned areas, and will analyse how such institutional reforms can promote greater participation and empower citizens.

### 6.2. Decentralized governance for poverty reduction

### (United Nations Development Programme)

Policymakers, development practitioners and experts are increasingly recognizing the significance of effective decentralized governance in reinforcing democracy and promoting economic and social development. Both the international community and governments in developing countries are advocating decentralization as a key element in poverty reduction through promoting citizens' participation; providing better services for the majority of the population; and insuring greater government responsiveness to citizens' demands. Experience has shown that, overall, local governments are in a better position to respond to citizens' needs and to interact in a constructive way with community-based organizations

This workshop will focus on strengthening decentralized governance institutions, policies and human resources capacities. Promoting effective local financial management will also be given particular attention. Participants will discuss how to design effective local government bodies and processes and insure that they function efficiently. Strategies of local capacity building will be discussed through case studies of local development projects, assessment of donor-supported programmes, and good practices of decentralized governance. Furthermore, the workshop intends to explore citizens' involvement in the elaboration and implementation of local development programmes, through partnerships and consultative processes. The use of ICT as a tool to enable decentralization and strengthen local governance will also be explored.

# 6.3. Public Administration Reform and Management Innovation in Developing Countries

## (Department of Economic and Social Affairs, UNDESA)

The functions and role of the State have been transformed substantially. The general configuration of its responsibilities has changed and this has introduced important modifications both in the policy arena and in the State's requirements for high-level skills, qualitatively and quantitatively. Overall, the role of the State has shifted, to varying degrees, from controlling the economy to steering it, from direct production of goods and services to the provision of an "enabling" environment for economic development, and to the promotion of an enabling framework for private enterprise and individual initiative.

This workshop will explore in light of the General Assembly Resolution on Public Administration and Development (Res50/225) and the Millennium Goals for Development the challenge of reforming public administration and management innovation in developing countries. While reforming Public Administration for improved performance has been a preoccupation of most countries, it is considered an absolute necessity and prerequisite for sustainable development in developing countries. The task is even more daunting because developing countries are not a homogeneous entity. One more daunting issue in relation to reforming Public Administration in developing countries, especially those in Africa, is that while the countries are in the process of mastering the traditional bureaucratic models of Public administration, they are being required to introduce modern and probably more complicated ones. For purposes of focused discussion, the aspects of Public Administration reform that the Panel will explore and discuss are the following: Civil Service reform and Human Resource Development, Management Innovation, Rebuilding Public Administration in Post-Conflict Countries, Cooperative Delivery of Public Services.

### 6.4. Fostering the availability, quality and access to public services

# (SSPA, Scuola Superiore della Pubblica Amministrazione - School of Public Administration, Italy)

A core function of the State is to ensure the provision of better services for all, i.e. services that are affordable, efficient and of high quality. A key element in achieving this objective is to develop new and more efficient institutions for the delivery of services, including performance and monitoring systems, client surveys, and effective outsourcing mechanisms. In this respect, one of the greatest challenges is to identify which services can be more effectively provided by the market and which, instead, should be the sole responsibility of the public sector. To improve the quality of public services, governments can establish performance based agencies, provide incentives for better performance, improve staff skills and motivation, and create a more interactive approach with citizens so as to bring the State closer to the people.

This workshop will discuss how to improve the availability, quality and access to public services through effective government/business partnerships. It will also focus on how the effective and transparent delivery of public services can facilitate a peer-to-peer relationship

between the administration and its stakeholders, including citizens and businesses. The participants will offer examples of specific tools to provide greater access to services, to achieve quicker and better results, and to monitor and evaluate performance. It will focus, among other things, on the role of local governments in service delivery in different functional areas (basic services, including sanitation, potable water, electricity; urban and rural services; social services, including health and education). Participants will also consider several e-government tools that can promote innovation and efficiency in the delivery of services, and reduce transactional costs.

### 6.5. Strengthening partnerships between the State, the Private Sector and Civil Society

# (The Graduate School of Management of Bocconi University, SDA-Bocconi, Milan, Italy)

Over the past years growing consensus has been built around the concept that no single actor, private or public, has the capacity to solve on its own the complex and diversified problems that our societies are being confronted with. It is increasingly being recognised that neither the State alone nor the market alone generates development. Just as the concept centering on the omnipotence of the State was erroneous, reality has proven that the market has a great potential but that without solid institutions and regulations it can generate far-reaching imbalances. This has resulted in a new wave of questioning on how to achieve a different balance among the State, the market, and the other important actor, civil society. It has also led to the understanding that the State and the market are not competitors, but that both need to work as strategic partners in development together with civil society. The contribution that civil society can give to solving social problems and the need for a more participatory approach to development makes it an invaluable partner in governance. Partnerships between the State, the private sector and civil society can also prove to be very important in policy-making processes regarding the protection of the environment, work conditions, and social safety nets.

This workshop will review different forms of partnerships among civil society, public institutions and the private sector. It will discuss how to enhance the formulation and implementation of public policies and foster economic and human development through partnerships. It will specifically address the role of the private sector and civil society in local partnerships for development, including issues of consultation and constructive collaboration. Private sector inputs in policy making and their responsiveness to policy implementation in areas of concern to them will be highlighted through practical experiences.

### 6.6. Strengthening Central-Regional relationships and processes

### (Fomez – Training and Study Centre)

As part of the democratization process, decentralization has been promoted to varying degrees and with varying outcomes in different countries. Conditions for its success include capable national governments to prompt, initiate, monitor, and guide the process of political and financial decentralization, as well as the creation of an adequate financial resource base for local governments to function properly. The success of decentralization reforms also

depends on consistent and coherent national policies, good legislative and regulatory frameworks for decentralization, and effective review mechanisms to solve disputes between central and local government.

This workshop will discuss and compare de-concentration and devolution policies and legislation, as well as the relative time, costs, and effectiveness of decentralization. The various steps of decentralization processes will be analysed from a procedural and technical point of view. Thus, the participants will discuss, through practical cases, how authority and competencies are transferred from the central government to local governments, and will focus on the vertical relationship between the various levels of government, i.e. on co-ordination mechanisms between local and national levels of government. National experiences will be discussed to illustrate the existing vast array of strategies and modalities in formulating and implementing decentralization processes.

## 6.7. Globalisation, Role of the State and the Enabling Environment

## (UNDESA and the World Bank)

With the advance of globalization a myriad of issues including economic growth, private sector development, and trade & investment have reinforced the importance of government regulation for a competitive environment for the market forces to thrive. Increased globalization of investments and transactions in product and capital markets has created a consensus on the importance of incorporating economic governance into the broader national framework for economic growth and development.

Although considerable strides have been made by countries in reforming domestic policies, not all countries have benefited from globalization equally. Marginalization of groups within a country has heightened the need for effective management of the adverse domestic impact of globalization. There is a need to devise an appropriate mix of policies and regulation, which minimizes the negative fallout while allowing for greater integration into the global economy.

This workshop will provide an opportunity for participants: a) to discuss key issues regarding the changing role of the state in a globalized world, the capacity of economic regulatory institutions to promote FDI in support of development while minimizing the adverse social impact of globalization; b) to share experiences and best practices in promoting dialogue and partnerships between the policy makers and the private sector on issues in promoting FDI, building a regulatory framework, and socially responsible corporate behaviour, and c) to identify strategies and approaches to formulate and implement policies, programmes and initiatives fostering synergies between the State and the private sector in partnership with civil society.

## 6.8. Trade and investment in a globalized world economy

## (UNCTAD)

In the globalized world economy, enhanced global trade and investment flows pose new and diverse development challenges. Increased globalization of investments and transactions in

product and capital markets is creating a consensus on the importance of revisiting the national strategy and policy framework for attracting investment.

Global competition is fostering the rationalization and restructuring of public and private enterprises through measures such as mergers and acquisitions, divestitures, joint ventures, strategic alliances, asset relocations and debt workouts. To provide an environment that is conducive to foreign direct investment (FDI), countries are seeking to create competitive business conditions. State policies which aim at removing official obstacles to investment and safeguards, can have a positive impact on competitive market performance of firms in both the private and public sector, in particular, and on economic growth, in general.

This workshop will focus on discussing the interrelationship between trade, foreign direct investment (FDI) and sustainable development; guidelines for formulating a conducive investment regulatory framework for attracting capital flows; providing 'lessons of experience' from case studies of successful states and formulating principles for enhancing state effectiveness in promoting trade and investment.

## 6.9. Improving resource mobilization and tax administration systems

### (Association de Planification Fiscale et Financiere, Montreal and UNDESA)

Fiscal policy plays a central role in enabling a country to achieve its economic and social objectives, from macro-economic stability to sustainable growth and poverty reduction. Specifically, in the 1990s, fiscal policy has also assumed importance in the policy deliberations of most countries since concerns with fiscal dimensions, such as high unemployment, inadequate national savings, excessive budget deficits and public debt burdens have intensified. Looming crises in the financing of pension and health care systems are also putting pressure on fiscal policy management.

This workshop will discuss how developing countries and economies in transition, who are confronting unsustainable fiscal deficits, unabated debt servicing and declining development assistance, can implement strategies of domestic and external financial resource mobilization through tax and non-tax instruments that are fair and equitable. The workshop will also focus on tax reforms aimed at simplifying and rationalizing the tax structure by, *inter alia*, eliminating relatively low-yielding taxes, broadening the tax base, while streamlining the rate structure and reducing the high marginal tax rates. How to establish a level-playing field, by curtailing special treatments and incentives, promoting compliance with tax statutes, enhancing equity and reducing distortions stemming from existing complex and inefficient tax systems will also be explored.

#### 6.10. Enhancing accountability and transparency

### (Transparency International)

A number of new mechanisms have been introduced in many countries to ensure that political, economic and administrative institutions are efficient, responsive to the needs of the people and that civil servants are accountable for the performance of their functions. Ensuring accountability, through appropriate mechanisms, is essential to guarantee that public institutions operate in an efficient, effective and transparent manner. Combating corruption - which lowers investment, decreases efficiency, acts as an additional tax on

business, and negatively affects the political legitimacy of the government - has also gained priority in the political agenda of many countries. Furthermore, transparency in fiscal and financial operations has been recognized both by domestic and international market participants as an essential basis for investment and/or lending.

This workshop will discuss how to improve accountability and transparency in a number of areas. It will identify new frameworks and tools for political, administrative and financial transparency and accountability including institutions and conventions against cross-border corruption, and measures to combat domestic corruption. The effectiveness of anticorruption Commissions, the role of oversight institutions, and cross-border corruption instruments will thus be considered. This workshop will also focus on ensuring accountability in the budgetary process and the use of financial resources; improving the effectiveness and efficiency of public expenditure programs; and improving institutional arrangements and management practices to create incentives for better resource allocation, resource use and financial management.

### 6.11 Gender and Governance ( United Development Fund for Women, UNIFEM)

Many countries in Europe, Africa and Asia have introduced the use of quotas as a tool to increase the number of women in governance. Morocco has recently introduced quotas, as the first country in the Arab region. However, the quota systems vary when it comes to aims, systems, target groups, percentages - as well as results. In some countries the quota system have had a positive long-term impact; in other countries there have been limited results or even negative results.

The workshop will focus on the different quota systems and analyse the advantages and disadvantages of the different systems, as illustrated by the international UNDP Gender Empowerment and Human Development statistics. The aim of the workshop is capacity development regarding the different forms of quotas, as a tool to increase women's participation and influence in governance, i.e. a combination of a technicalities and advocacy. The workshop will focus on tools and lessons learnt and review of country level experiences and projects.

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