

## PRESS RELEASE

### **ADB, DFID, PDSSP launch report on Improving Devolved Social Service Delivery in NWFP and Punjab**

A new report on devolution and social service delivery is being launched on 9 August in Lahore. The report is the outcome of a study by the Asian Development Bank (ADB) and the UK Department for International Development (DFID) into delivery of health, education and water and sanitation services after devolution in the provinces of Punjab and NWFP.

*Improving Devolved Social Service Delivery in NWFP and Punjab* provides a review of the quality, accessibility and financing of social services generally, as well as a detailed impact assessment of devolution on these systemic problems, and an analysis of the challenges faced by local governments in delivering better quality services to the public.

Critical issues affecting efficient and effective service delivery are identified, such as lack of adequate administrative and fiscal authority at local government level, staff absenteeism and human resource management in social service delivery agencies. According to the report, issues in local government financing, resource allocation, lack of fiscal incentives to improve efficiency and weak accountability systems have contributed to below-par local government performance.

Based on these findings, recommendations are made to improve devolved social service delivery. For the provincial governments, the report's recommendations range from the provision of systems, tools, support and incentives to local governments through clear sector policies and development strategies, better performance monitoring, and use of the Provincial Finance Commissions to ensure adequate funds and fiscal incentives for improved service delivery. The need for increased access to information for the public and strengthening of public accountability processes such as user committees is highlighted. A change in the management structures to promote strong and stable management of service delivery and capacity building of local governments are particularly stressed.

The Lahore launch event is being chaired by the Provincial Ministers for Health and Education, with stakeholders from local governments, donor agencies and civil society participating. A similar launch event for NWFP is to be held in Peshawar on 30 August. ADB and DFID plan to follow the report's launch with a series of policy dialogues and consultation workshops to raise awareness of its findings and identify ways to implement its recommendations. It may be noted that ADB and DFID are jointly working with the Government of Punjab on the \$200 million Punjab Devolved Social Services Program (PDSSP) and the NWFP DSSP is in the pipeline. These programs complement the ADB financed Support for Decentralisation Program that is currently supporting over 120 capacity development initiatives with local governments across the country.