

Call for Research Projects on Decentralization and Subnational Capacities in Latin America and the Caribbean

I. Context

In recent decades, countries in the region have undertaken decentralization processes to empower intermediate and local governments, aiming to improve the provision of public services and strengthen democratic governance. These efforts have taken various forms and have included elements of fiscal, administrative, and political decentralization, transferring responsibilities and resources to subnational authorities.

While decentralization has shown promises in enhancing local governance, some significant challenges persist. Factors that have hindered the effective implementation of decentralization policies include the uneven development of subnational state capacities across regions, weak intergovernmental coordination, and imperfect systems of fiscal transfers.

The issue of subnational capacities is especially relevant. While some territories have managed to strengthen their institutions and competencies to take on local responsibilities, others face difficulties in building a solid foundation of administrative, technical, and financial skills. Deficits in human resources, information systems, and planning mechanisms compromise governments' ability to design and implement effective public policies. This can not only negatively affect service quality but also widen existing regional gaps.

It's important to highlight the significant heterogeneity that exists within and between countries in Latin America and the Caribbean, concerning territorial extents, institutional legacies, geographical diversity, demographic composition, and income levels. These disparities call for differentiated approaches in decentralization strategies and capacity development to adapt to local realities.

II. General Objective

Through this call, we aim to fund up to three research projects that contribute to understanding the determinants of subnational government performance in the region and help identify institutional arrangements and investments that enable the development of greater capacities and improvements in decentralization outcomes.

III. Themes

In line with the proposed objective, we present here a non-exhaustive list of topics of interest for this call:

- Determinants of the quality of expenditure and service provision by subnational governments
- Administrative and spending execution capacities at the subnational level
- Generation of revenues and collection by subnational governments

- Transfers between levels of government
- Mechanisms of supervision, coordination and cooperation among government levels
- Metropolitan governance
- Measurements of human, organizational, and technological capacities at the subnational level
- Attraction, retention, and promotion of talent
- Local political systems and citizen participation
- Public investment at the subnational level
- Determinants of service provision at the subnational level in specific sectors (e.g., education, health, security, transportation, services)

IV. Budget

A maximum of three winners will be chosen. Selected proposals will receive funding of up to USD 15,000 each to carry out their project. The allocated amount will be transferred under a consultancy contract in favor of any member of the research team or institution. It is not necessary to submit a budget along with the research proposal.

V. How to Apply

To apply, you **must complete [this online form](#) before October 9, 2023, at 11:59 PM** (Buenos Aires time). (Note that to complete the form, you need to have a Google email account.) In this form, three documents in English or Spanish should be uploaded:

i) Work Proposal: a document of up to **1500 words presenting the research question and describing the methodology and data to be used**. The clarity in presenting the research question and the suitability of the model, data, and empirical strategy to answer it will be particularly valued. Proposals exceeding the maximum length limit will not be evaluated. The project must produce original knowledge. The proposal should detail the project's progress at the time of application if initiated (initial stage, middle stage, advanced stage).

ii) Team Composition: should contain the list of research team members, including name, surname, affiliation, and email.

iii) CV of the lead researcher

VI. Activities, Deliverables, and Schedule

The winning proposals will have eight months to develop the project and commit to the following activities and deadlines:

October 9, 2023: Deadline for proposal submission.

October 27, 2023: Notification to winning proposals and contract preparation.

March 2024: Delivery of a first draft of the working paper with preliminary results.

March 2024: Presentation of a preliminary version of the work within a seminar organized by CAF in a city to be defined. CAF will finance travel (economy class) and stay for one of the authors of each selected work.

July 2024: **Final delivery of the research article and a policy brief** summarizing the main findings. The final version of the research article will be published in CAF's Working Papers series, without prejudice to the authors' right to publish the work in academic journals.

VII. Jury

The Jury will be composed of: Ernesto Schargrotsky (CAF), Guillermo Alves (CAF), Gustavo Fajardo (CAF), Pablo Brassiolo (CAF), Ricardo Estrada (CAF), and Verónica Frisancho (CAF).

VIII. Contact

You can find answers to frequently asked questions in the following document. If any unresolved doubts remain in the documentation, please contact us through the email investigacion@caf.com.