

INTERNATIONAL DEVELOPMENT

Finance, Infrastructure, and Services



RTI International’s approach to public sector finance reflects our long-standing commitment to improve the financing of services provided by local governments. We provide cutting-edge technical assistance that builds on our extensive experience in developing, transitional, and postconflict environments. Since the early 1980s, RTI has assisted local governments strengthen financial management for the delivery of basic urban services. Our work incorporates capacity building and institutional strengthening in financial management skills, such as intergovernmental fiscal transfers, performance budgeting, tax and fee revenue administration, public asset management, and public procurement.

Expertise

- Improving budgeting and financial management
- Financing service delivery
- Strengthening intergovernmental finance and fiscal decentralization
- Enabling transparency and accountability in local financial management

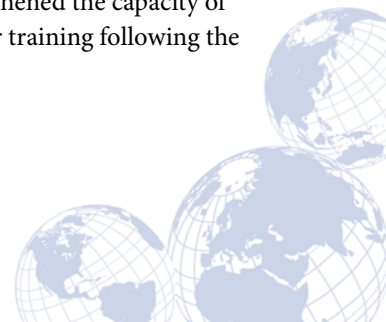
Budgeting and Financial Management

Recent project experience in Bulgaria, El Salvador, Indonesia, Kosovo, Mali, South Africa, and Ukraine

RTI helps local governments, and the ministries that support them, improve budgeting and financial management. The result is that local governments respond to citizens’ priorities by institutionalizing management and policy reforms that better mobilize local financial resources, develop more transparent budgeting processes, and introduce performance indicators to monitor public services. Our strategic approach brings together

stakeholders in the public sector, civil society, and the private sector, and then provides the technical assistance and training needed for improved financial management and accountable service delivery. Project highlights include

- In Kosovo, RTI is working with the Association of Kosovar Municipalities to support various peer groups of municipal officials that share technical knowledge and best practices. RTI provides guidance on finance and budgeting, municipal administration, spatial planning, and legal matters that helps municipal leaders control illegal construction, improve participatory capital investment planning, and optimize own-source revenue collection.
- In Mali, RTI customized training materials and conducted over 60 workshops focused on financial management and transparency for participants representing elected government, commune officials, and civil society. RTI also strengthened the capacity of two local organizations to deliver training following the completion of RTI’s contract.



Financing Service Delivery

Recent project experience in Benin, Bulgaria, El Salvador, Ghana, Indonesia, Iraq, Morocco, Rwanda, Sudan, and South Africa

RTI helps build the capacity of country institutions to analyze financing strategies and help governments determine whether to rely on transfers, fees for service, debt, or own-source taxes. We have provided analyses of financing options for the full range of local government services, including preschool and primary education, solid waste collection and disposal, public transportation, management of public markets, primary health care, and water and sewer services.

RTI also supports national governments in designing and implementing frameworks that allow local governments to prudently borrow from their own capital markets. This assistance involves creating regulatory and prudential frameworks and agencies and training local government officials in the use of credit.

RTI develops models that facilitate local governments in assessing their own financial situation and that assist national governments in evaluating policies that impact subnational governments and service delivery. These models allow municipalities to assess their debt capacity and financing needs and the impacts of recurrent costs created by infrastructural investments. They also help national governments understand the impacts of policies and standards. Project highlights include

- In Indonesia, RTI is assisting school districts to strategically tailor their limited budgets to focus on the most essential and effective areas. Government officials, particularly school inspectors, have been trained to improve and apply their planning and budgeting skills. RTI is also identifying and building the capacity of local institutions, such as universities, to assist local governments in school-related financial analysis, database use, and planning.
- In Armenia, citizen surveys and revenue data show that solid waste collection, a top priority for citizens, has improved in quality and financial sustainability. Cities supported by the U.S. Agency for International Development's Local Governance Project—Phase 3, implemented by RTI, now collect fees that approach—and in many cases exceed—operating costs.

Intergovernmental Finance and Fiscal Decentralization

Recent project experience in Bulgaria, El Salvador, Indonesia, South Africa, and Ukraine

RTI works with stakeholders at multiple levels of government to design and implement improved intergovernmental finance systems to enhance the services provided to citizens by regional and local governments. We conduct advocacy training to finance officials and municipal governments so that they can better represent their constituencies in roundtables and legislative drafting sessions. Training in analysis techniques developed by RTI help inform legislative committees about the trade-offs and impacts of transfer formulas, shared tax schemes, and grants to subnational levels of government on services levels. Project highlights include

- In Ukraine, RTI worked at the national level with the Ministry of Finance, Ministry of Economics, and Ukrainian Parliament to create the institutional preconditions and human capacity to ensure a strong legal foundation for Program Performance Budgeting (PPB) implementation. Experts advocated for changes to the Budget Code that would allow for the effective implementation of PPB and medium-term budget planning. They also provided analysis and advice on revising and updating draft laws on personal income taxes, local taxes and fees, property tax, and communal property.
- In Bulgaria, RTI helped draft several pieces of legislation, including the Municipal Budgets Act, which redefined intergovernmental relations; established transparent criteria for funding local services, including an equalizing grant for poor local governments; and established a procedure for public involvement in the budget process.

More Information

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RTI International is one of the world's leading research institutes, dedicated to improving the human condition by turning knowledge into practice. Our staff of more than 2,800 provides research and technical expertise to governments and businesses in more than 40 countries in the areas of health and pharmaceuticals, education and training, surveys and statistics, advanced technology, international development, economic and social policy, energy and the environment, and laboratory and chemistry services. For more information, visit www.rti.org.

RTI International is a trade name of Research Triangle Institute.

