



**JPLG**

**UN Joint Programme on Local Governance  
and Decentralized Service Delivery**

(In Somaliland, Puntland and South-Central Somalia)

**REPORT OF THE MID-TERM REVIEW (MTR)**

**SUMMARY REPORT**

15 August 2011



The Mid-Term Review of the UN Joint Programme on Local Governance and Decentralized Service Delivery was carried out by Local Development International s.a.s. (LDI) under contract with UNDP. Fieldwork in Nairobi, Somaliland and Puntland took place between the 11th of April and the 2nd of May 2011, and was conducted by an LDI team composed of Leonardo Romeo, Henny Andersen, Sarah Jones and Giuliano Bosi.

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## Acronyms

<b>AIMS</b>	Automated Information Management System (for	<b>UN-HABITAT</b>	United Nations Human Settlements
<b>AWPB</b>	Annual Work Plan and Budget	<b>UNICEF</b>	United Nations Children’s Fund
<b>BIMS</b>	Billing Information and Management System (for DC)	<b>UNPOS</b>	United Nations Political Office for Somalia
<b>CMG</b>	Community Monitoring Groups	<b>UNSAS</b>	United Nations Somali Assistance Strategy
<b>CSO</b>	Civil Society Organisation	<b>UNTP</b>	United Nations Transition Plan for Somalia
<b>DC</b>	District Council	<b>USD</b>	United States Dollar
<b>DBBF</b>	District Based Basket Fund	<b>VC</b>	Village Committee
<b>DDF</b>	District Development Framework	<b>VFM</b>	Value for Money
<b>DG</b>	Director General	<b>WB</b>	World Bank
<b>DIF</b>	District Investment Fund		
<b>GEWE</b>	Gender Equity and Women’s Empowerment		
<b>GFP</b>	Gender Focal Point		
<b>IDP</b>	Internal Displaced Person		
<b>ILO</b>	International Labour Organisation		
<b>JNA</b>	Joint Needs Assessment		
<b>JP</b>	Joint Programme		
<b>JPSC</b>	Joint Programme Steering Committee		
<b>LDF</b>	Local Development Fund		
<b>LDI</b>	Local Development International s.a.s.		
<b>LED</b>	Local Economic Development		
<b>LG</b>	Local Government		
<b>LOA</b>	Letter of Agreement		
<b>MCL</b>	Mogadishu City Law		
<b>MIS</b>	Management Information System		
<b>M&amp;E</b>	Monitoring and Evaluation		
<b>MDG</b>	Millennium Development Goal		
<b>MOI</b>	Ministry of Interior		
<b>MOLSA</b>	Ministry of Labour and Social Affairs (Somaliland)		
<b>MOSS</b>	Minimum Operational Security Standards		
<b>MOU</b>	Memorandum of Understanding		
<b>MOWDAFA</b>	Ministry of Women Development and Family Affairs		
<b>MTR</b>	Mid-Term Review		
<b>NGO</b>	Non-Governmental Organisation		
<b>OES</b>	Outcome Evaluation System		
<b>OVI</b>	Objectively Verifiable Indicators		
<b>PL</b>	Puntland		
<b>PCU</b>	Programme Co-ordination Unit		
<b>PEM</b>	Public Expenditures Management		
<b>PFM</b>	Public Finance Management		
<b>PMU</b>	Programme Management Unit		
<b>RBM</b>	Results based management		
<b>RC</b>	Resident Co-ordinator		
<b>RC</b>	Regional Council		
<b>RDP</b>	Somali Reconstruction and Development Programme		
<b>RRF</b>	Results and Resources Framework		
<b>SL</b>	Somaliland		
<b>SC</b>	South-Central Somalia		
<b>SIDP</b>	Somali Institutional Capacity Development Project		
<b>SMART</b>	Specific-Measurable-Achievable-Relevant-Time-		
<b>SWAP</b>	Sector-Wide Approach		
<b>SWS</b>	Sector-Wide Strategy		
<b>TFG</b>	Transitional Federal Government		
<b>UN</b>	United Nations		
<b>UNCDF</b>	United Nations Capital Development Fund		
<b>UNCT</b>	United Nations Country Team		
<b>UNDG</b>	United Nations Development Group		
<b>UNDP</b>	United Nations Development Programme		

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## Executive Summary

The JPLG is an innovative program that supports peace and state building in Somalia by strengthening local governance and improving the ability of District-level local authorities to reach out to their communities and deliver local development.

The program supports the emergence of autonomous and accountable local governments and of progressive decentralization policy and legal frameworks. It facilitates the establishment of linkages of mutual cooperation and accountability between local authorities and constituent communities. It contributes to conflict resolution and peace-building by promoting transparent resources allocation and fighting their capture by personal or clan based interests, as well as by supporting the security maintenance role of local authorities. It delivers local investments for improved access to services and local development. And it actively supports gender equality and women empowerment in local government.

The program delivers three categories of outputs: policy, institutional and sector outputs. Under the policy category it is delivering critical policy papers and legal drafts supporting decentralization reforms and good local governance practices. This has contributed to raise the awareness of national stakeholders about need and options for reform, but actual legislative development is slow and prospects remain uncertain. Yet this work is critical and very timely. In particular, JPLG should consider playing a stronger technical role in helping the federal authorities articulate a vision of the sub-national system of governance and public administration, which would greatly facilitate a national agreement on the Federal Constitution.

JPLG work on institutional development takes place at both national and sub-national level. Working with Ministries of Interior as main counterparts in Somaliland, Puntland and south-central Somalia JPLG is helping them develop systems and capacities to perform their role of support and supervision of the local authorities sector. Other Ministries also benefit from JPLG assistance and critical work is just starting with some of them to delegate services delivery functions to District Authorities. At sub-national level District capacity is being built on the basics of public expenditure management. A new participatory planning system has been introduced and important results in terms of transparency and linkages between local authorities and communities are being obtained. This should now be mainstreamed into a statutory local government planning process, with greater emphasis on institutional sustainability and alignment with the actual needs and capacities of district administrations. Greater efforts need also to be made to ensure that the new policy awareness that JPLG is creating in counterpart institutions, on issues of gender equity and women empowerment, translates into actual mainstreaming of gender in the processes of local government policy making and implementation.

Sector outputs delivered by JPLG include a range of investments in small scale infrastructure which address local priorities and are most appreciated by beneficiary communities. Issues to be addressed by JPLG however include the very minor amounts dedicated to actual investments as compared to the total program resources, as well as the still inadequate quality of the investments appraisal and technical design and difficulties to secure operation and maintenance funds for their sustainability.

The JPLG is one of nineteen “country-operated” UN Joint programs currently administered by the UNDP’s Multi-donor Trust Fund (MDTF) Office. By comparison, the JPLG management arrangements are among the best designed and are a critical factor of the program’s success. Yet they remain vulnerable to potential conflicts and could be further improved through: a stronger role for the UN RC Office, more of an “execution” than “coordination” role for the current PCU, (which should actually be renamed Program Management Unit - PMU), a clarification of the double accountability of UN agency staff assigned to the JPLG and a more integrated management of the field staff and the program’s logistics.

The first successful example of a UN Joint Programme in Somalia, JPLG has attracted the attention and praise of donors and government alike as a positive step towards harmonization and alignment. Consequently, government has been asking for more joint programmes as part of the UN Somali Assistance Strategy and the UN Country Team can certainly refer to JPLG as a useful model in the planning and design of new joint programmes.

A remarkable achievement of the JPLG is the set up and operation, within national counterpart institutions, of a comprehensive monitoring, evaluation and reporting system. Further improvements are nevertheless needed. But they depend less on revision and improvements of some outputs and outcomes indicators than on the adoption of a clearer “theory of change” for the program.

Monitoring and reporting on the “value-for-money” delivered by the JPLG may also require better systems and indicators, but a first assessment shows that the program is performing reasonably well in terms of “effectiveness” and “efficiency” of the resources deployed, and it is particularly good on the “economy” dimensions of procurement and unit costs.

The overall conclusion of the MTR is that the program is extremely relevant to the current conditions of Somalia and it is showing how localized solutions could be found to the challenges of peace and development in the country. It should therefore be extended beyond the end of 2012 when its current phase expires. The extension should however coincide with a more cohesive design of JPLG as a *territorial, District-based* and *LG-centred*, approach to peace/state building and development. This is the only way to ensure that that each UN agency’s intervention will eventually be driven by the program design, rather than the other way around.

The time extension should be accompanied by a larger and more reliable financing framework, which is critical for all program’s operations, not least for its geographic expansion. This is needed to raise the program’s profile and turn it into a Somalia-wide mechanism to support sub-national (state-level) programs for bottom-up peace building through local development. Geographic expansion, however will require that the different realities of Somaliland, Puntland and south-central Somalia be taken into consideration and that different approaches be adopted when the program operates in the Mogadishu city-region, in districts of the emerging administrations of south-central Somalia, in new districts of Somaliland and Puntland or in districts that have already benefitted from a first round of JPLG assistance.

## 1. Introduction

### 1.1. Background

The JPLG for Somalia is a five year joint UN programme of ILO, UNCDF, UNDP, UN-HABITAT and UNICEF. It is implemented in partnership with the Transitional Federal Government (TFG), the Authority of Puntland (AoP) and the Authority of Somaliland (AoSL). It started in April 2008 and is scheduled to end on 31.12.2012.

The JPLG supports the establishment of District-level autonomous and accountable local governments (LG) and the development of effective linkages with constituent communities and private sector. It empowers LG with systems and resources to deliver services, improve security, manage conflicts and build peace, and in the process strengthen their own legitimacy and contribute to state building.

The program helps partner authorities (i) develop the policy and legal framework of decentralization reforms, (ii) develop organizations and procedures for better local governance at State, District and community levels, and (iii) deliver local-level economic and social infrastructure and services. Special emphasis is made on the rights of women and children and on addressing gender issues in local government.

The three macro-zones in which JPLG operates (South-central Somalia, Somaliland and Puntland) differ substantially with respect to the formation of viable and legitimate sub-national entities within a workable federation. JPLG then faces different challenges due to the different nature and policies of the sub-national (State-level) administrations within which *local* (District-level) authorities operate.

### 1.2. The Mid-Term Review

The purpose of the Mid-Term Review (MTR) was “[to assess] program relevance, effectiveness and efficiency of management and implementation, program effectiveness and the sustainability of results and recommend action to be taken in response to the findings”.<sup>1</sup>

The MTR was carried out by Local Development International s.a.s. (LDI) under contract with UNDP. Fieldwork in Nairobi, Somaliland and Puntland took place between the 11<sup>th</sup> of April and the 2<sup>nd</sup> of May 2011.

The MTR report attempts to address all specific issues raised in the Terms of Reference. However, it gives priority to a review of JPLG performance as a whole and does not single out the contribution and performance of the individual participating UN Agencies. It does however look into the issue of management relations between the JPLG Programme Co-ordination Unit (PCU) and the UN implementing agencies, and makes specific observations and recommendations for their clarification and structuring.

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<sup>1</sup> As stated in the JPLG program document

## 2. Findings

### 2.1. On Program’s Design and Implementation

#### 2.1.1. Assessment of Program’s Concept and Design

The JPLG is an innovative program with two assumptions at its core:

- (i) Good local governance and local development *are critical factors* for both peace building and poverty reduction (via local conflict management and improved services delivery), and
- (ii) Good local governance and local development *are best promoted* through the technical and financial resourcing of autonomous and accountable local governments and their linking to constituent communities.

In Somalia, the first assumption is increasingly shared by providers of external aid, and the second represents a most remarkable shift in aid delivery channels, which, over the last two decades, have been limited to non-state actors. Beneficiary District Councils and Administrations have welcomed the JPLG, because it can provide both the capacities and the resources that they need to interact with, and serve, their communities and, in the process, enhance their own political legitimacy, maintain security and build peace.

Since the JPLG inception, designers and managers have struggled to turn the above assumptions into *a consistent program design*. The original “Results and Resources Framework” (RRF), was replaced by the current Logical Framework in late 2008, and an improved program’s conceptualization was presented in the AWPB of 2010. Building on the latter, the logic of a program focused on promoting “local development through local government”, under the evolving conditions of the Somalia sub-national administrations remains to be fully developed and, most importantly, fully internalized by all participating UN Agencies. This is the only way to ensure that that each agency’s intervention is eventually driven by the program design, rather than the other way around.

#### 2.1.2. Assessment of Outcomes

##### *Autonomous and Accountable Local Government*

- JPLG work on the decentralization reforms is very timely and relevant to the Somalia context. While it’s early to assess it, the JPLG impact on the emergence of autonomous and accountable local authorities in Somalia is potentially major.
- JPLG is empowering District Councils and Administrations to act as *developmental organizations* and it is changing their own perception of their role and obligations.

##### *LG-Community interaction and partnerships*

- JPLG is helping District Authorities to establish linkages with their communities and enhance the legitimacy of Local Government in Somalia.

- JPLG Civic Education and Information campaigns are raising awareness about citizens’ rights and LG processes. JPLG-promoted community monitoring committees are effectively introducing the practice of social auditing of LG performance.
- More could be done by JPLG to foster mutual responsibilities and services co-provision, avoiding raising unrealistic expectations and making communities aware of the difficult choices that LG must make.

### ***Conflict Resolution and Peace Building***

- JPLG is contributing to conflict resolution and peace building by enhancing transparency and participation in LG decision making. The JPLG-sponsored planning process builds consensus and discourages the individual or clan-based capture of the local development agenda.
- JPLG is also contributing to conflict resolution and peace building by supporting an enhanced LG role in security maintenance. More could be done on this front, which in the eyes of local communities is where LG should be more active.

### ***Improved and equitable access to service***

- JPLG is helping improve access to services in participating Districts, through investments that reflect local priorities as well as gender and poverty reduction considerations.
- The JPLG impact remains nevertheless limited by (i) the *very modest share* of JPLG resources allocated to investments, (ii) an *inadequate processes* of JPLG investment appraisal, and (iii) the difficulty to secure central, local or community *financing of operating and maintenance costs*.

### ***Mainstreaming of Gender in Local Government and implementation of UN resolution 1325***

- JPLG is playing an important role in promoting Gender Equality and Women Empowerment (GEWE) in local governance. It is however facing an array of potential barriers and discriminatory practices and its impact remains limited so far to relative improvements in government policies and women’s participation in political life in Puntland.

## **2.1.3. Assessment of Outputs**

### ***Policy, Legal and Regulatory Framework Outputs***

- JPLG, working with Ministries of Interior (MOI), has produced several quality policy papers and legal drafts (including recently the Mogadishu City Law) to support decentralization reforms. Adoption has been limited so far, reflecting resistances and ambiguities by State authorities on the nature and role of LG.
- JPLG is supporting Health and Education Ministries to reassign/delegate functions to Districts. Guidelines have been developed and approved and sector studies are being commissioned, but an agreement on early pilots is critically needed.
- JPLG has supported the set up of “Local Development Funds” (LDF): pilot facilities for discretionary block grants from States to Districts. The current design needs improvements to pilot a sustainable system in an environment of fiduciary risks and local financial management capacity constraints.

- JPLG helps the Ministry of Women Development and Family Affairs (MOWDAFA) in Puntland and the Ministry of Labour and Social Affairs (MOLSA) in Somaliland promote GEWE in local governance. Better results are achieved in Puntland where a more active and committed MOWDAFA is starting to change perceptions and women have been encouraged to become members of District Councils. However JPLG GEWE strategy needs improvement in order to (i) be better linked to the core of the program, (ii) articulate a clearer theory of change and (iii) be supported by better qualified gender specialists.

### *Institutional Development and Capacity Building Outputs*

- JPLG is completing a round of institutional assessments of the MOIs in Somaliland and Puntland. These should help re-engineer MOIs and build their capacity for oversight of LG systems.
- JPLG is also working with a range of other Ministries in all three zones of Somalia, focusing on sector and cross-sector reforms (land management, public works, and gender in LG). While most work is relevant to LG, potential risks of JPLG overextension and loss of focus need to be managed.
- JPLG developed and extended a participatory District planning process. The process needs changes if it has to be institutionalized as a sustainable LG corporate planning procedure.
- JPLG proposed a new services-oriented format for LG budgets. While not yet adopted, its potential positive effects, including the use of LDF for developmental recurrent spending, are substantial.
- JPLG developed, and uses for all projects it finances, improved local public sector procurement procedures. They remain to be nationally or locally legislated and adopted in regular LG practice.
- JPLG has just completed a study with a view to introduce a simplified assets management system in Somaliland Districts. Adoption depends on a clarification of LG legal rights and obligations, but potential positive effects on maintenance of local infrastructure are substantial.
- JPLG is extending to Somaliland and Puntland Districts automated accounting and billing systems (the AIMS and BIMS software packages) developed under a previous UN-Habitat intervention. The systems still require considerable external assistance for maintenance but are being adopted and are positively impacting local finances.
- JPLG is just starting to extend a District-level LG monitoring and evaluation system. An evaluation of its appropriateness and sustainability will have to wait for a first period of implementation.
- JPLG is promoting LED in both Puntland and Somaliland and has produced (i) an assessment of the existing policy and legal frameworks for small and medium Enterprises (SMEs), (ii) Studies to assess the local economy in selected District , (iii) Surveys and classification of existing enterprise in selected Districts. Whether the Districts or larger regions are the appropriate scale for developing value chain analysis and LED strategies, needs to be assessed.
- JPLG is revitalizing Village Councils as potentially sustainable institutions for participatory planning and social auditing of LG performance. This positive step deserves further elaboration and support.

- JPLG has implemented Civic Education and information campaigns on the role of LG and its relation with communities. The positive results so far compensate for limitations in content and format, which nevertheless need management attention.

### ***Sector Investments and Service Delivery Outputs***

- In the last two years, JPLG has allocated about 1.4 M US\$ and spent about 1 M US\$ on some 76 investment projects : small scale social, commercial, productive, administrative and community infrastructure;
- The technical quality of some of the investments is negatively affected by the lack of a better process of project appraisal (ex-ante evaluation);
- Actual Service delivery outputs in the health sector, and potentially in others, are also affected by difficulties to secure sustainable financing of operation and maintenance costs for the JPLG-funded facilities.

## **2.2. On Program’s Management, Monitoring and Evaluation**

### **2.2.1. Program’s Management**

#### ***Country-Operated UN Joint Programs***

JPLG is one of the nineteen “country-operated” UN Joint programmes currently administered by the UNDP’s Multi-donor Trust Fund (MDTF) Office. A comparative perspective draws the following observations:

- Large programs like the JPLG commonly feature a greater role for RC Offices in program design and overall execution and oversight, than it is the currently case for the JPLG;
- Similarly, large JPs tend to rely on a central Program Management Unit, acting as a coordination, or execution, or even partial implementation agency. The JPLG PCU sits at the junction between coordination and execution. Greater clarity on its powers and responsibilities is needed.
- As it is the case for the JPLG, most donors use the “pass-through” financing modality, but parallel funding arrangements also remain common, mostly when core resources of UN Agencies and EC funds are involved.

#### ***JPLG and the UN Joint Program Modality***

- JPLG original design is a hybrid between a genuine *Joint Programme* and the result of a *Joint Programming* exercise which combined separate interventions, some of which already ongoing. Since inception, significant progress towards greater “jointness” has been made thanks to an extremely capable PCU Manager and strong commitment from participating UN organizations. Yet this should not obscure the need for a more cohesive design for the next phase.
- National counterparts value the Joint Programme modality and are asking for greater use of it in implementing the UN Somali Assistance Strategy (UNSAS). Particularly valued are the mechanisms (steering committees, periodic joint reviews) through which national counterparts can exercise

their influence. Also appreciated are the reduction in transaction costs associated with a single counterpart and a unified M&E and reporting system.

- Donors value the JP modality, which they see as facilitating compliance with the Paris/Accra agenda of “alignment” and “harmonization”. In the absence of a national program, to which external aid could be aligned, they see the JPLG as a mechanism that still allows to coordinate their interventions and contributions also thanks to an efficient and transparent “pass-through” modality.
- The picture is more nuanced when it comes to the impact of the JP modality on effectiveness and efficiency of the UN system’s operations, as both positive and negative effects are quoted by participating UN Agencies, making an assessment problematic without a more in depth study.

### ***JPLG Management Arrangements***

- When compared to those of other JP, the JPLG management arrangements are among the best thought and all stakeholders consider them as a critical factor of success. Yet they remain vulnerable to potential conflicts and could be further improved. Issues requiring attention include (i) the role of the UN RC Office (ii) the “coordination” vs. “execution” role of the PCU, (iii) the double accountability of UN agency staff (to the PCU/JP Manager and to their respective agency), and (iv) the quality and integrated management of JPLG staff on the ground and (v) the integration of the program’s logistics.

### **2.2.2. Program Monitoring and Evaluation**

- All fundamental elements of a proper M&E system have been put in place by JPLG, and this is a *remarkable achievement*. Particularly noteworthy is the location of such system within Ministries of Interior, building national capacity with potential impacts beyond the program itself. There is nevertheless room for improvement.
- JPLG difficulty to develop a set of SMART<sup>2</sup> outputs indicators, and a more comprehensive risk analysis, are ultimately related to the weakness of the current logframe. As a result, indicators are still too many (39) and in some cases vaguely formulated and not objectively verifiable. It’s unclear in some cases whether they track outputs or outcomes. Only one indicator mentions gender and no indicator is disaggregated by other vulnerable groups.
- The contracts database which tracks the administration of contracts awarded to implement JPLG-financed projects would benefit from being re-conceptualized in broader terms and track all aspects of the projects cycle, not just the status of construction contracts.
- Similarly the function of Community Monitoring Groups is currently limited to monitoring construction activities, not the actual delivery of services for which the infrastructure is built.

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<sup>2</sup> SMART: Specific, Measurable, Achievable, Relevant and Time-bound

## 2.3. Value for Money

- JPLG is developing governance and administrative systems, which, with some adjustments, could be extended as regular arrangements across most LG in Somalia, making the program *effective* in terms of potential for leverage/replication of its intervention.
- On the other hand, weaknesses in logical linkages between some outputs, purpose and outcomes, and related indicators, make it difficult to assess the *effectiveness* of JPLG in implementing a specific “theory of change”.
- JPLG outputs appear to be delivered in a reasonably *efficient* manner, but efficiency varies considerably across outputs. When it comes to sector outputs efficiency is affected by high engineering and project administration costs relative to the actual worth of constructed facilities.
- With respect to *economy*, JPLG delivers good value for money through improved procurement practices and containment of inputs costs. In particular, the actual costs of construction are consistently *below the benchmarks* based on prevailing market prices.

## 3. Recommendations

### 3.1. On Program’s Design, Scope and Activities

#### 3.1.1. Program’s delivery of policy, institutional and sector outputs

##### *Policy Outputs*

- (1) JPLG, with support of the United Nations Political Office for Somalia (UNPOS) should help the TFG develop *a policy on the country’s sub-national system of governance and public administration*. This policy (for review by a parliamentary commission before submission to Parliament) would greatly facilitate a national agreement on the Federal Constitution, and provide the basis for further ordinary legislation on state and local authorities.
- (2) JPLG should continue to support the adoption of state-level decentralization strategies, and the move as soon as possible to design related implementation *programmes*.
- (3) JPLG should support the adoption of the Mogadishu City Law (MCL), and help draft further legislation on administrative re-organization and sharing of functions and resources between the Mogadishu City Council and the constitutive District Councils.
- (4) On matters of sector decentralization JPLG should focus on piloting “contractual delegation” modality, and help draft related legal instruments. Piloting should start in larger, more capable Districts and gradually cover all others.
- (5) On matters of sub-national finance policy, JPLG should coordinate closely with the ongoing Public Finance Management (PFM) program, but continue to take the lead for policy experimentation in three areas (i) State level transfer systems (the LDF) , (ii) “contractual financing” of delegated functions , (iii) Local public expenditure management (PEM) regulations
- (6) On matters of LG personnel policies, JPLG should take advantage of existing levels of local autonomy and experiment with improved local civil services management systems (cross ref. Rec. #10) to inform local civil service policy reform.

### *Institutional Outputs*

- (7) JPLG assistance to MOIs should focus on the core functions of legality control and performance monitoring of the LG systems and *not* induce the Ministries of Interior to act as channels of LG financing, or main builders of LG capacity.
- (8) JPLG work with other Ministries should strictly focus on the LG development agendas. Broader public finance and administration and sector development should be left to other interventions.
- (9) In selected Districts JPLG should support piloting LG personnel systems to influence broader civil service reforms.
- (10) In JPLG practice, the corporate LG strategic planning process should be *distinguished* from multi-stakeholders' community visioning and planning exercises and should be better designed to ensure that LG plans are not a collection of community projects, but a set of LG interventions, aligned with the mandate, capacities and resources of their services delivery departments.
- (11) In supporting capacity building for local economic development (LED) JPLG should proceed cautiously with a pilot initiative in a relatively more developed District, before embarking in more extensive analytical and programming efforts.
- (12) JPLG should help the current Village Committees (VC) develop into effective institutions for (i) more structured community participation in LG planning, (ii) social auditing of LG performance, as well as (iii) increased mobilization of community financial and human resources.
- (13) JPLG should improve its Civic Education and Information campaigns by both strengthening the quality of the message (with greater emphasis on LG-communities cooperation) and institutionalizing its delivery by Ministries of Interior and District authorities.

### *Sector Outputs*

- (14) A much greater share of the JPLG resources should be dedicated to actual investments in local development and related delivery of services.
- (15) Investments should be owned by the District administration departments and form part of their comprehensive services delivery plans.
- (16) Investments should be supported by a more rigorous *appraisal process*, including cost-benefit, cost-effectiveness or cost-utility analyses as appropriate.
- (17) Greater attention should be given, at appraisal, to the investments' operating and maintenance (O&M) costs. Convenient but unrealistic assumptions on State financing should be questioned and opportunities to cover O&M costs from local sources should be explored.

#### **3.1.2. Program's time extension**

- (18) A second phase of the program (JPLG-2) should be designed and approved before the end of the current phase on 31.12.2012. A schedule of the JPLG-2 formulation process is suggested in Figure 2 below.
- (19) The formulation of the JPLG-2 should be based on the discussion, adoption and adaptation of the generic model of a program supporting "Local Development through Local Governments", which is summarized in Figure 1.

- (20) The JPLG-2 formulation process should be directed by the JPLG Program Management Unit (PMU), and should secure the commitment of all participating UN agencies, to a *territorial, District-based* and *LG-centred*, approach to peace/state building and development.

### 3.1.3. Program's geographic coverage

- (21) In Mogadishu, JPLG should help operationalize the *administrative* and *services delivery* dimensions of the city/region model advanced in the MCL. Focus should be on capacity for integrated planning and financing of services delivery by the two tiers of administrations (regional/district). Both budget financing and project financing mechanisms could be used to provide financial assistance to the city/region.
- (22) JPLG should reach out to emerging administrations in South-central Somalia and help establish and strengthen LG in selected Districts, linking them to both their communities and the emerging sub-national authorities. Focus of capacity building should be on the basis of local governance and PEM. A JPLG-managed variant of the LDF could be used to extend financial assistance.
- (23) In Somaliland and Puntland JPLG should strive to cover all Districts by the end on the JPLG-2, depending on resources available. In “new entry” Districts, capacity building focus should be on the basics of local governance and PEM. The LDF should be used to extend financial assistance.
- (24) In Districts of Puntland and Somaliland that have already benefitted from a first round of JPLG assistance, the program's focus should move from basic governance and PEM capacity to greater administrative capacity of LG departments for sustainable services delivery and full mainstreaming of improved PEM practices in regular LG operations. Both budget financing and project financing mechanisms could be used to provide financial assistance.
- (25) In the regions of Sool and Sanaag, JPLG, with UNPOS support, should consider brokering a limited agreement focused on the modalities through which District Councils and administration departments in the two regions could be strengthened as *developmental* local authorities, pending a solution of the territorial dispute between Somaliland and Puntland.

### 3.1.4. Program's financing

- (26) JPLG donors should complete the transition to multi-years pledges and deliver resources accordingly, to ensure a more predictable funding framework for the program and allow its geographic expansion.
- (27) All JPLG donors should consider the “*joint programming pass through mechanism*” to improve harmonization and eliminate unnecessary multiple reporting obligations by JPLG management.
- (28) The share of JPLG total resources dedicated to local development investments and services delivery should be increased substantially and a target of 25% of the program's resources should be considered for the formulation of JPLG-2.
- (29) The instruments of financial assistance available to the JPLG should be diversified. LDF variants appropriate to fiduciary risk and local financial management capacity should be developed and the set up of a District Investment Fund (DIF) for larger projects financing in more mature Districts should be considered. The opportunity to initiate the DIF as a window of the planned Somaliland Fund should be given serious consideration by concerned Donors.

- (30) The LDF conceptual design should be adjusted to (i) allow for financing of some recurrent expenditure in accordance with the new JPLG-suggested LG budget format (ii) require a multi-year capitalization plan with exit strategy for external aid, (iii) remove any Districts' contribution to the capitalization of the Fund, and modify the conditions of access accordingly.
- (31) The total size of the LDF should be increased to allow for larger average allocations per District (150,000 US\$). A study of sustainable LDF size options, in light of realistic macroeconomic and public finance scenarios should be initiated by the JPLG.
- (32) The formula for distribution of LDF resources should be consistent with the Fund's purposes of (i) supporting the institutions of local development planning and building LG capacity in the process and (ii) providing an element of fiscal equalization among recipient districts. Up to 50% could be shared on an equal basis, 20% could be divided proportionally to district population and 30% could be shared to equalize, up to the standard allowed by available resources, the "potential" per-capita revenue of the District.

### **3.1.3 Mainstreaming of Gender**

- (33) Gender needs to be factored into all components of the second phase of JPLG to ensure that (i) policy intentions are followed through in practice, including gender-sensitive budgeting and service delivery, (ii) Training on GEWE is mainstreamed into each training module as appropriate (iii) the M&E and reporting system adequately track the gender mainstreaming dimensions of both program's outputs and outcomes, and (iii) the obstacles to GEWE are properly identified and tackled.
- (34) JPLG should strengthen the capacity of its own staff for gender analysis and promotion of GEWE, and recruit specialists with higher level of expertise.

## **3.2 On Program Management, Monitoring and Evaluation**

### **3.2.1 Improved Management Arrangements**

- (35) The JPLG should see a greater and more direct responsibility of the Office of the UN Resident Coordinator (RC) in the program's design and management. The RC (or his/her delegate) should chair the JPLG Program Management Group.
- (36) The Program Coordinating Unit (PCU) should be re-named Program Management Unit (PMU) with the JPLG Sr. Program Manager reporting directly to the RC. The the ultimate responsibility of the PMU for the execution of the JPLG, as opposed to the UN Agencies implementation responsibility should be recognized and reflected in the program's management arrangements.
- (37) While bound by administrative rules and regulations specific to their organizations, managers of participating UN Organizations should be relieved from other corporate demands on their time, given appropriate levels of autonomy, and report directly on all substantive matters, to the Head of the PMU.
- (38) The position of the current Team leaders based in Somalia should be re-conceptualized as that of "JPLG Area Managers" directly reporting to the PMU Sr. Manager. Their first responsibility should be that of managing the territorial (District-centric) work-plans, which in JPLG operational planning should take precedence over sector/agency level work-plans.

- (39) Efforts should be made to recruit high quality staff for posting in Somalia and international-level Area Managers should be fielded, initially in Hargeisa and Garowe.
- (40) A learning program for JPLG managers and staff, promoting a deeper understanding of the “local development through local government” approach, should be implemented.

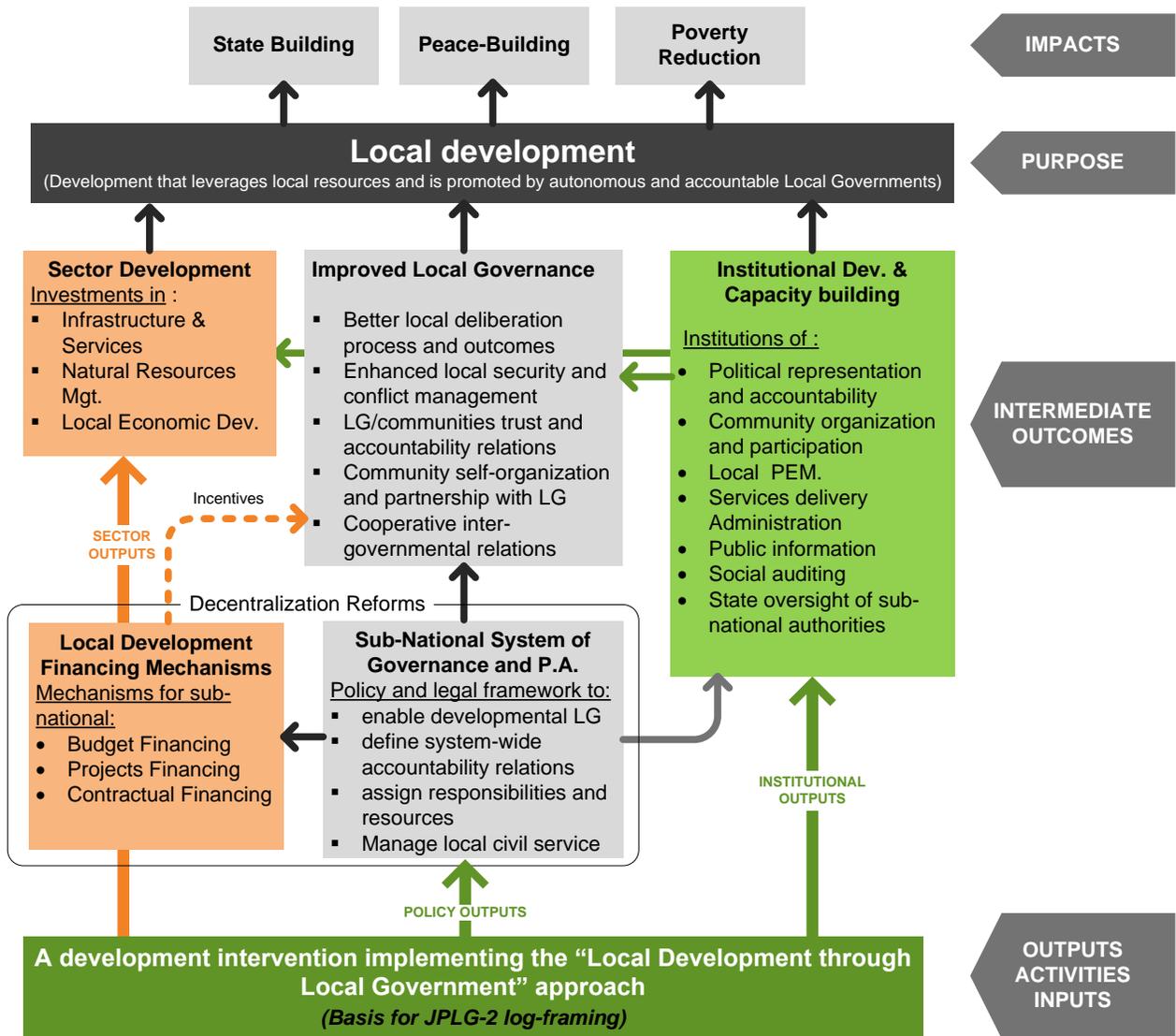
### 3.2.2 Improved M&E and Reporting System

- (41) The JPLG intended theory of change should be clarified. Pending the formulation of the next phase and development of a new Logframe, JPLG management may want to initiate the following actions:
  - Distinguish between output and outcome indicators and clarify the relation between JPLG outputs and the intermediate outcomes tracked by the Outcome Evaluation System (OES);
  - Determine which outcomes indicators could be immediately incorporated into the MIS;
  - Determine which indicators could be disaggregated to track changes by gender and other vulnerable groups; and
  - Compile and post online, for ease of access by all stakeholders, a table with the information on outcomes indicators, (which is currently available but buried in the OES reports).
- (42) The MIS should cover both outputs and outcomes monitoring.
- (43) The OES should be truly *supplementary* to the MIS, not concerned with *monitoring* outcomes, but performing a *genuinely evaluative* role of interpretation and explanation.
- (44) The contracts database should be turned into a broader “projects” database tracking also pre-construction activities and post-construction effects of the JPLG-funded investments.
- (45) The existing community-level monitoring activities should be eventually integrated into a village/neighborhood level, social auditing system, with links to the MIS.
- (46) Efforts should be made to assess the impact of individual training programs on the performance of local Councils and key administrations departments.

### 3.2.3 Better Value for Money

- (47) The DFID framework used in this MTR report should be adopted by JPLG management to integrate and improve the existing Outcome Evaluation System and allow periodic updates of the Value for Money (VFM) assessment.
- (48) To facilitate the assessment of the program’s VFM, JPLG should develop simple economy indicators, like unit cost of inputs and related efficiency indicators comparing summary costs of outputs (per sq.m., cu.m., km, etc.) with benchmarks reflecting independently assessed local market conditions.
- (49) Measures of effectiveness should also be developed by sector, and supported through appropriate data collection systems, to gauge the change in actual services delivered (e.g. # of patients actually treated) per dollar invested in both physical construction and operations of services delivery units.

**Figure 1 – Logic of the “local development through local government” approach to peace/state building and poverty reduction**



**Figure 2 – Timeline for formulation of Phase 2 of the JPLG**

