

# Good Governance

Governance is "the process of decision-making and the process by which decisions are implemented (or not implemented)". The term *governance* can apply to corporate, international, national, local governance or to the interactions between other sectors of society.

The concept of "good governance" often emerges as a model to compare ineffective economies or political bodies with viable economies and political bodies

# Good Governance

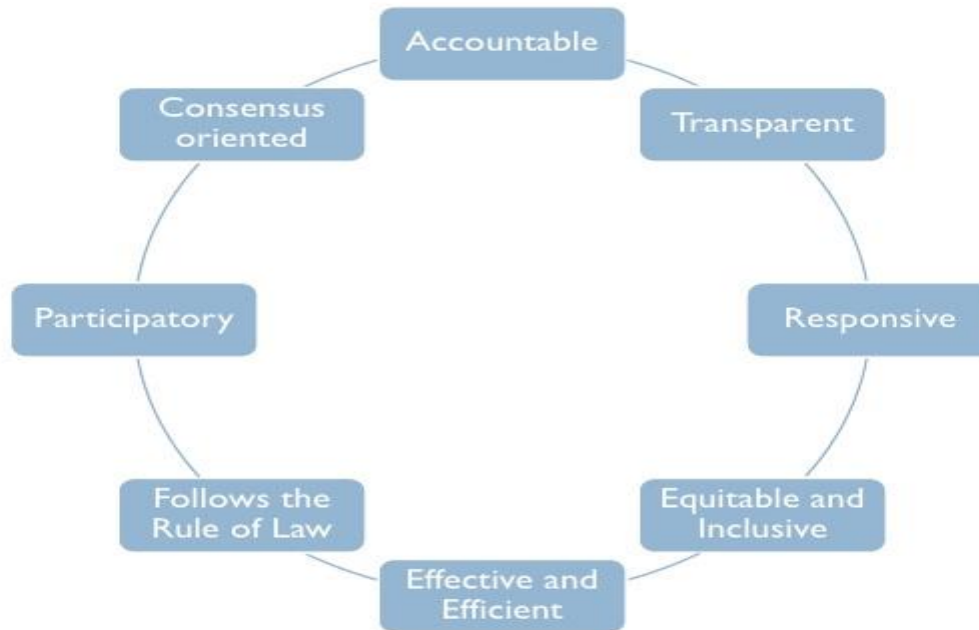
In the 1992 report entitled “Governance and Development”, the World Bank defined good governance as “the manner in which power is exercised in the management of a country’s economic and social resources for development”.

The World Bank’s interest in governance derives from its concern for the sustainability of the projects it helps finance. Sustainable development can only take place if a predictable and transparent framework of rules and institutions exists for the conduct of private and public business. The essence of good governance was described as predictable, open and enlightened policy, together with a bureaucracy imbued with a professional ethos and an executive accountable for its actions.

# Good Governance

In general, work by the World Bank and other multilateral development banks on good governance addresses economic institutions and public sector management, including transparency and accountability, regulatory reform, and public sector skills and leadership. Other organizations, like the United Nations, European Commission and OECD, focus on democratic governance and human rights, aspects of political governance

# Eight Characteristics of Good Governance – United Nations



# Characteristics of Good Governance

## □ Accountability

- ▣ Key requirement of Good Governance
- ▣ Applicable to government, civil society and private sector
- ▣ **Types** : Political, legal, administrative and social accountability
- ▣ **Components** : Answerability, sanction, redress, and system improvement

## □ Transparency

- ▣ Free flow of information
- ▣ Accessibility of information to those affected by decisions taken in governance process

## □ Responsiveness

- ▣ Citizen orientation, citizen friendliness
- ▣ Timely delivery of services
- ▣ Redress of citizen grievances

# Characteristics of Good Governance

- Effectiveness and efficiency
  - ▣ Optimum use of resources
  - ▣ Competency and performance of civil servants
  - ▣ Result orientation
- Rule of law
  - ▣ Fair legal framework
  - ▣ Impartial enforcement machinery
  - ▣ Independent judiciary
- Participation
  - ▣ Cornerstone of Good Governance
  - ▣ Opportunities for citizens to participate in decision making, implementation and monitoring of government activities
  - ▣ Freedom of expression and association, organized civil society



## □ Equity and inclusiveness

- ▣ All groups, particularly the most vulnerable, have opportunities to improve or maintain their well being
- ▣ Equal opportunities for participation in decision making process

## □ Consensus Orientation

- ▣ Mediation of different interests in society to reach a broad consensus on
  - What is in the best interest of the whole community
  - How this can be achieved

# Good Governance





# Good Governance - Features

## **1.Rule of Law**

Good governance requires fair legal frameworks that are enforced by an impartial regulatory body, for the full protection of stakeholders.

## **2. Transparency**

Transparency means that information should be provided in easily understandable forms and media; that it should be freely available and directly accessible to those who will be affected by governance policies and practices, as well as the outcomes resulting therefrom; and that any decisions taken and their enforcement are in compliance with established rules and regulations.

# Good Governance - Features

## **3. Responsiveness**

Good governance requires that organizations and their processes are designed to serve the best interests of stakeholders within a reasonable timeframe.

## **4. Consensus Oriented**

Good governance requires consultation to understand the different interests of stakeholders in order to reach a broad consensus of what is in the best interest of the entire stakeholder group and how this can be achieved in a sustainable and prudent manner.

# Good Governance - Features

## **5. Equity and Inclusiveness**

The organization that provides the opportunity for its stakeholders to maintain, enhance, or generally improve their well-being provides the most compelling message regarding its reason for existence and value to society.

## **6. Effectiveness and Efficiency**

Good governance means that the processes implemented by the organization to produce favorable results meet the needs of its stakeholders, while making the best use of resources – human, technological, financial, natural and environmental – at its disposal.

# Good Governance - Features

## **7. Accountability**

Accountability is a key tenet of good governance. Who is accountable for what should be documented in policy statements. In general, an organization is accountable to those who will be affected by its decisions or actions as well as the applicable rules of law.

## **8. Participation**

Participation by both men and women, either directly or through legitimate representatives, is a key cornerstone of good governance. Participation needs to be informed and organized, including freedom of expression and assiduous concern for the best interests of the organization and society in general.

# Good Governance - Features

Good governance is an ideal which is difficult to achieve in its totality. Governance typically involves well-intentioned people who bring their ideas, experiences, preferences and other human strengths and shortcomings to the policy-making table. Good governance is achieved through an on-going discourse that attempts to capture all of the considerations involved in assuring that stakeholder interests are addressed and reflected in policy initiatives.

# Strategies for Good Governance



- Reorienting priorities of the state through appropriate investment in human needs, and provision of social safety nets for the poor and marginalized
- Strengthening state institutions
- Introducing appropriate reforms in the functioning of Parliament and increasing its effectiveness
- Enhancing civil service capacity through appropriate reform measures that matches performance and accountability
- Forging new alliances with civil society
- Evolving a new framework for government-business co-operation