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Joint Programme on Local Governance  
and Decentralised Service Delivery in Somalia

Puntland  
WORKPLAN AND BUDGET  
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## List of Abbreviations

AA	Administrative Agent
ARS	Alliance for Re-liberation of Somalia
AWPB	Annual Workplan and Budget
BCPR	Bureau for Crisis Prevention and Recovery
CBPS	Community Based Peace Support
CDD	Community Driven Development
CDRD	Community Driven Recovery and Development
DBF	District Basket Fund
DBPB	District Based Peace Building
DRC	Danish Refugee Council
IDPs	Internally Displaced People
ILO	International Labour Organisation
JNA	Joint Needs Assessment
JPLG	UN Joint Programme for Local Governance and Decentralised Service Delivery
LDF	Local Development Fund
M&E	Monitoring and Evaluation
MIS	Management Information System
OES	Outcome Evaluation System
PCU	Project Coordination Unit
PFM	Public Financial Management
PWG	Programme Working Group
RDP	Somalia Reconstruction and Development Programme
ROLS	Rule of Law and Security
RSL	Recovery and Sustainable Livelihoods
SMT	Security Management Team
TFG	Transitional Federal Government
TOR	Terms of Reference
TWG	Technical Working Group
SUDP	Somalia Urban Development Programme
UNCDF	United National Capital Development Fund
UNDSS	United Nations Department for Safety and Security
UNTP	United Nations Transition Plan

## 1 SUMMARY

The United Nations Joint Programme for Local Governance and Decentralised Service Delivery (JPLG) in Somalia is a five year programme from 2008 to 2012 of ILO, UNCDF, UNDP, UN-HABITAT and UNICEF. This document is the first Annual Workplan and Budget (AWPB) for the JPLG in Puntland and covers 24 months from January 2009 to December 2010. It will be reviewed in the last quarter of 2009. The total budget for the first 24 months is USD 7,868,705 million. Of this amount USD 2,236,315 is secured, leaving a funding gap of USD 5,632,390 million.

The JPLG is aligned to the programming frameworks of the Somalia Reconstruction and Development Programme (RDP) 2008-2012 and the UN Transition Plan (UNTP) 2008-2009. It is envisaged to achieve as wide coverage as resources and conditions allow with a comprehensive approach to rendering local governments as credible basic service providers, and strengthening civic awareness and participation in decision making. The JPLG covers most of Outcome 2 in the UNTP.<sup>1</sup>

The **overall objective** of the JPLG is that *local governance contributes to peace and equitable priority service delivery in selected locations.*

The **specific objectives** are that:

- (i) Communities have access to basic services<sup>2</sup> through local government, and
- (ii) Local governments are accountable and transparent.

Throughout the Programme, strong emphasis will be placed on the role of marginalised groups, human rights, and good governance principles of transparency, accountability and participation.

These two specific objectives clearly separate between the ‘supply’ side and the ‘demand’ side of local governance. The supply side is the delivery of services by local governments to communities. The demand side is that communities demand accountable and transparent delivery of services and management of funds from their local government.

The **partners** in the JPLG are the Puntland Authorities, as well as regional and district authorities that have been established through legitimate election processes, as well as communities and other relevant actors in the target areas.

The primary **target groups** for the interventions are local communities. The secondary target groups are district and regional councillors and staff, as well as staff in relevant central government institutions, notably in ministries responsible for local government,

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<sup>1</sup> UNICEF’s water and sanitation programme is not yet included in the JPLG. This programme sits in Outcome 2 and it is agreement between JPLG and UNICEF that it makes sense to include it, and discussions are ongoing to this end.

<sup>2</sup> Basic services are defined as improved water, health, sanitation and education services as well as infrastructure.

planning, public works and finance. Where relevant, non-state actors will be used to help build capacity among the primary and secondary target groups.

The **expected results** of the JPLG in Puntland over the next two years are:

- (i) Local government policy, legal and regulatory framework in Puntland is enhanced;
- (ii) Legitimate Regional and District Councils established/strengthened in up to 10 Districts;
- (iii) Up to 10 districts' capacity to govern and manage service delivery enhanced;
- (iv) Target district councils have awareness about options of revenue generation;
- (v) All eligible district councils (target 10) have at least one priority service delivery project funded annually;
- (vi) 25 communities and 10 private sector service providers have developed capacity to deliver services;
- (vii) Target communities in up to 10 districts have basic understanding of their rights and responsibilities vis-à-vis district councils;
- (viii) Annual district plans and budgets in 10 districts reflect community priorities;
- (ix) Basic mechanism for community monitoring of all projects funded by the development fund strengthened and operational;

The **main activities** will be:

- (i) review and facilitation the local governance policy formulation and law harmonisation;
- (ii) facilitation of community consultations and (s)election of councils;
- (iii) capacity assessment of local government and development and implementation of a district capacity building package;
- (iv) assessment of revenue generation capacity, opportunities, and develop capacity for revenue collection;
- (v) allocation of funds for eligible community and district priority projects;
- (vi) design and implementation of capacity development package for community and private sector enterprise;
- (vii) review, develop and implement a civic education programme;
- (viii) review and introduction of participatory development planning and budgeting mechanisms; assistance in the implementation of revised mechanisms;
- (ix) development of participatory community monitoring tools; assistance in the implementation of these tools; and

The activities will allow capacities, structures, mechanisms and tools for local governance and service delivery to be put in place; and for communities to hold their councils accountable. Currently, the policy framework to enable this is weak or absent, and where it exists, overlapping roles and responsibilities needs to be clarified in order to make policy implementation efficient.

The **methodological approach** is to ensure that extensive emphasis will be placed on development and implementation of a capacity building package both at the district and community level in order to facilitate planning, budgeting, implementation and monitoring of service delivery. While at the same time supporting the development of an appropriate policy and regulatory framework. In addition, all eligible target district which receive capacity building support, will also receive funds for investment and service delivery

projects, through the establishment of a District Basket Fund. This will enable the development of the districts capacity through actual delivery of investment and delivery of services projects.

The JPLG aims to target 10 districts in the 2009-2010 workplan. These target districts will receive the basic training package as well as the District Basket Fund. As the target districts build their capacity through the basic training, improve their performance and meet established criteria they will become eligible for further support i.e. the advanced capacity building package, and may be eligible for a second round of the District Basket Fund.

The funds will be disbursed directly to community groups and contractors contracted by the districts to implement prioritized projects based identified through the use of common planning and prioritisation guidelines with clear steps for rights based objective setting, community consultation, prioritisation, budgeting, implementation, monitoring and evaluation. Capacity building support will also be provided to the communities to enable them to participate in the planning and delivery process and empower them to hold their councils accountable and demand for equitable delivery of services. This is fundamental to enhancing local governance, and in essence a core requirement to sustain peace in a fragile security environment.

**Management** of the JPLG: UN staff involved in the JPLG co-located into one compound is completed in Garowe. Staff from the different agencies will take up specialised tasks across agencies and thus avoid duplication. A team leader from one of the UN agencies has been appointed for Puntland and all UN staff, notwithstanding their agency affiliation, will report to this team leader. Project Managers from each agency make up the Technical Working Group (TWG) and manage the JPLG across the regions. The TWG which sits in the Project Coordination Unit (PCU) is managed by a Senior Joint Programme Manager, and supported by support staff for communications and monitoring and evaluation (M&E). The PCU reports to the Programme Working Group (PWG) of the UNTP, which approves documents for the Steering Committee.

The **risk assessment** done by the JPLG indicates the following: In Puntland, the JPLG faces a volatile security situation. The disputed area of Sool and Sanaag remains contentious and is particularly insecure. Recent times have seen an increase in security incidents, particularly kidnappings of development workers and piracy off the coastline. This poses major challenge to secure access for international staff, with potential impact on implementation. This will be mitigated to the extent possible through use of local staff, experts and partnering with local institutions. Though committed to decentralised service delivery and improving governance constitutionally through the Puntland Charter (1988), the policies & regulatory framework, structures and capacity of central and local authorities are weak.

The programme strategy for **sustainability** is largely based on an approach to build on and enhance capacity of local partners and institutionalise structure, common process and tools for governance and service within the respective partners. In addition, the strategy will also be to ensure that intergovernmental transfers and own source revenue collection become an important part of funds available within districts. The programme will promote planning approaches and service delivery that take cognizance of and support local economic development which in turn will help expand the capacity of constituents to pay for services and therefore expand the revenue base of the districts. The sustainability of the action will be linked with UNTP Outcome 5 on support to livelihoods; and Outcome 4 on social

services. Further to this, the programme will avoid development of parallel and/or structures and processes that over-burden councils and communities, the payment of recurrent costs and extraneous payments to local stakeholders.

**Funding** for the JPLG is currently being mobilised and some commitments from donors have been made for the initial two years. The challenge remains however of securing longer term funding commitments from donors. This makes longer term planning and commitments to the Somali partners difficult.

Existing funds raised prior to the JPLG and committed to programmes under Outcome 2 continue to be utilised for on-going interventions that contribute and/or are complementary to the JPLG outcomes. These funds also support the integration and transition process of existing activities into the JPLG.

## 2 BACKGROUND

The planning for the JPLG was initiated following recommendations by the Joint Needs Assessment (JNA) for Somalia in 2006. At this stage, fundamental policy documents such as the RDP and the UNTP were in place and created the framework for a focus on decentralisation and local governance. The JPLG partners held extensive consultations with partners in Puntland and the other two regions of Somalia, and a Project Document was finally signed between the five UN partners on 2 April 2008. Following this, the Technical Working Group consisting of the project managers from the respective UN organisations conducted field missions to agree on priorities and timelines with the partners in Puntland. This has resulted in the development of this Annual Work Plan and Budget document for endorsement by the Steering Committee in October 2008.

### Conditions and planning assumptions for Puntland

#### Security

Security Risk Assessments by the UN Department for Safety and Security (UNDSS) are constantly updated and prescribe staff levels in, and access to programme locations and beneficiaries. In addition, the Joint Programme has adopted the Risk Management and Mitigation Tool recently developed by UNDP and adapted to the Joint Programme, which defines types of risks and how these may be managed during programme implementation.

#### District Councils Status

Since 2002, the **Puntland State of Somalia** has created 35 districts, almost doubling the 18 districts it had prior to 1991. In 2003, Puntland issued a Local Government Law, which gives power to the Ministry of Local Government and Rural Development to supervise local authorities. District authorities have been, and continue to be, established by selection of councillors and a mayor on the basis of a clan, sub-clan and sub-sub-clan system. In 2005, over 70% of revenue for Puntland was reported to have been generated through customs taxes, mainly at the port of Bossaso. Fiscal resources for regional councils and local governments outside of Bossaso are meagre, and mainly cater for staff salaries and to respond to emergencies, such as drought. The regions of Sanag and Sool in north-east Somalia are contested by Somaliland and Puntland, and access to these regions is limited.

#### Political events

During the course of the first two years Joint Programme two significant events will take place (i) local elections will take place in 2009; and (ii) the expiring mandate of the Transitional Federal Government end of 2009. The UN Transition Plan illustrates some political scenarios, giving best case, most likely case and worst case and reference to these should be made for understanding the possible implications for the UN system in Somalia, as well as the Joint Programme.

#### Ongoing interventions under the Joint Programme

Capacity building for district councils and local authorities within the broad areas of governance and service delivery has been an ongoing concern in **Puntland**, albeit at different levels and intensity. Previous and ongoing interventions are the:

- Good Local Governance and Leadership Training Programme 2003 -2005 (UN-HABITAT/EC),
- Support to Priority Areas in the Urban Sector 2003 - 2005 (UN-HABITAT/EC & UNDP),
- Somalia Urban Development Programme (SUDP) and complementary projects 2005 - 2008 (UN-HABITAT/EC, UNDP, ILO, Italy, DfID)
- District Based Peace Support Project (DBPB) 2005 – ongoing programme establishing regional and district councils through reconciliation and community consultations UNDP/UNOPS/Italy/Denmark/Sweden/Norway/USAID/BCPR/CIDA)
- Community Based Peace Support Project (CBPS) 2006 - ongoing, supports the rehabilitation of town halls and capacity building for newly elected councillors. These activities will now be further expanded to provide support to elected district councils for service delivery, and to start building capacity of regional authorities. (UNDP/USAID/BCPR/Sweden/Denmark/Norway)
- Employment, Enterprise and Livelihoods Programme 2006 – 2009 (ILO/DFID/DANIDA) supports local economic development, community-driven district administered employment intensive works projects and enterprise development, and through the process builds of capacities, structures and systems of communities, private sector and local administrations.
- Community Driven Recovery and Development (CDRD) initiative (2006-ongoing in Somaliland and Puntland) which aims at building community capacities to plan for service delivery (UNICEF, UN-HABITAT, World Bank and DRC)

These initiatives are now being reviewed and lessons learned and best practices will inform and be integrated into the Joint Programme, as on-going initiatives are harmonised with other initiatives.

### 3 OBJECTIVES

The **overall objective of the JPLG** is set by the UNTP: *Local governance contributes to peace and equitable priority service delivery in selected locations.*

Within this overall objective, **two specific objectives** have been identified, namely

- (i) *Communities have equitable access to basic services through local government, and*
- (ii) *Local governments are accountable and transparent.*

These specific objectives underpin the focus of the programme, i.e. community-driven equitable service delivery managed by the district councils. The JPLG will facilitate delivery by communities and private sector. These objectives are further outlined in the logframe in annex 1, with objectively verifiable indicators, expected results, source and means of verification, and assumptions.

The objectives falls within the following policy document objectives:

- The Somali Reconstruction and Development Programme 2008 – 12 (RDP) priority/goal(s) of deepening peace, improving security and establishing good governance and investing in people through improved social services, and specifically to the RDP target outcome of ‘Decentralised service delivery achieved in all of South-Central Somalia, Puntland and Somaliland.
- Outcome 2 of the United Nations Transition Plan 2008-9 (UNTP): ‘Local governance contributes to peace and equitable priority service delivery in selected locations’.
- The Millennium Development Goals: 2 (achieve universal primary education), 3 (promote gender equality and empower women), 4 (reduce child mortality), 5 (improve maternal health) and 7 (ensure environmental sustainability).

The JPLG will work to ensure transparent, accountable and efficient local service delivery, by working at four different levels:

1. Improving legislative and regulatory framework for decentralised service delivery in Puntland;
2. Improving the capacity of existing and upcoming councils;
3. Providing funding for service delivery through councils; and
4. Developing the capacity of communities to become competent (demand side) partners to local governments.

## 4 RELEVANCE<sup>3</sup>

Puntland State of Somalia was established in August 1998 through an all-inclusive general consultative and constitutional conference held in Garowe, the current capital of the state. Puntland is an autonomous part of the Somali Republic. The state covers the north eastern part of Somalia covers an area of 212,510 square km (approximately a third of Somalia) in total; and comprises seven regions: Sool; Eastern Sanag; Ayn; Bari; Karkar; Mudug; and Nugal. However, the regions of Sanag and Sool in north-east Somalia are contested by Somaliland and Puntland. The major towns in the regions are Bosaso, Galkayo, Garowe, Las Anod, Buhodle, Baran and Gardo. The state borders the Indian Ocean to the East and South-east, Gulf of Aden to the North, and Ethiopia to the South-west.

The population figures as at 2006, stood at an estimated 3.96 million, with 52% being nomadic. The main sources of livelihood are livestock, agriculture (especially the production of frankincense), and fishing. However, the economy is largely reliant on the livestock sector albeit fragile due to the semi-arid and arid climatic conditions and recurrent droughts. Livestock exports contribute approximately 80% of foreign exchange earnings, 40% of the gross domestic product (GDP), and 60% of employment opportunities.

As in the rest of Somalia, remittances from the diaspora contribute significantly to household incomes, providing both subsistence as well as funding for small businesses and basic service provision in and around towns. Reliance on remittances tends to be higher in towns, with estimates indicating upto 20% in some towns receive remittances, compared with 1-5% of the rural households (UNDP, ILO & PI, 2005).

Per capita incomes range from \$150 to \$300 per annum with high inequalities across the regions (UNDP and the World Bank, 2002). The average per capita income in Mudug and Nugaal is US\$150–200 per annum, while in Bari, Sool, and Sanaag it is estimated at US\$250–300 per annum. Rural areas tend to be poorer than urban centres which typically also have better access to services. Nomadic communities, who constitute the majority, are the most disadvantaged in their lack of access to education, health, and other basic services.

Like the rest of Somalia, Puntland is experiencing rapid urbanisation. A large percentage of the population lives in the major towns of Bossaso, Galkacyo, Garowe, Las-anod, Baran, Buhodle, and Gardo. The last decade has witnessed an influx of population from parts of South Central Somalia and an unprecedented growth in urban centres, particularly Bossaso and Galkacyo. For instance, the population of the port town of Bossaso has grown from 10,000 to between 200,000 and 300,000 over the last decade.

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<sup>3</sup> Background information drawn from the *The Puntland Five Year Development Plan 2007 – 2011. Ministry of Planning and International Cooperation, Puntland State of Somalia, 2007*

The Puntland Charter is consistent with the Federal tier approach, with the top (State Executive) and bottom tiers (District Councils) comprising responsibilities for regulatory functions and service delivery, and the middle tier (Regional Governors) providing political, security and representational linkages. Basic functions relevant to social welfare and livelihoods form part of the decentralisation model, including education, health care, water supply, sanitation, agricultural, livestock and forestry extension services, local regulation of business, town planning, and construction and maintenance of primary roads and public housing. Local policing and local maintenance of the rule of law are also to be decentralised. To fulfil these functions, District Councils have been given the responsibility of mobilising local resources, however, most DCs in Puntland do not have the required capability to effect a decentralisation system.

In 2003 a Local Government Law was issued, which gives power to the Ministry of Local Government and Rural Development to supervise local authorities. In addition a *Local Government Action Plan has been developed* and a number of committees responsible for implementing decentralisation reforms have been created. The Ministry has been supporting District Councils in developing district action plans. The Ministry is planning to establish an inter-ministerial local governance secretariat and a Local Governance Task Force exists. Beginning of 2007, the Task Force conducted some sensitisation on the decentralisation process and the need to establish viable local governments for the improvement of service delivery, and to inform communities on the recent Puntland State Government policy to increase women’s participation in decision-making at all levels of government.

***Key Priorities for Decentralisation and Local Governance – as indicated in “The Puntland Five Year Development Plan 2007 – 2011<sup>3</sup>” are:***

- Complete decentralisation of service delivery through the establishment of inclusive, participatory local governance systems
- Ensure gender issues are incorporated into all policies
- Strengthen the policy-making capacity in the decentralisation and fiscal (taxation policy, re-distribution mechanisms) framework
- Draw up state constitutions and local government acts where appropriate, to clarify functions, institutional structures, etc., at the different levels
- Develop and agree on a model for service delivery, increase partnerships with the private sector and other non-state actors, and facilitate development of pro-poor policies
- Provide investment funds to enable district councils to deliver services

Service delivery is generally constrained by a lack of trained human resources, physical facilities, limited access to financing, and the government’s limited capacity to provide a sustainable policy and regulatory framework. Financial resources are usually incommensurate with mandated responsibilities. Salaries and allowances of staff, and security absorb the majority of resources, often over 60%. Levies and fees collected as reported in the Joint Needs Assessment rarely exceed \$2.00 per inhabitant per year in rural areas, and \$4.50 per inhabitant per year in urban areas. This is well below the norm for Least Development Countries, which is between \$20 and \$50 per capita. These capacity and resource deficits render local authorities weak in the face of committing to local development and designing and delivering basic services.

In response to the lack of public investment in social services, non-state actors (i.e. charities, NGOs and the private sector) are mostly providing basic services, often financed through remittances from the Diaspora. However, access to services, such as education, is largely rationed through the payment of a fee, meaning that the system suffers the same inefficiencies as a private system. In other words, those who have the financing gain access to education, whilst those who are poor are excluded.

Service provision relies largely on the local authorities being able to perform their responsibilities, manage resources appropriately and to earn trust with their constituents. Moreover, only government can and is obliged to ensure equitable access and coverage of all the population through fiscal redistribution. In the short and medium-terms, a mix of government, private and non-state resources will be necessary for improving performance of service delivery, and local governments will need to develop mechanisms for local resource mobilisation and fiscal transfers. Policy needs to be formulated to build a long-term sustained effort where every Somali can participate in and contribute to development through decentralisation, transparent and accountable local governance.

Support to, and linking local governance and decentralised service delivery through the Joint Programme will be a core reconciliation and peace-building strategy.

## 5 DESCRIPTION OF ACTIONS AND EFFECTIVENESS

### *Specific Output 1 – Communities have equitable access to basic services through local government.*

Specific output 1 focus on the ‘supply’ side aimed at initiating the establishment of appropriate policy, institutional and legal frameworks; establishment/strengthening of district and regional council; enhancing the local government’s ability to govern and deliver services in a equitable manner.

The targeted results under Output 1, including the major strategies and actions to achieve these results are as follows:

**Result 1.1: Local government policy, legal and regulatory framework in the three regions of Somalia enhanced.** This will mainly concern development of decentralisation policy and review of existing regions and district laws; review of the legal framework for land; review of taxation policy; and harmonisation of existing legal framework and regulations to identify and address overlap. Priorities in the first 24 months will be to (i) harmonise current planning and procurement guidelines in order to ensure that district councils have one planning approach notwithstanding the source of funds, and develop new relevant guidelines; (ii) to review decentralisation, land management, and taxation policies.

The first activity is fundamental to secure the minimal regulatory framework needed to allow districts to plan and invest for service delivery. The second activity is important in the medium term in order to clarify roles and responsibilities, as well as the review the most necessary legal framework to allow for taxation. Taxation is fundamental for sustainability as it is envisaged that own source revenues will cover recurrent costs and part of the development budget for the districts. The amount of own contribution to the development fund will vary between the regions and urban/rural districts, and will be revised annually depending on lessons learned.

In addition to this, the current intergovernmental transfer system will be reviewed and strengthened with a view to developing a robust system for through which development funds can be channelled in the coming years.

Other supportive regulations that will require review and development and/or strengthening will include for example, development and implementation a merit based recruitment system catering to various levels of the administrations.

Further to the establishment of the legal and regulatory framework, support will be given to core ministries and regional governments to play their role as identified in the relevant legal framework. Core ministries targeted for such support are in particular the ministries responsible for local government, planning, finance and public works. This will be closely coordinated with UNTP Outcome 1 on institutional development to ensure that overlap is avoided. Support to regional governments will address their role in coordination of planning at a regional level, more specifically through regional integration workshop which

are part of the district planning process, and in general to play a coordinating role between the local and the national level, and their role in reconciliation and conflict resolution.

**Result 1.2: Up to 10 districts have legitimate councils established/strengthened and operational.** The JPLG will support the strengthening up to 10 existing districts in the initial two year period. Support will be provided to ensure the basic physical (i.e. rehabilitation of buildings), political, executive structures and systems are in place and functioning according to the local government legislation.

**Result 1.3: Up to 10 district councils’ capacity to govern and manage service delivery enhanced** The JPLG has agreed with counterparts on the development of a district capacity development package including a ‘basic’ and an ‘advanced’ package.

The basic package includes nine series or sets of modules (see attachment 3).

- Series 1-4 is the basic package consisting of the following: Series 1: Introduction to structures, roles and responsibilities (including basic training on HIV/AIDS, basic labour rights to work, wages, decent working conditions, gender equity, human rights, basic conflict resolution and environmental awareness).
- Series 2 contains training on basic planning, basic financial management (basic budgeting and accounting), basic procurement and basic M&E. This training follows the district planning and investment process and kick-starts the planning process, with the larger part of the training being on-the-job training for councillors and staff in the actual planning process. This process is fundamental for allocation of district funds, and comes along with the funds (see below for further details on the funds).
- Series 3 is on Basic Revenue Collection and includes training on billing and collection systems. This is designed to help ensure that councils collect revenues and manage the revenues in a proper manner in order to cover recurrent costs and part of the development budget for the district.
- Series 4 is on project cycle management for service delivery for district staff and addresses project planning, design, implementation, supervision, technical oversight and environmental management.

Districts will be expected to have undergone basic training and acquired skills in basic planning, investment and financial management and basic service delivery before they can proceed with the advanced capacity building package. Refresher training on the basic package will be given to districts according to needs. It is anticipated that basic and refreshment training will be the main focus with regards to capacity building for rural districts and C districts not only for the period covered by this workplan but most likely for the entire Joint Programme period.

The advanced package (meant for municipalities and advanced districts) covers series 5-9.

- Series 5 is on District Financial Management and is meant for district staff. It will include training on basic public financial management, accounting and public auditing.
- Series 6 is for district councillors and district staff and is on procurement covering public-private partnerships, contracting and contract management.
- Series 7 is on conflict and dispute resolution and is for district councillors and staff.
- Series 8 is on performance management systems and is for district staff.
- Series 9 is on land management and administration and is for district councillors and staff.

The following principles will be followed in the development and delivery of the package (i) the JPLG will work primarily with already established institutions (ii) standard rates for workshops and training at district and community level will be applied.

Part of the support to the districts will also be development of a Management Information System, which can inform all levels of government as well as UN and development partners on the progress towards improved local governance and service delivery and the use of funds. This is further elaborated in the M&E chapter below.

**Result 1.4: Targeted district councils have awareness about options of revenue generation.** A special focus will be given to the development of capacity to increase revenue collection, and an appropriate management of these funds. The vision is that all recurrent costs of the district and regional councils will be covered by own source revenues, as well as part of the development budget (30 % in urban areas and 10% in rural areas). In the initial phase poorer districts will only be required to cover their recurrent costs from own source revenues., until the own source revenue potential has been expanded. Links will be developed to the activities under the Public Finance Management activities supported by the World Bank, DFID and UNDP to develop fiscal management and the transfers and collection of tax, tariffs and fees at the local level. This is key to increase ownership at the local level and to enhance sustainability.

**Result 1.5: All eligible district councils have at least 1 priority service delivery project funded annually.** Funds to strengthen the district councils' capacity to deliver services to local people will be provided. The JPLG will move towards developing a Local Development Fund (LDF). Pilots for this will be implemented through the establishment of a District Based Fund (DBF), which will be the central focus in 2008 and 2009. The DBF will be allocated to eligible districts that have completed series 1 and series 2 training. Series 2 will allow for the planning and investment process to take place, and funds will only be released for service delivery projects in districts that have followed the process as identified in the planning process. It is proposed that up to USD 100,000 will be allocated to eligible districts. The funds will be transferred directly to contractors or service providers following the regulations as stipulated in the planning manuals. The councils will be required to issue Request for Proposals, carry out the procurement process including transparent and public bid opening meetings with UN observers present, and to enter into contracts with the eligible service provider. Until proper financial management systems are set up through Treasury the service providers will be paid directly from the JPLG based on requests from the district councils supported by a statement from the user group and with technical verification by UN Staff or independent monitoring. Details of requisite documentation as proof for each step of the planning and investment process are specified in a separate M&E framework, which the councils are taken through as part of series 2 training.

The DBF will include the current Community Driven Development (CDD) Fund supported by the World Bank, UN Habitat and UNICEF. The intention is that the relevant community consultation aspects of the CDD planning process will be harmonised and become a part of the consultation by district councils with the communities. Once the DBF system is up and running and proven to be efficient, the CDD fund as it is presently disbursed directly to communities, will be phased out and the money will be transferred to communities through the district council. It will thus become an earmarked part of the DBF targeted at

communities. The DBF will therefore consist of a fully discretionary part, and an earmarked part for community projects.

The district council will be responsible for the planning and investment process of the DBF. The district council will be signatory to all contracts. For the part of the DBF that is earmarked for community projects, the district will delegate to the Village Development Committee to enter into contracts on its behalf. ‘Communities’ through their Village Development Committee will be able to enter into “community contracts” with the councils and deliver services or implement works, however, they too will be subject to defined implementation standards, monitoring and reporting controls.

The planning process/cycle will entail, an annual workplan and budget meeting in each district to kick-start each year’s planning process. This meeting will bring together stakeholders from district, regional and central government level as well as relevant non-state actors to discuss/review and amend (as appropriate) the planning process and other regulations, the legal framework of relevance to the planning and investment process. Fund allocations from the District Basket Fund and other relevant funds will also be announced at this meeting. The intention is that this will become an annual event driven by central authorities in which intergovernmental transfer and all donor funds can be announced in order to facilitate the budget forecast for the districts as an input to the planning process. The initial workplan and budget meeting is proposed to be arranged in Garowe in November or December 2008.

**Result 1.6: Capacity to deliver services developed within 25 communities and 10 private sector service providers.** It is recognised that capacity to deliver services must be built among communities and the private sector in order to strengthen the supply of capacitated service providers. This capacity development support will focus on developing skills among small enterprises and communities to engage in service delivery through building of management skills such as understanding the procurement process, writing project proposals, basic financial management and reporting; technical implementation skills and basic enterprise and business management skills. Community groups will also be trained on how they can formally organise themselves and bid for service delivery.

### *Specific output 2 – Local governments are accountable and transparent.*

Specific output 2 will focus on strengthening of the ‘demand’ side, i.e. to build understanding and capacity among communities enabling them to engage in the participatory planning process, in monitoring and evaluation of delivery of services, supported by appropriate tools and mechanisms to hold councils accountable.

The major actions and effectiveness will include the following:

**Result 2.1: Communities in up to 10 districts have basic understanding of their rights and responsibilities vis-à-vis district councils.** This action will provide support to civic education through community capacity building. The JPLG will support the development of an understanding among communities of what rights and responsibilities

they have, and what they should expect of the council. This will include their rights and responsibilities related to participation in planning processes, transparency and budget insight, and to pay tax, etc. The action will also seek to ensure the communities understand the role of the council, in order to hold it accountable and require transparency.

A ‘community capacity building package’ (see annex 3) will be developed and implemented to build capacity and confidence among communities to demand that councils are transparent and accountable. Different tools will be applied for the implementation for the community capacity building package. District facilitators will train community resource persons to deliver these packages. Use of innovative media including the use of radio as a medium and group listening with community facilitators will be explored for example self-powered (solar/wind-up) radios for group listening.

**Result 2.2: Annual district plans and budgets in up to 10 councils reflect community priorities.** These actions are related to the participatory planning process to ensure that there is equitable access to services and equitable distribution of resources. The councils will initiate this process. A central part of the district planning process includes consultations with the local communities. In order for the communities to be able to contribute effectively in these meetings, it is critical that they understand what role they have in this process, what funds that are available, how they would be allocated to the communities, what type of projects can be funded and their potential role in the delivery process. This knowledge is also critical to avoid misunderstanding, high expectations and potentially conflict. The experiences from the CDD process will inform these activities, but they will differ in the sense that the community priorities are discussed in a wider context and become part of the district plan. This will allow for a coordination of activities, i.e. the district can ensure an appropriate distribution of investment and service delivery from an economic, geographic and equity perspective. Attention will be given to building of social capital, and addressing marginalised groups including women and Internally Displaced People (IDPs), as well as economic potential and resource mapping.

**Result 2.3: Basic mechanisms for community monitoring of all projects funded by the development fund strengthened.** This action is related to the establishment of monitoring user groups amongst beneficiary communities. Tools will be developed and capacity to manage these tools strengthened amongst communities to monitor that their councils plan, procure and implement in a transparent and accountable manner. The planning process will include identification of user groups, which play a critical role in project approval. Funds will only be disbursed to vendors or contractors after an independent verification by the user group is in place. The challenge will be to ensure that the tools are implemented, and that communities develop or strengthen their understanding of the tools they can use to hold the council accountable. These actions will also look into option for peer review between councils where councillors from one district review the performance of councillors from another district, specifically on issues of transparency and accountability.

## [Link to other relevant projects](#)

The JPLG activities have developed links with the following activities:

**Community Driven Development (CDD)** (World Bank, DFID, UNICEF, UN Habitat, Danish Refugee Council): It has been agreed that the CDD activities will be streamlined into the district planning system and that the funds will become part of the DBF. The CDD approach will be separated into three parts: (i) the awareness raising component of the CDD will become part of the 'community capacity building package'; (ii) the planning process of the CDD approach will be reviewed and integrated into the district planning and community consultation process; and (iii) the funding of the CDD will be integrated into the development funds for the district as a earmarked part of the DBF for community projects.

**Recovery and Sustainable Livelihoods (RSL)** (UNDP): The RSL will use the results from the community consultation phase of the district planning and investment process to identify projects for funding. Hence, RSL will use the same prioritisation process and the communities will not have to go through one process for each project. This is essentially what the harmonisation of the regulatory framework aims to achieve.

**Rule of Law and Security (ROLS)** (UNDP): Discussions are ongoing in terms of how best to link the ROLS programme to the JPLG. Initially, the agreement is that ROLS roll out its activities after the DBPB activities. Further to this, discussions have taken place on options for supporting community policing to strengthen security in the districts and then reduce the current costs incurred by the districts to pay for security. Anecdotal information indicates that most of the own source revenues collected in South Central rural districts is used for security. If this cost can be reduced, more funds will be available for recurrent costs for council staff and for development interventions.

**The Somalia Urban Development Programme (SUDP):** a recently concluded umbrella programme for urban interventions funded by European Commission (EC) and UNDP supporting urban governance, planning, financial management, land management and service delivery in Somaliland and Puntland. It was implemented by a consortium comprising of UN Habitat (lead), ILO, UNICEF, Oxfam-Novib and UNA. The programme ended in March 2008 and plans for a second phase to build on the gains and scale up the successes are being undertaken under the JP.

**Somali Enterprise and Livelihoods Programme (ILO):** Currently operational in Somaliland and Puntland and funded by DfID and DANIDA. On-going work under the programme will be co-ordinated with the Joint Programme, to leverage existing activities and allow cross-learning particularly in the areas of community and district level planning, community mobilisation and participation in local projects, local economic and enterprise development. This project ends December 2009.

**Somali Institutional Development Project (SIDP)** (UNDP) The project consolidates various institutional capacity building projects. It focuses on four fundamental pillars of institutional development, namely: (i) the development of the systems and processes of making and implementing policy and law; (ii) the development of human resources; (iii) the improvement of public financial management (PFM); and (iv) the development of physical infrastructure. Common areas of joint opportunities will be identified and pilot projects explored and implemented. Common areas of intervention may include the strengthening of budget execution and service delivery capacities.

**HIV/AIDS** activities will be integrated into the JPLG District and Community Packages. USAID and UNDPs HIV/AIDS unit is currently designing training that will be delivered as part of series 1 training. Further mainstreaming of HIV/AIDS is required and will be sought integrated during the workplanning processes.

## **Link to central government and sector policies and systems**

**Constitutional process** (UNTP outcome 1): The Transitional Federal Charter stipulates the drafting of a new constitution for a federal Somalia by 2009, which is to be adopted by popular referendum. It is hoped the preparation and drafting of the new constitution will be the result of an inclusive and participatory process. Some of the contentious issues expected to arise include decentralisation/federal structures, the future role of traditional governance structures, electoral models, judicial and legal structures addressing the roles of customary and Shari'a Law, citizenship rights, promotion and protection of the rights of minority groups and solutions to contested land issues. The Joint Programme will make an important contribution to this process of dialogue through increased awareness and role of communities in defining and realising their local development, and the Programme's emphasis on transparency, accountability and participation.

**Public financial management** (UNTP outcome 1): The World Bank is providing leadership on the public financial policy and framework for Somalia. The Joint Programme will work within this framework for local governments and be engaged in technical support such as training and establishing the Local Development Fund mechanism as a means for increasing fiscal transfers from central government/line ministries to local governments.

**Systems for planning, reporting, budgeting and procurement** (UNTP outcome 1): In developing similar systems for local government, the Joint Programme will ensure compatibility with those in place at the federal/state level.

**Civil service policies and human resources** (UNTP outcome 1): In developing local government staffing policies and conditions for service, recruitment system and affirmative action policy (30% quota for women), the Joint Programme will ensure compatibility with those at the federal/state level. The same vision applies to both central and local government levels: lean, professional, efficient institutions, functioning with competent civil servants, capable of planning, providing key regulatory functions and engaging partners to deliver public services and promote local development. The Joint Programme will also establish a Local Governance Institute in Puntland, which is expected to be one of three centres of excellence for the Civil Service in Somalia.

**Social Services** (UNTP outcome 4): Strengthening capacity in data management, planning, financial management, general administration, monitoring and evaluation will apply to social sector administration within District Councils, as well as the council executive, as a means to increase access to quality education and health services.

**Land policy and legislation** (UNTP outcome 3): Policy and legislation development related to equitable access to land and efficient land management will be carried out, and the formulation of procedures and mechanisms for housing, land and property dispute resolution and restitution will be done in co-operation with rule of law initiatives for

Somalia. Similar co-operation will be pursued for strengthening associated legal institutions for processing housing, land or property dispute claims.

**Livelihoods:** (UNTP outcome 5): While the Joint Programme will develop local planning procedures, fiscal management systems and capacities for service delivery required for local direct investment projects and implement community-led and district managed projects, projects specifically addressing sustainable livelihoods, employment creation and emergency preparedness are part of outcome 5. This comprises projects to rehabilitate, construct and manage livelihoods-related community infrastructures and assets, local economic development assessments (“LED”), development of legal, policy and micro-finance frameworks for enterprises and business services for community-based livelihoods and community capacity building and training. These activities will increase livelihoods and enterprises and thus the revenue base for districts and as such will contribute to the sustainability of the districts capacity to delivery services established within the Joint Programme.

**Synergies with Humanitarian Assistance:** For provision of legal assistance and counselling related to housing, land and property disputes, particularly for IDPs and returnees, and strengthening local capacities in monitoring disputes and resolutions, the Joint Programme will engage and co-ordinate closely with other UN agencies and various international NGOs that are implementing such support and activities. Since protection is an important factor in the face of land issues, the Joint Programme will need to link its support to existing protection endeavours, particularly those of OCHA, OHCHR and UNHCR. In supporting the district and community-level planning process, the Joint Programme will ensure that emergency planning is factored in and that needs of marginalised groups, including IDPs and returnees are addressed.

## 6 METHODOLOGY

The following basic **principles** will guide the implementation of activities:

- **Harmonisation.** Harmonisation of donor funds into one overall fund for local councils; harmonisation of rates for DSA, salary stipends/performance based pay; harmonisation of regulations. This is already taking place in that the CDD funds will be combined with the DBF; and processes to harmonise planning and community consultation processes are ongoing.
- **Coordination.** Coordination between partners and stakeholders to ensure complimentary approaches and efficient management. Coordination structures within the Ministries have already been put in place in Somaliland and a similar inter-ministerial coordination mechanism will be adapted in Puntland. Further in Somaliland the JPLG staff of the participating agencies will be housed under one roof (one office) under the leadership of a Regional Coordinator. Regional Coordinators will also be put in place in Puntland and Somaliland. In addition, the development of a Management Information System to monitor the DBF and other funds to the districts will build on and strengthen the current Public Project Database used for coordination and monitoring projects currently under development in Ministry of Planning and Coordination in Somaliland.
- **Piloting, learning-and-doing, and reviews:** as a rule, experiences from the ground will inform policy development, roll-out approaches, etc; and roll-out will be phased to ensure sufficient (absorptive) capacity on the ground. Regular reviews of procedures will take place to assess soundness and regular changes to these procedures will be made as required. In addition, service delivery systems in certain sectors will also require a pilot approach to learn lessons.
- **Predictability:** donor funds available through the District Basket Fund/Local Development Fund and other mechanism will be announced to the beneficiary district councils at the beginning of the annual local planning and budgeting process; and the participating councils will be assured of a certain minimum of annual allocation for investment to facilitate multi-year planning, preparation for maintenance cost, etc. The AWBP workshops arranged by the JPLG in Baidoa and Hargeisa in April and June 2008, respectively, is the first of its kind which allowed for discussions of the regulatory framework and input to changes, and the workshop in Baidoa announced the fund allocation.
- **Transparency and Accountability:** transparency of operations will be a guiding principle for all actors and stakeholders involved in order to set good governance standards. Appropriate checks and balances will be embedded into the process to ensure accountability at all level. Anchoring processes at community level will allow communities to hold their councils accountable. Capacity support will be given to develop community participation and monitoring.
- **Simple and Action Oriented:** all procedures and processes designed will be clear and as simple as possible to facilitate action while ensuring attention to accountability, efficiency and quality. Operation manuals will be developed and be sufficiently simple to allow the councils to carry out the planning, budgeting, manage service delivery, monitor, control and report within a reasonable time frame and at a reasonable cost.

- **Encompass roll-out and exit strategies:** all designs, systems and procedures will be developed with the clear vision for roll out to cover all districts and regions as resource allow and for the respective governments to ultimately contribute to part of the fund requirements through intergovernmental transfers coupled with local government own source revenues. With this in mind, the JPLG will not pay any recurrent costs, as this should be covered by own source revenues. Rather, support can be given to payment of professional consultant input to a government institution to help strengthen capacity within prioritised fields.
- **Needs-based and not supply based.** Planning for the JPLG will be based on an assessment of minimum needs in order to develop and implement a local government programme that makes sense. The workplans will be guided by this, rather than by the supply of funds available to the JPLG. This does not imply that planning will be beyond reasonable limits.

### **Implementation Methodology for Major Programme Components**

#### **Policy, systems and regulatory framework review and development**

Supportive policy, legal and regulatory frameworks are essential to facilitate delivery of decentralized local service delivery and good local governance. However, in situations where such structures are inexistent or inadequate, a bottom-up approach to policy, legal and regulatory framework development will take place. A dual approach will be adopted under the JPLG to suit the prevailing policy, legal and regulatory frameworks in the different regions; where policies exist these will be assessed, reviewed or reformed and then harmonized (where in conflict) through a guided process engaging all stakeholders. This process would be informed by local practice (as well as international and regional best practice), specific context, and ongoing JPLG interventions on the ground. However, where appropriate policy and legal frameworks are absent or weak, the JPLG will work towards a bottom-up approach and develop structures, processes and tools on the ground that may be used to guide policy formulation if/when conditions allow. The Programme will seek to draw from regional best practice in this area of work through use of regional technical expertise amongst the partners and external consultants, as well as through study tours to expose and influence key stakeholders.

#### **District Capacity Building package**

Through a phased/sequential approach, the target Councils that are accessible will be trained through a district capacity building package, comprising several series that cover a range of topics related to governance, service delivery, project cycle management, financial management and performance management (see table annex 3). This will be delivered through a combination of classroom training and actual implementation of specialised training projects. Most of the training will be sequential, with districts having to meet minimum basic criteria to become eligible for the next module. The JPLG will adopt an approach whereby trained trainers will be deployed to the districts to deliver the training, backstopped by JPLG experts. Where possible, the JPLG will seek to build the capacity of local research and training institutions, and engage them in further capacity building work.

The training will be complimented with an initial allocation of the District Basket Fund for a specialised training project (which will eventually form the Local Development Fund - LDF) after the councils have gone through a participatory planning process involving the communities they serve. This will allow them to manage and deliver services through a practical learning-by-doing approach. The districts will be taken through specialised training projects, which will allow them to go through the project cycle practically from planning to actual implementation of a public works or services project.

Subsequent stages of assistance to Councils will be results-driven and performance-based. In the initial phase, allocation of funds to the districts will only require that they have established a district council through a participatory process, approved by the central government institutions. Later in the implementation period, allocation of LDF funds for eligible districts will be based on meeting certain benchmarks and qualifications; as a result, there will be no *a priori* allocation of a set amount of resources to districts, nor will the allocations necessarily be of equal amount. This approach will create an incentive for good performance. In areas where government-owned fiscal transfer mechanisms are not yet in place, districts will receive minimum support with regard to service delivery and infrastructure development.

Criteria to determine the districts for each phase and benchmarking methods will be developed in consultation with government counterparts and endorsed by the Joint Programme Coordination Unit. The Programme will be prioritised in locations where it will actively contribute to peace and equitable, priority service delivery. In Puntland selection will be from amongst the original 18 District Councils. Guiding principles for selecting districts and rolling out the support are illustrated in annex 4. There will be flexibility for districts (urban and rural) to advance at their own pace, however by the end of the Programme period it is expected that up to 10 districts should have achieved some minimum standards of performance, even if some have exceeded.

The JPLG will adapt existing training modules to local needs and priorities as far as possible. To achieve the geographical coverage envisaged, the JPLG will adopt the model of training of trainers and a cascading system of assistance based on performance.

### **Development of capacity among communities to participate in the planning and delivery of services**

A community Capacity Building Package will be developed to empower communities to become active citizens and to play a role in processes that impact on their own development. This will include creation of awareness on civic rights and responsibilities, the role of the councils and how to hold them accountable, how to participate in planning, prioritisation, budgeting and monitoring processes (see annex 3). Different tools and methodologies will be employed, based around the participatory integrated community development approach already developed under the CDD programme. The programme will employ trained trainers to undertake the training of community facilitators in participatory approaches. The trained facilitators will be deployed in the districts to undertake the work amongst communities. The programme will put in place monitoring capacity to ensure standards and to mentor the facilitators. Public media, namely radio, will be used to increase outreach. Programme materials will be developed to suit the communication patterns and styles of the communities as well as their literacy levels.

### **Capacity building of communities and the private sector to deliver services**

It is recognised that capacity to participate in delivery services must be built among communities and the private sector in order to strengthen the supply of capacitated service providers. This capacity development support will focus on developing skills among small enterprises and communities to engage in service delivery through building of management skills in procurement processes, writing project proposals, basic financial management and reporting; technical implementation skills and basic enterprise and business management skills. Community-based groups will also be trained on how they can formally organise themselves and bid for service delivery projects.

### **Establishment of the District Basket Fund for prioritised service delivery**

The JPLG will develop a district funding mechanism to channel funds to the districts to enable them to deliver priority services to their constituents. Pilots for this will be implemented in 2008 and 2009 through the District Basket Fund. This will be developed into a more full fledged LDF at a later stage. The DBF will be allocated to eligible districts that have completed Series 1 and 2 training covering the basic planning and investment process. The funds will only be released on the basis of district plans for priority projects. Disbursements will be limited to a maximum of USD 100,000 for each eligible district. The districts will be required to procure directly or contract and manage services for the implementation of the project. The DBF will be combined with the current CDD-Fund supported by the World Bank, UN-HABITAT and UNICEF.

The intention is that lessons learned and best practice from the community consultation aspects of the CDD planning process will be harmonised and become a part of the consultation by district councils with the communities. The CDD fund as it is presently disbursed directly to communities will cease to exist and the money will be transferred to communities through the district council. It will thus become an earmarked part of the DBF targeted at communities. The DBF will therefore consist of a fully discretionary part, and an earmarked part for community projects. For the part of the DBF that is earmarked for community projects, the district can delegate to the Village Development Committee (a recognised institution in the Somaliland legal framework) to enter into contracts on its behalf. ‘Communities’ through their VDC will be able to enter into “community contracts” with the councils and deliver services or implement works, however, they too will be subject to defined implementation standards, monitoring and reporting controls. Complementary capacity building of communities to engage and undertake contracts will be provided through targeted training activities.

The disbursement of funds will be complemented with training on financial management, taxation and revenue collection to boost own source revenues, and other support actions to put in place accounting and budget control, and reporting mechanisms. In addition, the strategy will also ensure that funds provided to districts are integrated into the intergovernmental transfers as these are strengthened, and that own source revenue collection becomes an important part of funds availed to the districts.

### **Institution-building for sustainable capacity development**

The Programme will seek out, develop and build capacities of local institutions to sustain capacity development and institutionalise national and local planning functions, land administration, building of national expert capacity, etc. and create a service centre for a wide range of central and local authorities.



## 7 RISK ASSESSMENT AND ASSUMPTIONS

The risk assessment to evaluate the risks for United Nations (UN) and other international partners implementing the Joint Programme is based on experience and lessons learned during the last years and the possible scenario for the first 24 months of JPLG implementation.

The security situation in Puntland remains unsettled with strong threat for kidnapping. This is a limiting factor for the presence of international staff. Piracy off the coasts continues to be a threat, with possible implications on the mainland. The drought, rapid food and cost of living price increases and forced migration from more severely affected areas threaten livelihoods. These factors further constrain and weaken the capacity of the Puntland authorities to govern and deliver services to their constituents.

The risk assessment is aligned to key planning assumptions and sets the direction for the level at which the Joint Programme can be realistically implemented during the coming 12 months.

Planning assumptions	Implementation priorities
<p><b>Puntland</b></p> <ul style="list-style-type: none"> <li>• Volatile security</li> <li>• Weak but committed central authority</li> <li>• Strong demand for local governance and service delivery support</li> </ul>	<ul style="list-style-type: none"> <li>(a) Basic training and renewed capacity building,</li> <li>(b) Basic technical assistance towards service delivery,</li> <li>(c) Strengthening of consultative processes for policy formulation.</li> </ul>

These planning assumptions imply that risks associated with the implementation of the Joint Programme are medium to high in Puntland.

The **types of risks** being considered are

**Security risks:** These risks translate into lack of, or restricted access to Joint Programme field locations and limited international staffing levels. Security risks for all regions of Somalia are managed by the United Nations Department for Safety and Security (UNDSS). All deployment of international and national staff under the Joint Programme and the programme activities undertaken by them are governed by UNDSS and Security Management Team (SMT) regulations, constantly updated security assessments, and security risk mitigation measures. In Security Phase 4 and Phase 5 areas, which at present includes areas of Puntland, access to programme locations, staff levels, and staff mobility are extremely restricted.

**Political and social risks.** These risks translate into lack of, or weak and controversial partners (District, Regional and Central Government Authorities) and the lack of, or controversial community buy-in for the JPLG activities.

The Puntland central and local authorities are in place, albeit not always legitimately established and generally weak and with low capacities. Eligibility of districts is yet to be established and will depend on security considerations and expressed commitment of local and central authorities.

**Operational risks.** These risks emanate from the security, political and social scenarios and occur whenever national partners have limited capacity to implement their parts of the Joint Programme or when implementation costs due to insecurity become unduly high. These risks are constantly addressed through field monitoring and tight implementation controls as well as different options of implementation outsourcing (INGOs, LNGOs, private sub-contractors etc.). In general, operational risks result in delays in programme implementation.

**Budget allocations and risks:** Absence of clear long-term funding commitments, inhibits effective medium- and longer-term programme and resource planning horizons, resulting in erratic programme operations and implementation, with potential negative reactions from Somali partners and beneficiaries, whose expectations may not be met. Although the JPLG has sought not raise expectations, this is inevitable in a process of consultation and discussions, and the Puntland counterparts are expecting a minimum level of engagement from the UN and the development partners. This AWPB covers the first 24 months only, but the donors should endeavour to pledge funding over a longer period of time to allow the UN and the Puntland counterparts to plan effectively in the longer term.

The required budgets for the first 24 months of implementation of priority interventions under the JPLG reflect the respective levels of enabling environments in Puntland. Therefore an allocation of US\$ 7.8 million is considered realistic and necessary to implement activities under this AWP.

## 8 SUSTAINABILITY

The JPLG will support lean and efficient systems for local government to avoid over-burdening and complicated bureaucratic methods that consume unnecessary time and resources. At the same time, the Joint Programme will seek to institutionalise these systems through a substantial capacity development and mentoring approach, and will seek to build local Somali training institutions, such as the Local Governance Institute in Puntland. Training will be conducted as much as possible through local Somali organisations/experts and in Somali language in order to enhance understanding and Somali ownership.

Funding for service delivery is eventually anticipated to be transferred through the Local Development Fund, meant to become part of the inter-government financial transfer system for the Puntland government. The LDF will cover capital/development expenditures as well as contribution to recurrent costs. The JPLG will commence with a pilot approach through a DBF in order to demonstrate planning, allocation, management systems and community participation, and to test it as a viable model that can be replicated across all districts. The JPLG will promote resource mobilisation and government cost-sharing in the target districts to reach a level of financial sustainability. Each target districts will receive an allocation through the DBF based on its absorptive capacity in the first year, and a calculated approach to expansion applied in the second. The JPLG will be sensitive to the absorptive capacity of all local institutions, communities and partners.

While the JPLG covers a five year period, the need for external support to service delivery will be needed in the long term. The aim for sustainability would be to reach a stage where own source revenues and intergovernmental transfers will cover the recurrent budget and part of the development budget. This is already taking place to some extent in Somaliland. The challenge here will be to increase the transparency of the use of own source revenues and intergovernmental transfer and ensure a lean administration and a larger part of the budget for service delivery. In Puntland and South Central Somalia, no intergovernmental transfer system is in place and collection of own source revenues is rudimentary and lack transparency.

It is anticipated that the local governments will not be fully financially sustainable after the completion of the intervention. However, the aim is that 100% of the recurrent budget and 10% (rural) and 30% (urban) of the development budget will be covered by own source revenues and intergovernmental transfers by the end of the project period.

However, it is envisaged that the structure and capacities put in place under the JPLG will be institutionally sustainable due to the high interest and commitment towards decentralisation across the regions. Further to anchor accountability, capacity support, planning and service delivery will all be driven by local people and the district councils themselves, and not by external actors, hence local ownership is at the core of all actions.

It is expected that the result of the JPLG will be sustainable at the political level as all work on the policy, systems, guidelines and procedures will be designed and developed based on the government regulatory and legal framework, and not developed for the purpose of the JPLG.



## 9 MONITORING AND EVALUATION

The JPLG is currently developing a Monitoring, Evaluation and Reporting Framework which will consist of the following:

**Management Information System (MIS):** The MIS will be developed for all the JPLG and Puntland partners to monitor planning, service delivery and how the development funds to districts and communities are being used. The MIS will develop a coding system for the planning process as well as a contract data base to monitor the use and flow of funds. This will allow for tracking of the extent to which there is a link between the priorities established in the planning process and the actual service delivery. The MIS will consist of data collected at the community and district level that are of relevance for the planning process. Hence, the MIS will serve the needs of the district. Over time it will be linked to the needs of the region for eventual regional planning, but this will be developed over time. The Contract Data Base (CDB) will form part of the MIS and allow the JPLG to follow up and monitor all district and community level contracts.

It has been agreed with World Bank and Danish Refugee Council that the Community Driven Development (CDD) MIS be integrated with the MIS for the JPLG. The current MIS for CDD contains a lot of information and a review to refine and integrate it with the JPLG is ongoing.

**Outcome Evaluation:** The JPLG pays great attention to the *learning process*, not simply in the sense of capacity building initiatives but rather with a view that all partners need to take part in a dynamic learning process where regular changes are inevitable and where the need for urgent action on the ground necessitates development of systems and support structures as we go, rather than before implementation starts. In order for this to be possible, there is a need for a research based outcome evaluation system. Outcome evaluation will take place as a continuous process where a team of researchers follow the decentralisation process and other key process over time, at least for the duration of the JPLG. The objective will be to help stakeholders and decision makers make informed decisions. The methodology would be that a team of researchers have regular meeting for example twice a year with stakeholders at all levels in order to assess the outcome (i.e. the indirect results) of the intervention, and to feed this information to decision makers. It is assumed that these observations and the presentation of field experiences from independent researchers will trigger discussions among stakeholders and help improve the JPLG during the implementation. This method differs from summative evaluations and biannual reviews in that it allows for regular and constant improvements based on dialogue and critical review, rather than once off reviews that are at risk of being less informed.

The outcome evaluation approach depends on the willingness of donors to set aside funds for research and learning, and it requires the willingness of all stakeholders to participate in regular, critical dialogue on outcomes of the interventions.

**Reporting Framework:** The JPLG will develop a reporting framework supported by the MIS system under development, to respond to the needs of the government, the donor institutions, as well as internal UNTP and agency specific requirements. In addition to this, donors and the government will receive briefings on an ad-hoc outside the established

steering committee procedures (for the Steering Committee TOR, see annex 5) which will be provided.

The JPLG will aim to develop a Reporting Framework that can be accepted by all stakeholders and which requires as little time as possible on the part of the implementing agencies, and thus leave as much time and resources as possible for actual implementation.

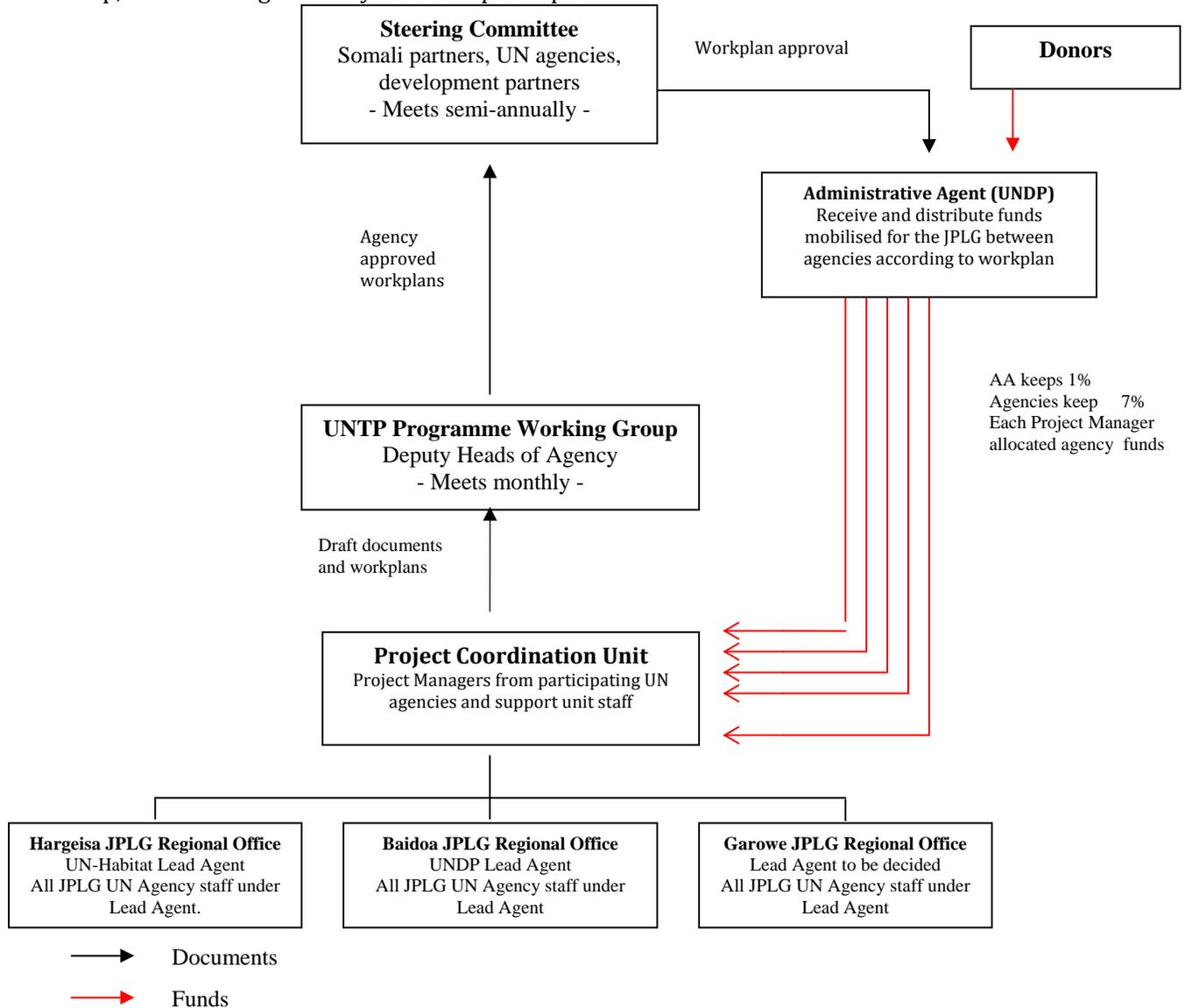
In addition to this, monitoring on the ground will take place through the use of user groups, i.e. community groups who are targets of the intervention. They will have to approve that the service delivered is according to agreement before the contractor/service deliverer will be paid.

Also, a detailed and simple Monitoring and Reporting Framework has been developed for the councils to help guide them through the list of documents and proofs they need to gather to show that the planning and investment process has been conducted according to the manual.

## 10 MANAGEMENT ARRANGEMENTS

The JPLG is implemented by five UN agencies in three separate regions. While the intention is to move towards ‘One UN’ the agencies are nevertheless tied to current individual agency regulations, and while coordination is taking place in all possible ways, the five agency modality requires flexibility, trust and respect of the fact that all have something important to contribute.

In order to allow for the most efficient management arrangements under the current agency set up, the following modality has been put in place:



The JPLG Project Documents identifies UN Habitat as the Lead Agent for Outcome 2 for the duration of the UNTP, i.e. until the end of 2009. This entails taking strategic lead and guiding the JPLG.

The Technical Working Group represented by the Project Managers from the five agencies collaborate and drive the JPLG forward and most of the direction of the JPLG is set by the PCU. The Project Coordination Unit (PCU) consists of the TWG, plus a Senior Project Manager and support staff (for administration, communication and M&E). The PCU drafts the workplan and budgets for review of the UNTP Programme Working Group (PWG), and, under the supervision of Un-Habitat, designs all relevant strategy documents, proposals, etc. Extensive coordination takes place at the regional level.

A regional office will be established in Garowe and UNDP has been appointed to act as the team leader for Puntland. All the JPLG UN staff, notwithstanding their agency affiliation, will report to this team leader. Staff assigned to the JPLG will be co-located into one compound in Garowe. A local Steering Committee will be established to help guide the programme during its implementation.

The overall role of the Steering Committee is to acknowledge the workplan and budget (see annex 5 for detailed TOR). The workplan guides the Administrative Agent (AA) in the distribution of jointly mobilised funds between agencies.

Funds received by the AA will be handled in the following manner: 1% goes to the AA, 7% will be retained by the agency receiving the funds. The remaining 92% will go to the agency's JPLG activities, operational and management costs.

The role of the UNTP Programme Working Group (note: this applies only to the five UN agencies in the JPLG) is to review draft workplans and documents before it goes to the Steering Committee, and provide general advice and support to the Project Coordination Unit.

## 11 WORKPLAN AND BUDGET

The first workplan for the JPLG covers 24 months from reception of funds. While this is likely to happen before the end of 2008, for simplicity reasons, the workplan and budget covers the entire 2009 and 2010. The AWPB will be reviewed in the last quarter of 2009.

The 2009-2010 Workplan and Budget is based on consultations with local counterparts, partly undertaken during the Joint Needs Assessment (JNA) and more recently between the Joint Programme partners. The workplan is attached in annex 2.

***At the time of writing, the JPLG has available funding of USD 2,236,315 of the total budget of USD 7,868,706.***

In an attempt to explain the overall content of the budget, a separation has been made between investment, programme support and technical assistance. Investment covers all capacity building activities to districts and communities, as well as all investment funds. Programme support covers support to regional and central government to fulfil their mandate vis-à-vis the districts. Technical assistance covers all national and international consultancy input to policy formulation, manuals development, technical assistance to ministries, etc.

**TABLE 1 OVERVIEW OF ALLOCATION PER LEVEL OF GOVERNMENT**

FUND ALLOCATIONS	PL	%
<b>DISTRICT</b>	<b>5,889,898</b>	<b>75</b>
Investment (district and community grants, training, rehab. of buildings)	5,889,898	
<b>REGION</b>	<b>191,000</b>	<b>2</b>
Programme Support	191,000	
<b>NATIONAL</b>	<b>1,787,808</b>	<b>23</b>
Programme Support (national partners)	310,000	
Technical Assistance (consultancies international+local)	1,477,808	
<b>TOTAL</b>	<b>7,868,706</b>	<b>100</b>

# ***ANNEXES***

## Annex 1 Logframe for all regions

Please note the logframe targets herein are those set for the three regions – Somaliland, Puntland and South Central.

<b>Joint Program on Local Governance and Decentralized Service Delivery</b>				
<b>Logical Framework (2 years)</b>				
	<b>Intervention Logic</b>	<b>Objectively Verifiable Indicators</b>	<b>Source and Means of Verification</b>	<b>Assumptions</b>
<b>Overall objective</b>	<b>Local governance contributes to peace and equitable priority service deliver in selected locations</b>			
<b>Specific objective 1</b>	<b>Communities have equitable access to basic services through local government</b>	<b>Significantly positive results of representative surveys on improved access to basic services</b>	<b>Opinion surveys</b>	
<b>Specific objective 2</b>	<b>Local governments are accountable and transparent</b>	<b>Significantly positive results of representative surveys on improved performance of district councils</b>	<b>Opinion surveys</b>	
<b>Expected results</b>	<b>Expected results under specific Objective 1</b>			
1.1	Local government policy, legal and regulatory framework in the 3 regions of Somalia initiated	No. of regions that have initiated local government policies No. of regions that have initiated local government regulations	Policy commitments Regulation commitments	Political will to endorse / enact local government policies and regulations
1.2	Up to 24 districts have legitimate Councils established and operational in selected locations	No. of legitimate regional councils established Number of legitimate district councils established	Regional council registration with central government District council registration with central government	(1) Stability in districts, (2) Commitment from councils and communities to go through reconciliation and council identification process

1.3	Up to 24 rural and urban councils' capacity to govern and manage service delivery enhanced	No. of urban councils whose capacity is improved	To be based on MIS. Will among others focus on whether functions, roles & responsibilities are in place and adhered to, including: planning, budgeting, accounting, auditing, service logs, conflict resolution mechanisms	(1) Stability in target councils, (2) commitment to capacity development process by councils
1.4	Target district councils have increased awareness about options of revenue generation	No. of district councils whose awareness is raised	To be based on MIS. Will include: 1) revenue generation options identified, 2) sources of revenue established (taxes, tariffs, fees)	Stability to undertake revenue generation activities
1.5	All eligible district councils (up to 24) have at least 1 priority service delivery project funded annually	No. of districts with projects funded No. of projects funded	Project reports	Funding mechanism operational
1.6	75 communities and 25 private sector service providers have increased capacity to deliver services	No. of community service providers whose capacity is developed; No. and nature of services delivered No. of private sector service providers whose capacity is developed	District project reports; User satisfaction on quantity and quality of service	
	<b>Expected results under specific Objective 2</b>			
2.1	Target communities in up to 24 districts have basic understanding of their rights and responsibilities vis-a-vis district councils	No. of districts where civic education is implemented	(1) Civic education project progress reports, (2) Outcome evaluation system will address the	Stability prevails in districts

			extent to which the civic education programmes have resulted in increased awareness	
2.2	Annual district plans and budgets in up to 24 councils reflect community priorities	No. of districts with annual plans reflecting community needs	(1) District annual plans, (2) Outcome evaluation will seek to clarify whether the plans truly reflect community priorities	(1) District councils committed to transparent and accountable management, (2) Conflicts resolved and stability prevails in districts
2.3	Basic mechanism for community monitoring of all projects funded by the development fund strengthened	No. of projects with community monitoring component	District project reports	Communities accept role as monitoring agent
<b>Activities</b>	<b>Activities under specific objective 1 result 1</b>	<b>Means</b>	<b>Costs (refer to workplan &amp; budget breakdown Annex 2)</b>	<b>Assumptions</b>
1.1.1	Review and facilitate the formulation of policies relevant to local government	Consultants; Staff time; Workshops		Political will to enact local government policies and regulations
1.1.2	Review and facilitate formulation, harmonisation and implementation of laws and regulations related to local government	Consultants; Staff time; Workshops		Political will to enact local government policies and regulations
	<b>Activities under specific objective 1 result 2</b>			
1.2.1	Facilitate community consultations and reconciliation for agreement on Council composition	Staff time; Workshops; Meetings		(1) Stability in districts, (2) Commitment from councils and communities to go through reconciliation and council identification process

	<b>Activities under specific objective 1 result 3</b>			
1.3.1	Assess local government capacity needs	Consultants; Staff time; Meetings		
1.3.2	Develop capacity development package (district development package)	Consultants; Staff time; material development		(1) Stability in 18 urban and 80 rural councils, (2) Commitment to capacity development process by councils
1.3.3	Implement the capacity development package	Staff time; trainings; workshops; consultants;		
	<b>Activities under specific objective 1 result 4</b>			
1.4.1	Asses revenue generation capacity	Consultants; staff time; meetings		
1.4.2	Identify revenue generation opportunities	Consultants; staff time; meetings		Stability to undertake revenue generation activities
1.4.3	Develop capacity for revenue generation	Staff time; trainings; workshops, equipments		
	<b>Activities under specific objective 1 result 5</b>			
1.5.1	Allocate funds to eligible community and district projects (based on a funds transfer system specific to the three regions)	Staff time; workshop; districts and community grants; specialised training projects		Funding mechanism operational
1.5.2	Monitor the grant transfer system	Staff time; training on MIS		
	<b>Activities under specific objective 1 result 6</b>			
1.6.1	Conduct a rapid enterprise survey	Consultants; Staff time		
1.6.2	Design a capacity development package for community and private sector service providers	Consultants; Staff time		Stability prevails in districts
1.6.3	Implement the capacity development package	Staff time; on-job training through infrastructural projects;		

	<b>Activities under specific objective 2 result 1</b>			
2.1.1	Review and develop civic education programme	Consultant; staff time; radio programme production		Stability prevails in districts
2.1.2	Implement the civic education programme	Staff time; trainings; radio air time		Stability prevails in districts
	<b>Activities under specific objective 2 result 2</b>			
2.2.1	Initiate review and revision of participatory planning and budgeting mechanism	Staff time; workshops		(1) District councils committed to transparent and accountable management, (2) conflicts resolved and stability prevails in districts
2.2.2	Facilitate the implementation of participatory planning and budgeting mechanism	Staff time; workshops; trainings; community dialogue		(1) District councils committed to transparent and accountable management, (2) conflicts resolved and stability prevails in districts
	<b>Activities under specific objective 2 result 3</b>			
2.3.1	Develop participatory community monitoring tools	Staff time; workshops		Communities accept role as monitoring agent
2.3.2	Pilot with communities the use of the participatory monitoring tools	Staff time; trainings; consultants		Communities accept role as monitoring agent

## Annex 2: Workplan and Budget

PUNTLAND - activities only												
24months	2009				2010							
OBJECTIVE - RESULT – ACTIVITY	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Implementing body	Total Budget	Funded	Unfunded
<b>OBJECTIVE 1: COMMUNITIES HAVE EQUITABLE ACCESS TO BASIC SERVICES THROUGH LOCAL GOVERNMENT</b>												
<b>Result 1.1: Local government policy, legal and regulatory framework initiated</b>												
<b>Activity 1.1.1. Review and facilitate the formulation of policies of relevance to local government</b>												
Decentralisation policy									UNDP	60,000	0	60,000
Municipal Finance Policy									UN-HABITAT	36,000	3,500	32,500
Taxation Law /own source revenues									UN-HABITAT	52,920	0	52,920
Land Policy									UN-HABITAT	71,251	12,500	58,751
Land Management Law									UN-HABITAT	90,000	4,795	85,205
City Charter for Garowe, Gardo, Bosasso, Galkayo									UN-HABITAT	82,026	0	82,026
<b>1.1.2 Review and facilitate formulation, harmonisation and implementation of laws and regulations related to local government</b>												
Land surveying and building codes & standards									UN-HABITAT	52,920	10,500	42,420
Procurement guidelines (w/shops)									ILO	82,200	0	82,200
Harmonise participatory district and community planning guidelines, incl. LED into the manual									UNDP	40,000	40,000	0
									ILO	40,000	0	40,000
Review recruitment guidelines									UNDP	10,000	0	10,000
									ILO	67,500	0	67,500
Service delivery sector strategies, by-laws, regulations, and institutional framework, roles & responsibilities (SWM & Roads)									UN-HABITAT	39,690	0	39,690
Service delivery manuals and guidelines (SWM & Roads)									ILO	60,000	0	60,000
Management Information Systems for development funds									UNDP	15,000	15,000	0
Facilitate core ministries to play mandated role									UNDP	110,000	110,000	0
Facilitate regional council to play mandated role									UNDP	150,000	0	150,000
<b>Result 1.2: All regions and districts have legitimate Regional and District Councils established in selected locations</b>												
<b>1.2.2. Support to infrastructure for regional and district councils</b>												
Rehabilitation of council buildings									UN-HABITAT	159,999	0	159,999

Support to equipment									UN-HABITAT	70,000	0	70,000
<b>1.2.3 Support to systems development</b>												
Review of district administration staffing needs									UNDP	20,000	0	20,000
Zero-based budget framework linked to billing systems									UN-HABITAT	227,700	0	227,700
Service delivery management structure									UN-HABITAT	180,000	0	180,000
Regional Medical Officers (6), Regional Hygiene Officers (6) and Regional Education Officers (6) (30 % women), are working with improved hygiene and sanitation, administration and monitoring skills									UNICEF	41,000	0	41,000
<b>Result 1.3: Up to 24 urban and rural councils' capacity to govern and manage service delivery enhanced</b>												
<b>1.3.1 Assess local government capacity needs</b>												
<b>1.3.2 Develop capacity development package (district development package)</b>												
District capacity building package development (PCM workshop)									ILO	50,000	50,000	0
									UNDP	29,200		29,200
Institutions supported to provide local governance support -												0
<b>1.3.3 Implement the district capacity development package</b>												
Series 1 Nugal and Modug									UNDP	123,020	123,020	0
Series 1 Garowe, Bosasso, Gardo									UN-HABITAT	106,210	0	106,210
Series 2 Nugal and Modug									UNDP	69,000	69,000	0
Specialised EIP technical and managerial training									ILO	80,000	0	80,000
Series 4 Basic Municipal Finance									UN-HABITAT	106,209	0	106,209
<b>Result 1.4: Targeted district councils have awareness about options of revenue generation</b>												
<b>Activity 1.4.1 Asses revenue generation capacity</b>												
<b>Activity 1.4.2 Identify revenue generation opportunities</b>												
<b>Activity 1.4.3 Develop capacity for revenue generation</b>												
Support DCs to collect revenues using established tools									UN-HABITAT	26,460	0	26,460
<b>Result 1.5: All eligible district councils have at least 1 priority service delivery project funded annually</b>												
<b>1.5.1 Allocate funds to eligible community and district projects (based on a funds transfer system specific to the three regions)</b>												
Allocate funds to 10 districts in Nugal and Modug									UNDP	1,000,000	0	1,000,000
Specialised training projects 5 districts and mentoring									ILO	150,000		150,000
Urban solid waste management and water management									UN-HABITAT	250,000	0	250,000
Allocate funds through districts to community projects									UNICEF	375,000	0	375,000
<b>1.5.2 Monitor output and outcome of support</b>												
Design monitoring, evaluation and reporting framework									UNDP	15,000	15,000	0

Implementation of MIS and outcome monitoring										UNDP	200,000	0	200,000
<b>Result 1.6: 75 communities and 25 private sector service providers have developed capacity to deliver services</b>													
<b>1.6.1 Conduct a rapid enterprise survey</b>													
										ILO	22,500	0	22,500
<b>1.6.2 Design a capacity development package for community and private sector service providers (SME/SWM)</b>													
Develop SME and PPP training components for service delivery (workshops)										ILO	33,100	0	33,100
Community PCM training										UNICEF	39,000	0	39,000
<b>1.6.3 Implement the capacity development package</b>													
Basic Entrepreneurship Skills - 5 districts										ILO	31,200		31,200
Specialised PPP training projects 2 districts - incl. under training projects under 1.5.1										ILO			
Mentor service delivery partners										ILO	15,000		15,000
Community and private sector capacity building on provision of WASH services										UNICEF	2,800,000	1,783,000	1,017,000
<b>OBJECTIVE 2: LOCAL GOVERNMENTS ARE ACCOUNTABLE AND TRANSPARENT</b>													
<b>Result 2.1: Target communities in up to 24 districts have basic understanding of their rights and responsibilities vis-a-vis district councils</b>													
<b>2.1.1 Review and develop civic education programme</b>													
Review and adopt existing materials										UNICEF			0
													0
<b>2.1.2 Implement the civic education programme</b>													
Implementation of the civic education programme										UNICEF	31,000	0	31,000
													0
<b>Result 2.2: Annual district plans and budgets in up to 24 districts reflect community priorities</b>													
<b>2.2.1 Initiate review and revision of participatory planning and budgeting mechanism</b>													
<b>2.2.2 Facilitate the implementation of participatory planning and budgeting mechanism</b>													
Mentoring of local economic mapping and planning/study tours										ILO	46,900	0	46,900
Training of Trainers										UNICEF	21,200	0	21,200
Facilitator training										UNICEF	37,500	0	37,500

Community Planning and Budgeting									UNICEF	254,000	0	254,000
Technical assistance for community mobilization and planning									UNICEF	180,000	0	180,000
<b>Result 2.3: Basic mechanism for community monitoring of all projects funded by the development fund strengthened and operational</b>												
<b>2.3.2 Develop the capacity of communities to use the tools</b>												
Community training on participatory monitoring									UNICEF	19,000	0	19,000
<b>Result 2.4: Public reporting meetings in up to 24 districts held annually</b>												
<b>2.4.1 Implement system for community performance monitoring of local government</b>												
<b>TOTAL BUDGET PUNTLAND ACTIVITIES</b>										<b>7,868,706</b>	<b>2,236,315</b>	<b>5,632,390</b>

## Annex 3: District Capacity Building Package

C	Area of training	Content	Target / Beneficiary
<b>BASIC PACKAGE</b>			
1	Local governance	Introduction to structures, roles and responsibilities, including basic training on HIV/AIDS, labour rights, wages, decent working conditions, gender equity, human rights, resolution, environmental awareness	Councillors, DC staff
2	Basic planning	Profiling, consultation, objective setting, prioritization	Councillors, DC staff
	Basic financial management	Budgeting, accounting	
	Basic procurement	Bills of Quantities (BOQs), RFPs, Procurement meetings including bid openings	
	Basic M&E	Council and user group responsibilities	
3	Basic Revenue collection	Billing and collection systems	DC staff
4	Service delivery	Project design, implementation/supervision, technical oversight, environmental mgmt	DC staff
<b>ADVANCED PACKAGE</b>			
5	District financial management	PFM, accounting & public auditing	DC staff
6	Local Economic Development, public private partnerships for service delivery	LED, PPP, contracting, contract management, enterprise training (i.e. solid waste management, roadworks)	Councillors, DC staff, private sector
7	Conflict & dispute resolution		Councillors, DC staff
8	Performance management systems		DC staff
9	Land management and administration		Councillors, DC staff

## Community Capacity Building Package

	Area of capacity	Content	Target
1	Civic education	Rights and responsibilities, structures	Community groups
2	Participatory planning	Development planning, budgeting	Community groups

3	Community monitoring	User groups, associations, participatory impact monitoring	Community groups
4	Service delivery	Organisation, negotiation, procurement, business mgmt skills	Community groups

## ANNEX 4: PRINCIPLES FOR ROLL OUT OF DISTRICT CAPACITY BUILDING PACKAGE

	Phase 1 (24 months) Basic District support	Phase 2 Mentoring on established capacities, sectoral capacities	Phase 3 (~2012 - )
<b>Capacity development interventions</b>	<ul style="list-style-type: none"> <li>Basic office infrastructure and equipment</li> <li>Training Series 1-4</li> <li>Priority project implementation</li> <li>Community capacity building package</li> </ul>	<ul style="list-style-type: none"> <li>Basic: Mentoring on Series 1-4</li> <li>Advanced: Training Series 5 – 9</li> <li>Priority project implementation</li> <li>Community and private sector capacity building in service delivery</li> </ul>	<ul style="list-style-type: none"> <li>Advanced capacity building support</li> <li>Advanced system and structure setup</li> </ul>
<b>CRITERIA FOR ROLL-OUT OF INTERVENTIONS</b>			
	<ul style="list-style-type: none"> <li>Legitimate District (i.e. existed in 1991)</li> <li>Legitimate District Council in place</li> <li>Absence of major clan-based disputes</li> <li>Disputed territories addressed directly without central government engagement</li> </ul>	<ul style="list-style-type: none"> <li>Completion of Phase 1, including monitoring and auditing results</li> </ul>	<ul style="list-style-type: none"> <li>Completion and results from Phase 2</li> </ul>
<b>Incentive criteria for additional District support</b>	<ul style="list-style-type: none"> <li>30 % of representation of women in decision-making structures</li> <li>Minorities represented in District Councils</li> <li>Own source revenue contributed to local development</li> <li>Recurrent costs</li> </ul>		

## Annex 5: TOR Steering Committee

### I. The role of the Joint Programme Steering Committee

A Joint Programme Steering Committee will be established to provide strategic guidance and oversight to the Joint Programme on Local Governance and Decentralised Service Delivery. The Steering Committee will review progress in terms of programme performance and the evolving environment of local governance and service delivery. It will also promote coherence and collaboration between the Joint Programme partner agencies and between the Programme and central and local authorities' priorities.

### II. Membership

#### **Somali members**

The Transitional Federal Government, the Government of the Puntland State of Somalia, and the Government of Somaliland will each be represented by one member at the most appropriate level, with two deputies. These will be nominated by the key partner Ministry for the local governance sector in South Central Somalia, Puntland and Somaliland, in collaboration with the UN.

#### **UN members**

Members of the Steering Committee will be all signatories to the Joint Programme, i.e. the Heads of participating UN Agencies. The Heads of Agency may delegate membership to a Senior Manager. In addition, the main implementing agencies, such as UNOPS, the World Bank and the UNTP focal persons for cross-cutting issues may join the Steering Committee.

#### **Donors**

Donor members are representatives of the donor organisations that contribute funding to the Joint Programme and are interested in active contributions to the management of the Joint Programme.

#### **Other members**

Additional stakeholders, such as international NGOs or individual experts, may be invited as observers to attend the Steering Committee meetings as approved by the permanent members and in accordance with their level of involvement in the Joint Programme.

### III. Meetings and principles for functioning

1. The full Steering Committee will meet on an annual basis, and otherwise as required.
2. The presence of 3 donor partners, one government member and 3 UN agencies will constitute a quorum.
3. Agreements will be made on the basis of majority endorsements of clearly formulated decisions.

4. The Steering Committee will meet the representatives of the Transitional Federal Government, the Government of the Puntland State of Somalia, and the Government of Somaliland in dedicated Steering Committee meetings to focus on issues relevant to each region (South Central Somalia, Puntland, and Somaliland).

5. The Government partners of the Steering Committee will act as the Chair of the Steering Committee meetings. However, in order to avoid burdening the Government partners with the meeting arrangements, UN-HABITAT, as ‘Lead Agency’ for UNTP Outcome 2, will act as Co-Chair in order to assist the Government partners in facilitating the Steering Committee meetings and preparing the agenda in consultation with the Senior Programme Manager, UN partners, donors and the Somali partners.

#### IV. Functions and responsibilities

The main responsibilities of the Steering Committee are to:

1. Provide guidance on the broad focus and priorities of the Joint Programme, to ensure alignment with the UNTP, the RDP and the priorities of Somali partners
2. Review and endorse Programme-level budgets and annual work plans
3. Advise on resource mobilisation for the Joint Programme and funds allocation in line with established procedures, such as the Administrative Agent modality, taking into account needs, priorities, and absorptive capacities of the Somali partners
4. Review Programme performance against the work-plans and adopted SC decisions
5. Exchange relevant information, share examples of best practices, and consider any matters related to the enhancement and implementation of the Joint Programme and its various components. This includes discussing core issues related to the Programme, for example decentralisation, local governance, and service delivery
6. Liaise with UNPOS to update the Programme in line with the political progress in Somalia
7. With input from the Programme Coordination Unit (PCU), identify any significant challenges, risks and opportunities that may arise, and advise the PCU and participating UN organisations on appropriate action
8. Initiate reviews of the Joint Programme, and advise on follow-up actions related to review and evaluation findings and recommendations, including audit.