PRESS RELEASE

One-Day Conference

"Devolution of Power to Local Governments: Challenges and Reforms"

 A Conference titled "Devolution of Power to Local Governments: Challenges and Reforms" was held in Islamabad today. There was a consensus that devolution of power to local governments was the ultimate solution to address the longstanding issues of justice, law and order. The conference was chaired by Mr. Daniyal Aziz, the member of National Assembly; while three eminent policy experts Dr. Ishtiaq Ahmed Chaudhry, Azhar Bashir Malik, and Muhammad Ejaz Chaudhary addressed various aspects of devolution of power to the local governments such as democracy at the grass root level; fiscal empowerment of local governments; and balancing the

responsibilities of national, provincial and local governments. The conference concluded on the note that breaking down the inertia in conducting the local government elections and operationalizing the hitherto inactive local governments can only be attained by the devolution of power across all tiers of government.

The chief guest, Lt. Gen. (R) Abdul Qadir Baloch, emphasized that the local government system should be tailored to the developing stage which the country is undergoing. The task of the provincial and national assembly should be limited to framing the laws and regulations for the local government while the local governments (LGs) should be autonomous to function within the limits laid down by the former, he reinforced.

Ishtiaq Ahmed, of the National Defence University, revealed the factors which impeded the establishment process of local governments. The political roulette between the civilian government and non-civilian governments remained the main obstacle for the sustainable LGs. He said that true democracy cannot be achieved until the third tier of the government — i.e. local government — is established. He recommended setting up 'special purpose districts' and 'multi-purpose districts'; this will not only bring strong local governments, it will also make it impossible for the political parties to completely abolish them.

Further, the Chief Operating Officer of Devolution Trust for Community Empowerment, Azhar Bashir Malik, stressed the fiscal decentralization, for it will bridge the gap between resources and expenditure and will bring speedy development at the grass root level. 'Localization is not a gamble but a no-regret system' he concluded. The criteria for allocation of financial resources from the federal to the provincial government is based on the principle of poverty and underdevelopment, likewise the same formula should be taken into account while allocating the financial resources from the provinces to the district government on the basis of poverty and underdevelopment. This pattern of allocation of financial resources will be helpful in uplifting those underdeveloped districts, which were unable to generate their own resources.

Ejaz Chaudhary, the federal secretary, ministry of inter-provincial coordination discussed that local governments are not embedded in the constitution; hence, legislation which clearly

defines the functioning of local governments is required. The 18th amendment provides the enabling environment for setting up local governments.

The Chair Mr. Daniyal Aziz concluded the conference by contending that decentralization of power is the ultimate solution to uphold democracy. To realize local governments and have sustainable democracy, fighting corruption at every level is necessary.

The participants agreed that the third tier of government has been neglected in the past. There were painful gaps at times when local governments ceased to exist and governance was restricted to federal and provincial governments. It was recommended that to overcome the challenges of proper functioning of LG system concrete reforms were needed. The local government system needs to open up participatory spaces for the citizens, and to increase their access to social and political rights. Furthermore, its fine tuning can be done by creating equilibrium between the responsibilities of federation, provinces and the local government.