Comparing Local Fiscal Autonomy in the Water and Sanitation Sectors of Johannesburg and Nairobi

vendredi 22 novembre 2013

Angelita Kithatu-Kiwekete, Commonwealth Journal of Local Governance. Issue 13 : November 2013

The rationale for local fiscal autonomy suggests that local expenditure and local revenue generation should remain in close proximity. This is achieved through fiscal decentralisation to local government, to ensure efficient provision of local services that align with local needs, and to improve accountability to residents. Fiscal decentralisation has found resonance in developing countries through local government reforms, but in Africa fiscal decentralisation has been focussed mainly on revenue sharing, except in a few cases where some local fiscal autonomy has been achieved.

Urbanisation in Africa is likely to continue (UN-Habitat, 2008), necessitating an increase in municipal service delivery which African cities must finance – hence the need for local fiscal autonomy. Local fiscal autonomy is arguably contentious for African cities, partly because provision of municipal services must be tempered with considerations of equity and redistribution to the poorer urban populations, and because inadequate welfare nets from national government do not subsidise the gap in municipal revenue. In the recent past, Kenya and South Africa adopted local government reforms in different forms that has yielded different forms of local fiscal autonomy.

The paper conducts a comparative of local fiscal autonomy in municipal services provision in Nairobi and Johannesburg.