

**SECRETARY-GENERAL'S PEACEBUILDING FUND
PROJECT DOCUMENT TEMPLATE**



PBF PROJECT DOCUMENT

(Length : Max. 12 pages plus cover page and annexes)

Country (ies): Somalia	
Project Title: Support to Stabilization Phase 2 (S2SII) Project Number from MPTF-O Gateway (if existing project):	
PBF project modality: <input type="checkbox"/> IRF <input checked="" type="checkbox"/> PRF	If funding is disbursed into a national or regional trust fund: <input checked="" type="checkbox"/> Country Trust Fund <input type="checkbox"/> Regional Trust Fund Name of Recipient Fund: UN Multi Partner Trust Fund
List all direct project recipient organizations (starting with Convening Agency), followed type of organization (UN, CSO etc.): UNDP, UNMPTF National Window List additional implementing partners, Governmental and non-Governmental: UNSOM, Ministry of Interior, Federal Affairs & Reconciliation (MoIFAR); Ministry of Finance (MoF) federal member states, and district administrations.	
Expected project commencement date¹: 1 January 2019 Project duration in months:² 18 months Geographic zones for project implementation: Jubaland, South West State, Hirshabelle, Galmudug, and Banadir Regional Administration	
Does the project fall under one of the specific PBF priority windows below? <input type="checkbox"/> Gender promotion initiative <input type="checkbox"/> Youth promotion initiative <input type="checkbox"/> Transition from UN or regional peacekeeping or special political missions <input type="checkbox"/> Cross-border or regional project	
Total PBF approved project budget (by recipient organization): UNDP: \$ 942,023 UNMPTF National Window: \$ 2,386,617 Total: \$ 3,328,640 The funds shall be disbursed in three tranches. The first tranche shall be 30% of the total amount. The second tranche shall be 40% and conditional revising the project document in line with comments provided by the PBSO Programme Appraisal Committee within the initial months of implementation and upon reaching 70% expenditure of the first transfer. The third and final tranche of 30% shall be transferred upon reaching 70% total expenditure and fulfilment of reporting requirements.	
Any other existing funding for the project (amount and source): \$ 1,302,669 (yet unfunded)	

¹ Note: actual commencement date will be the date of first funds transfer.

² Maximum project duration for IRF projects is 18 months, for PRF projects – 36 months.

Project total budget: \$4,631,309

PBF 1st tranche (30%):

- UNMPTF National Window Recipient: \$ 715,985
- UNDP Recipient: \$ 282,607

Total 1st Tranche: \$998,592

PBF 2nd tranche (40%):

- UNMPTF National Window Recipient: \$ 954,647
- UNDP Recipient: \$ 376,809

Total 2nd Tranche: \$1,331,456

PBF 3rd tranche (30%):

- UNMPTF National Window Recipient: \$ 715,985
- UNDP Recipient: \$ 282,607

Total 3rd Tranche: \$998,592

Two-three sentences with a brief project description and succinct explanation of how the project is time sensitive, catalytic and risk-tolerant/ innovative:

The Support to Stabilization II (S2SII) project is the centerpiece of the UN's support to the National Stabilization Strategy and for enabling the role of the Ministry of Interior, Federal Affairs and Reconciliation as the lead government ministry. The first phase of the project was instrumental in providing first-tier support to interim district authorities in 14 districts of Jubaland, South West, Hirshabelle and Galmudug states. S2SII will build on the momentum created and expand the support to new areas under government control to promote reconciliation and facilitate the extension of state authority and accountability to the district-level. The project will focus on 4 outputs:

1. Reconciliation leads to district formation and stability;
2. Empowering local governments leads to higher levels of legitimacy;
3. Financial support enables local governments to operate;
4. Coordination mechanisms will attract new partners and align action.

Summarize the in-country project consultation and endorsement process prior to submission to PBSO, including through any PBF Steering Committee where it exists:

S2SII has been discussed, developed and agreed by existing partners of the first phase of the project through the steering committee, as well as through a series of meetings and consultations with government counterparts from May to July 2018 to finalize the project document. The project was selected following agreement by the UN Country Team in Somalia and passed through the international aid coordination architecture in Somalia, under the Somalia Development and Reconstruction Facility.

Project Gender Marker score: 2

Specify % and \$ of total project budget allocated to activities in direct pursuit of gender equality and women's empowerment: Estimated 30% (this includes women participations in consultations/district formation and being the beneficiary of the project).

Project Risk Marker score: 1³

Select PBF Focus Areas which best summarizes the focus of the project (*select ONLY one*):⁴

³ Risk marker 0 = low risk to achieving outcomes

Risk marker 1 = medium risk to achieving outcomes

Risk marker 2 = high risk to achieving outcomes

⁴ PBF Focus Areas are:

(1.1) SSR, (1.2) Rule of Law; (1.3) DDR; (1.4) Political Dialogue;

Priority Area 2: Promote coexistence and peaceful resolution of conflicts

(2.1) National reconciliation; (2.2) Democratic Governance; (2.3) Conflict prevention/management;

If applicable, **UNDAF outcome(s)** to which the project contributes:

Strategic Priority 2 of the UN Strategic Framework (2017-2020): "Supporting Somalia institutions to improve peace, security, justice, the rule of law and safety of Somalis" and to some extent Strategic Priority 1 on deepening federalism and state-building.

If applicable, **Sustainable Development Goal** to which the project contributes:

SDG16 – peace, justice and strong institutions.

Type of submission:

☐ **New project**

☒ **Project amendment**

If it is a project amendment, select all changes that apply and provide a brief justification:

Extension of duration: ☐ Additional duration in months:

Change of project outcome/ scope: ☒

Change of budget allocation between outcomes or budget categories of more than 15%: ☐

Additional PBF budget: ☐ Additional amount by recipient organization:

Brief justification for amendment:

(2.1) National reconciliation; (2.2) Democratic Governance; (2.3) Conflict prevention/management;

(3.1) Employment; (3.2) Equitable access to social services

(4.1) Strengthening of essential national state capacity; (4.2) extension of state authority/local administration; (4.3) Governance of peacebuilding resources (including PBF Secretariats)

PROJECT SIGNATURES:

<p>Recipient Organization(s)⁵</p> <p></p> <p>Jocelyn Pearson Resident Representative UNDP Somalia.</p> <p><i>Date & Seal</i></p> 	<p>Representational Authorities</p> <p> 30/09/2019</p> <p>H.E. Abdi M. Sabrie Minister of Interior, Federalism and Reconciliation Federal Government of Somalia</p> <p><i>Date & Seal</i></p> 
<p>Head of UN Country Team</p> <p> Adam Abdelmoula, Deputy Special Representative of the Secretary General, Resident and Humanitarian Coordinator for Somalia. United Nations in Somalia.</p> <p><i>Date & Seal</i></p> 	<p>Peacebuilding Support Office (PBSO)</p> <p>Oscar Fernandez-Taranco Assistant Secretary-General Peacebuilding Support Office United Nations</p> <p><i>Date & Seal</i></p>

⁵ Please include a separate signature block for each direct recipient organization under this project.

I Peacebuilding Context and Rationale for PBF support

Conflict analysis

The conflict in Somalia is driven by a number of interrelated issues including identity politics, management and access to economic resources, and the legitimacy and credibility of formal governance structures amongst the population. The National Consultation on Reconciliation hosted by the Ministry of Interior, Federal Affairs and Reconciliation (MoIFAR) in June 2017 highlighted the historical complexities, the evolution of the conflict and the accompanying drivers of fragility in Somalia. These included the challenges faced by the Government in balancing a combination of both Somali-specific and broader religious issues with building a modern state, as well as identifying a range of underlying root-causes in the conflict e.g. factionalism, access to resources, inequality and exclusion of minorities and women. These political and conflict challenges are also compounded by other factors including recurrent natural disasters. Despite the complexity of the challenges it faces, Somalia has achieved genuine progress on a number of fronts since 2012, several of which may serve as platform to support the Stabilization Strategy. These include the creation of four new federal states; following the recovery of a number of areas from Al-Shabaab, significant investments have been made in community projects and local governance; and the mutual commitments from both the Somali authorities and international partners articulated through the Security Pact that guides the Transition Plan.

However, the Somali authorities and population, continue to face the threat posed by Al-Shabaab, which has effectively reconstituted its operations as a rural insurgency and maintains control a significant number of district centres and restricting travel between Government controlled areas, whilst continuing to mount terrorist attacks in urban areas. Conversely, as it undermines the Government, Al-Shabaab seeks to portray itself as the legitimate and equitable authority to the population in areas it controls or influences. Although it lacks the ability to provide a broad spectrum of services, it masks its shortcomings with a relatively sophisticated communication apparatus. When in reality the Al-Shabaab governance and judicial related systems rely on political manipulation, intimidation and coercive force to impose a system of control amongst the population. Widespread reporting suggests resentment towards this approach, particularly given the restrictions on access to information, increasing taxation rates and forced recruitment, as well as other efforts to disrupt reconciliation efforts including through the promotion of extremist and sectarian narratives. Yet by denying the population access to the Government and the Government access to the population, Al-Shabaab retains the capacity to significantly undermine stabilization efforts.

This underscores the importance of one of the core ‘drivers’ behind the conflict, namely governance. Controlling the state, with the economic, political, military and judicial powers, has long been a source of conflictual relations between communities and political or military leaders. Partisan, corrupt and opportunistic politics in the past fueled internal dissatisfaction, caused grievance and a deep sense that central powers were biased and ‘unfair’ leading to deep levels of suspicion. The issues are linked to and compounded by inter-communal tensions over

resources including land and water. Many of which have gone either unchecked or unresolved following the collapse of State and protracted conflict resulted. Often it is claimed that clannism is a conflict driver. However, a World Bank Study indicate that this is not necessarily so. As the World Bank study neatly summarizes, “nearly all armed conflicts in contemporary Somalia break out along clan lines, clan identities are malleable and can be shaped by leaders to pursue control of resources and power. Clan identities are not the basis for conflict; rather, their deliberate manipulation creates and exacerbates divisions. Clan groups can serve as destructive or constructive forces as well as traditional conflict moderators”. The examples identified through the Fragility Index and Maturity Model (FIMM) district reports¹ that assessed conditions in a number of districts in the new Federal Member States (see box 1), bear out these challenges the Government and its stabilization partners will need to address in terms of inclusive governance.

Box 1: Examples of conflict drivers at district level from the FIMM reports.

In Balcad district in Hirshabelle state, conflicts between the Celi and the Shidle sub-clans around land ownership has been ongoing for several years owing to a lack of compromise between the two clans that made it difficult for reconciliation. The clan conflict resulted in the destruction of property and loss of life. Occasionally the minority Shidle clan work with Al Shabaab to avenge deaths perpetrated by the Celi. Providing humanitarian relief to those affected by conflict and displacement will not solve the underlying causes of the conflict and could potentially even prolong it. Conversely, simply institutionalizing the current district administration that does not reflect the demographic diversity of the district could further jeopardize will not resolve the issues in the area, hence the need for a comprehensive approach around conflict mapping, social reconciliation to support the formation of an inclusive district administration to improve the longer-term prospects for peace and stability. The report from Garbaharay district in Jubaland describes how the current interim district administration, which was installed in 2011, favors sub-clans – the Reer Hassan and the Reer Diini – who benefit disproportionately from local policies. The report also highlights that historical inter-clan conflict fault lines in the district have been around the control of the district administration. The report also points to the fact that the Garbaharay town, the capital of the district, is currently surrounded by Al-Shabaab, *de facto* depriving the district authority from its mobility and travel freely within the area it administers, to interact with its constituents.

The exclusion of women from key social, economic and political processes is, on many levels and from different perspectives, one of the crucial ‘core’ drivers of conflict. Gender plays a key role in the prompting, sustaining and solving of conflict and violence. For example, gender-based violence, rape, forced marriage, forced labour, and killings, etc. is not just atrocious but incidental collateral damage inflicted on women during conflicts in Southern Somalia; they are also tools in a deliberate strategy to express and maintain power. On the other hand, women

¹ The FIMM was developed by UNSOM Community Recovery and Extension of State Authority and Accountability (CRESTA/A) unit as dashboard to track progress on stabilization related issues at the district level across the newly formed Federal Member States.

can (and do) make important contributions to conflict resolution, peace building and institution building. From a different perspective, conflict and violence in large part of Somalia do not only place enormous burdens on women and girls; it also deprives them from opportunities to gain access to key social, economic and political spaces. At the same time, as the OECD noted in its policy paper **Gender Equality and Women's Empowerment in Fragile and Conflict-affected Situations: A Review of Donor Support** (2017): *"peacebuilding and statebuilding can provide unique opportunities to advance recognition of their [women and girls] rights"*. Stabilisation strategies in Somalia, therefore, have to take this multidimensional gender component into account.

Unresolved gender drivers of conflict will negatively shape the local government structures emerging in a post-conflict situation. Gender-based violence will remain a mechanism to dominate if the fledgling local governments fail to address and neutralize the power inequalities that give rise to it. Women will be under-represented in local governance while other avenues to influence the decision-making process will remain blocked. Women's voices, needs and interests will have no outlet in the nascent local governments, hampering their ability to both participate in and profit from local development initiatives.

Women's non-existent or under-representation in local government and decision-making and priority setting contexts is not only a democratic deficit; local authorities make many decisions that directly affect women's daily lives - housing, security, waste management, access to water, health and education etc. UN Joint Program for Local Governance and Basic Service Delivery in Somaliland and Puntland has demonstrated how equal representation of women in participatory district planning processes has led to a different set of local development priorities and to visible improvements in women's lives.

President Mohamed Abdullahi "Farmajo" in his inauguration address on 22 February 2017 noted the challenge of insecurity and pledged to "... uphold the rule of law, strengthen the judiciary, restore confidence of the people in the government and tackle poverty". Following the establishment of the new administration, the Ministry of Interior, Federal Affairs and Reconciliation (MoIFAR) and its counterparts in the federal member states prioritized their efforts around stabilization including in the areas of reconciliation and local governance. This effort has resulted in an updated National Stabilization Strategy development of State level stabilization plans, as well as the development of local Government laws to support processes such as district council formation in the states. Furthermore, during the consultations led by the State Ministries of Interior around the development of implementation plans to support the National Stabilization Strategy, two common linkages consistently emerged. The first was the recognition of the importance of community engagement and related social reconciliation efforts as a building block within the stabilization plans, as an important pre-cursor to both other stabilization activities such as local governance and security related activities in Al-Shabaab influenced or controlled areas. The second common link running throughout the consultations process around the stabilization plan was the importance of coordination and strategic communication to build synergies around the credible and legitimate extension of the

state between local governance and rule of law initiatives to ensure a mutually supportive approach.

In cooperation with its international partners, Somalia has developed a Transition Plan to guide the handover process from AMISOM-provided security to Somali forces over a four-year period. The Transition Plan is of significant political importance and stabilization is a key element within it. Ensuring that military planning is accompanied by civilian components that provide tangible peace dividends for the Somali population is crucial for the legitimacy of the Somali state and the long-term peaceful development of the country; both of which aspects are required to defeat Al-Shabaab and prevent violent extremism.

Moreover, to successfully rebuild the compact between citizen and state, the Government's efforts are expected focus on the ability of the states to legitimize governance through service delivery, as well as through creating more inclusive decision-making processes. Defining the roles and functional responsibilities of the district administrations; the frameworks for district council formation; conducting capacity development for public administration core functions, and service delivery are foundational for the success of Somalia's federalist democratic system. The Stabilization Strategy and accompanying plans recognize that further investment to support community reconciliation and local governance is required in districts that are (i) in fragile districts under the control of authorities to consolidate progress, and (b) districts identified within the Transition Plan for recovery from Al-Shabaab to extend state authority.

The S2SII project will not address all root-causes of conflict in Somalia. In line with the Government's priorities outlined in the National Stabilization Strategy, it will focus on supporting the establishment of local government, including in areas recovered from Al-Shabaab as part of the Transition Plan. From the short analysis above, the importance of governance and State-building for peaceful development in Somalia is clear. Over the past decade, progress achieved in the federalization process with the formation of the new federal member states and the advances made in local governance is significant. The present project will maintain the momentum and strengthen the bottom-up process for State-building to link the citizens to their duty bearers and rebuild the social contract, starting at the local level. This is an essential ingredient for the continued progress of Somalia's peacebuilding and State-building process.

National ownership and alignment with existing frameworks

The S2SII project links to multiple elements of the key strategic frameworks in Somalia and the accompanying aid coordination architecture agreed between the Government and its international partners. The key strategic frameworks include:

- The National Development Plan
- The National Stabilization Strategy
- The New Partnership for Somalia
- The Security Pact and Transition Plan

The National Development Plan

The National Development Plan (2017-2019) for Somalia views reconciliation and establishing the federal government machinery as essential piece of the puzzle in the overall efforts to establish a peaceful and stable country capable of providing livelihoods for its citizens.

National Stabilization Strategy

The updated National Stabilization Strategy builds on the previous iteration, by both reinforcing many of the initial principles and reflecting the changes in the context and evolving challenges to promote a more inclusive and coherent set of interventions. It reflects the commitments made by Somali authorities and the international community in the “New Partnership for Somalia” and the “Security Pact” that were endorsed at the London Conference in May 2017. The strategy recognizes that the gains to date have been fragile and, in some cases, reversible due to continued volatility and insecurity caused by and exploited by Al-Shabaab. It therefore underscores the importance of increasing capacity of key Somali institutions to lead coordination efforts, develop and implement policies and interventions in a coherent, sequenced and sustainable manner. MoIFAR together with its state counterparts will continue to lead efforts on the Government’s Wadajir National Framework on Local Governance.

New Partnership for Somalia

Building upon a set of political security and developmental priorities underscored by a set of partnership principles², the Somali Government and the international community agreed to address the priorities in a collaborative manner, as summarised in the Mutual Accountability Framework (MAF). The new partnership recognizes that reconciliation and the establishment of a complete government system (Federal, Federal Member State and District) are essential for sustained peace, stabilization and development. An important part of the New Partnership for Somalia and the Mutual Accountability Framework is the Use of Country Systems (UCS). A dedicated roadmap was developed, which is intended to lead to ever increasing use of these systems, which is expected to create efficiency and effectiveness gains. The S2SII project (like its predecessor) manages the large part of its work through the national systems and is a pioneer project in this respect in Somalia.

The Security Pact and Transition Plan

The Security Pact that was also agreed at the London Conference, is based on the Comprehensive Approach to Security (CAS) framework. The CAS framework takes a holistic view on security and explicitly draws the security into the arena of political agreement, state building, and stabilization that led to the development of the Transition Plan. In doing so, it recognizes that delivering effective security is also about enabling a dialogue on the causes of insecurity and establishing governance forums and frameworks for negotiation between factions on appropriate and collaborative mechanisms to restore public safety and order.

National coordination mechanisms

To support the implementation of the National Development Plan, an elaborated coordination arrangement was established, uniting representatives of the federal and federal member state governments, the private and NGO sector as well as the international community. The structure

² Partnership Principles and Enabling Actions: A. Development is Somali-owned, and Somali led, and aid is aligned with government priorities, B. Aid operations are designed and delivered in partnership with government institutions, C. Aid is provided in line with the government budget cycle and channelled through preferred instruments of the government to strengthen government Public Financial Management (PFM) Systems, D. Aid supports institutional capacity development, E. Aid is provided in a coordinated, flexible transparent and predictable manner, F. Aid is provided in a conflict sensitive manner, G. Aid programmes addressing humanitarian and development needs must be complimentary Frameworks

consists of the Somalia Partnership Forum as apex body, the Somali Reconstruction and Development Facility as lead strategic body and the Pillar Working Groups as technical coordination bodies, one of which covers stabilization activities, linked to the CAS framework. Therefore, a joint stabilization forum spanning these two elements of the coordination architecture was established to ensure a coherent and stream-lined approach. This is the key platform through which the present project will coordinate with the partners.

These coordination mechanisms are essential to achieve greater impact on the ground by linking the different components of the stabilization strategy together and achieve its goal of improving stability in both newly recovered areas and fragile and/or underdeveloped areas by delivering tangible results that strengthen cohesion within and between communities and their government. The initial S2S project supported the Ministries of Interior at federal and state levels to cover the costs of these coordination structures to improve coherence, and the S2SII will continue to do so.

II Project content, strategic justification and implementation strategy

Description of the project

District level administration constitutes the first, and for most citizens the only, interface between themselves and the state under the provisional constitution. Therefore support to ensure a functional level of local governance is an essential element of the overall perception of legitimacy of the state. The present project facilitates essential support to establish the basic administrative functions at the district level across the federal system based upon an inclusive approach, with the overall goal being to contribute to the wider peacebuilding and State-building agenda being undertaken by the Government of Somalia and its international partners.

The present project builds upon the first phase of the Support to Stabilization (S2S) project, which operated from 2015 to 2018. The project was originally conceived to allow MoIFAR to support the establishment of caretaker administrations in up to 25 districts anticipated to be recovered from Al-Shabaab during the joint operations of AMISOM and the Somali Security Forces in 2013 – 2015 in the south-central regions, that were to later become the four new Federal Member States of Jubaland, South West, Hirshabelle and Galmudug. The process involved the establishment of initial caretaker administration and provide the caretaker administrations with support for the running costs and to support its community engagement, as well as supporting the establishment of inclusive District Peace and Security Committees (DPSCs) to provide a forum to represent the community under the interim governance arrangements ahead of the election of a representative district council. In doing so, the intent was to both provide a stable and inclusive platform for both the formal district council formation and for other activities tied to community recovery and the rule of law. Several conclusions from the first phase form the basis for the S2SII:

- **Community level reconciliation is foundational activity to ensure other stabilization activities succeed.** The experience in conflict mapping and establishment of the DPSCs, demonstrated the importance of inclusive approaches to build local consensus to identify other activities and improve their sustainability of stabilization interventions.
- **Investing in interim governance arrangements is a catalyst for other support.** The presence of such interim arrangements and DPSCs provided both a tangible symbol of government to the population and a platform for other stabilization actors to launch their own activities. This resulted in tangible peace dividends in these communities that

served to reinforce the credibility and legitimacy of the Government to the population and counter the extremist narratives of Al-Shabaab.

- **Coordination arrangements are key in the context of an evolving Federal system that is being developed in complex conflict effected environment.** The project actions were implemented under the leadership and coordination of MoIFAR and its counterparts in the Federal Member States as the politically driven state formation process progressed. This helped solidify national ownership, as seen through the development of the updated National Stabilization Strategy and its accompanying state level implementation plans. Secondly, the support to convene the various international agencies in a common setting with the national partners contributes to creating common understanding and joined-up planning in an increasingly integrated manner e.g. lessons learnt workshops on reconciliation and district council formation.
- **The track record for using country systems is positive.** Supporting the running costs of interim district administrations through the National Window Modality of the UN-MPTF combined with third party monitoring is operationally effective and financially efficient.

In addition to these key lessons, the project aims to integrate the lessons learned from S2SI by means of the following three processes:

- As per the recommendations of the evaluation, as conducted by an independent consultancy firm in the second quarter of 2019, S2SII will pay special attention to the strengthening of coordination and stabilization capacities at MoIFAR at the Federal Government of Somalia and the Ministries of Interior at the Federal Member States, as well as the creation of opportunities to facilitate ‘peer-to-peer’ learning between the different stabilization actors at district level.
- The project, after reviewing the work arrangements of S2SI with the key stakeholders during the workshop in January 2019, has adopted the following, roles, responsibilities and relationships: oversight, monitoring and evaluation, coordination and funding will sit with MoIFAR at the Federal Government of Somalia. The Federal Member States will be responsible for implementation, state level coordination, controlling the DCF process and security.
- Based on the experience of S2SI, Federal Member States agreed to using the Somali Financial Management and Information System (SFMIS). SFMIS disperses funds based on project allocations. The expectation is that the use of these systems will mitigate some of the problems experienced in Phase One with regards to the implementation of activities at district level which encountered considerable delays.

Building on these lessons learned, the S2SII will continue to support the (re)-establishment of capable and legitimate interim authorities in newly recovered districts³ and consolidation of the progress in locations under government control and where district council formation is underway. It is recognized that whilst security is an enabler for stabilization activities in a district, stabilization activities are critical in consolidating and sustaining security gains by addressing the underlying drivers of conflict in either scenario. An important element of S2SII is that the project has been adapted in terms of its coordination and delivery arrangements to reflect the establishment of the new Federal Member States. The revised National Stabilization

³ The Transition Plan developed by the Government, recognizes the importance of interim governance arrangements and community reconciliation as part of the comprehensive approach to security in districts to be recovered from Al-Shabaab.

Strategy and its accompanying state plans support a more decentralized approach to reflect the political realities of Federal Government – Federal Member State relationship. As a result, the second phase emphasizes the primacy of civilian leadership and is not limited to a list of areas designated by the military, but instead focusses on a combination of areas under control of the authorities and areas still to be recovered. This not to say military operations are disregarded, but more that they represent one variable in a broader understanding of fragility and how fragility relates to community recovery and the state-building process. In doing so it reflects the call for a more coherent area-based approach from both within the Government and by stabilization partners to work towards a more cohesive and complementary approach across a broader range of stabilization interventions involving security, rule of law, governance, reconciliation (community cohesion) and community recovery.

The importance of the gender drivers of conflict, as discussed above, necessitates an increase in activities that address the gender dimensions of stabilization, reconciliation and governance in S2SII. The project team at MoIFAR will therefore be extended with a Gender Advisor, who will monitor compliance with the rule that in all project activities, women constitute at least 30% of the participants. In January 2019, the Project Team called a meeting with all S2SII stakeholders, to explore, discuss, identify and commit to a concrete set of project activities that will address the different aspects of the gender, such as gender mainstreaming for DCF Committees, Civic Education for women on Local Governance, Women Leadership training, and discussion platforms for elders, religious leaders and youth to discuss political rights for women and women's participation in public life.

The project is catalytic as it lays the foundation for the establishment of elected district authorities, which in turns creates a mutually reinforcing effect by attracting further investment from other stabilization partners. In addition, it promotes government leadership and ownership of established coordination mechanisms for stabilization activities and it contributes to developing best practices that can be adopted by partners supporting similar activities in areas that are not supported through S2SII.

Theory of change and result framework

The theory of change of the S2SII project is based on the premise that extending State authority by strengthening the presence, capacity, and legitimacy of government institutions will enable the delivery of tangible peace dividends to citizens. Thereby establishing the Government as the only authority able to deliver a comprehensive and inclusive set of services to the population, which malign actors - most notably Al-Shabaab - with their own competing models of coercive governance cannot match. This will result in the (re)-building of a credible social contract between the Somali state and its citizens and sustain the country on a path to peace and stability.

To achieve this goal, the project will focus on the establishment of the district ('third') tier of the government system and the impact the project will be contribute to: *Improved stability in the post-conflict areas of Somalia through strengthened cohesion within the community and between the communities and their government.* Based on this, the first set of outcomes are as follows:

1. Federal, State and District-level administrations have capacity to oversee, coordinate and implement stabilization activities.
2. An enabling environment conducive for social cohesion, trust, civic participation and development led by the community – with an emphasis on the meaningful participation

of women in community decision-making processes - is established in accessible districts.

The project supports the realization of four closely inter-linked outputs:

1. **Empowering local governments leads to higher levels of legitimacy:** Support to interim administrations and district council formation activities, including public outreach, public dialogue, and local reconciliation. Strengthen governance capacity at MoIFAR, FMS-level ministries of interior and district levels to ensure effective implementation of activities and institutional efficiency.
2. **Financial support enables local governments to operate:** Provision of financial support for the running cost to FMS-level ministries of interior, target districts and post-council district administrations through the national systems (UN MPTF National Window). This support has demonstrated to be a critical factor in the success of the district administrations and complement by third-party monitoring has proved to be efficient and effective.
3. **Reconciliation leads to district formation and stability:** Reconciliation initiatives and civic dialogue in the areas that are ready for council formation processes are essential to stability. For example, community leaders and the citizenry at large need to support the district formation process for any district administration to ensure it is inclusive and therefore enhance its legitimacy. This S2SII project will play a key role in linking civic engagement and dialogue and local governance capacity building initiatives with e.g. community recovery and rule of law initiatives.
4. **Coordination mechanisms will attract new partners and align action:** Support coordination of stabilization activities and programming at both FGS and FMS levels in line with the National Stabilization Strategy and state-level stabilization plans. Given the complexities of maintaining the coherence of this effort alongside multiple other areas of programming linked to stabilization – reconciliation, community recovery, policing and justice initiatives (including the transition implementation plans for priority areas) - coordination also remains an essential component of the project.

The main assumptions underlying the theory of change are as follows:

- The project supports community reconciliation through the government, the assumption is that the government is the most appropriate and acceptable actor to lead such efforts;
- The project assumes that through the community reconciliation efforts, intra and inter-community tensions and conflict can be addressed to allow communities to find commonly agreed solutions through a process of negotiation;
- The project builds upon the notion that developing capacities of the public sector will indeed lead to improve performance of the Government and therefore extend its credibility and legitimacy, whilst simultaneously replacing the coercive governance models of malign actors;
- Stabilization requires the aforementioned whole of government approach that allows other stakeholders to align their work, the assumptions are that most actors are indeed willing to do so and that the impact of non-aligned work will be insufficient to derail overall progress.

Implementation strategy

The project will work in priority districts targeted for council formation and establishment of interim administrations in four federal member states and thereafter follow the AMISOM

expansion into Al-Shabaab held areas. The choices will be made in alignment to the transition strategy and thus benefit from the full UN alignment and coordination of stabilization action.

During a workshop, organized by the S2SII project team in January 2019, stakeholders from the Federal Government of Somalia, Federal Member States and development partners discussed in detail the desired scope, priorities and locations of the stabilization activities. The FMS presented their district choice, priorities and preferred activities, based on the following criteria: less inter-clan conflict or active conflicts; accessibility and security; administration maturity; community cohesion; readiness to address priority needs; economic potential and ability to raise revenue; fully controlled by government; readiness for DCF, and; category A districts. A list of priority districts, including priority activities, was identified and adopted as guidance for S2SII interventions.

It is important to emphasize that the list of priority districts and corresponding activities is subject to unpredictable and sudden changes. Important criteria, such as security, clan conflict, government control and economic potential fluctuate heavily in the current Somalian security and environmental context. New military campaigns, such as the one in Lower Shabelle in the third quarter of 2019, has opened up new priority areas for stabilization, while increased incursions by Al-Shabaab or shifting clan conflicts in Hirshabelle and Galmudug significantly influence the viability of similar activities in areas previously identified as 'priority'. S2SII has responded in kind, by establishing stabilization activities in the villages of Sabiid, Caanole and Bariire under Afgoye district and Awdheegle district in the newly recovered areas in Lower Shabelle region, and expanding similar activities in Dhusamareb in Galmudug.

S2SII should retain a certain amount of flexibility to respond to these emerging opportunities and challenges. The choice of new areas of engagement – or disengagement from 'old' ones – will be informed, in as far as possible under these uncertain, volatile and political/security circumstances, by datasets such as the Fragility Index and Maturity Model (FIMM), as compiled by CRESTA/A. In some cases, however, where political and security considerations, such as the need to establish a (non-military) government presence, a unique opportunity to build on local political consensus, or the opposite, to prevent 'older' political conflicts between sub-clans to flare up after the expulsion of Al Shabaab forces), an immediate 'ad-hoc' response will be necessary.

The project implementation strategy is built upon four core elements:

- Functional coordination
- Solid management arrangements
- Sound process management
- Capacity development of the national partners

Functional coordination

A functional coordination arrangement to ensure an appropriate implementation of an area-based development approach is essential to the success of the project. A dedicated output was formulated to ensure appropriate attention for this aspect. The coordination arrangements include a federal level coordination structure aligned the NDP and CAS structures predominantly focusing on strategic alignment and a FMS-level structure where more detailed alignment on activity level. The S2SII project will support the logistical costs of coordination meeting at federal and FMS levels attended by an increasing number of stabilization partners, including key donors such as USAID, Somalia Stability Fund (SSF), and EU, as well as police,

military, and civil society representatives. Through this framework strong relations are developed with other donors and projects.

Secondly, the project is solidly embedded in the UN support project structure to stabilization and the national development agenda, where the present project coordinates with for instance significantly larger projects in areas such as rule of law, state formation and local governance, as well as humanitarian actors supporting many service delivery and socio-economic development activities at the district-level.

Solid management arrangements

During the implementation of the S2S phase 1, an appropriate management structure was developed and the roles and responsibilities of the different partners were clear and understood. The innovative financing arrangements through the National Window of the UN MPTF and the use of national systems have been fully tested and are operational. The latter is important as it is a strong element in national ownership and fully in line with the Somalia Mutual Accountability Framework.

Sound process management

The key processes S2SII is supporting – reconciliation and district formation – require a vertical governance alignment as each government level is involved in the overall process. This requires the project to support not only the processes at the district level, but also to support the relevant Federal and Federal Member State Ministries (the Ministries of Interior, who are mandated for reconciliation and district formation). This work is feeding into the development and implementation of the national reconciliation strategy, the national and state level stabilization strategies as well as practical arrangements (at times captured in regulations) concerning for instance the transfer of funds from the federal level to the district level.

The process of reconciliation and subsequent district council formation follows a straightforward sequence of action.

- Inauguration: The process starts with a public announcement and agreement that the process takes off. This is generally attended by senior staff from federal and federal member state institutions.
- Consultation and training: consultations and training workshops with members of Parliament, traditional leaders, religious leaders, women groups, civil society leaders and community-based facilitators.
- District level meeting process: The district meetings include between 80-100 local representatives who meet on average 30 days to select a district council and elect the District Councilor and two Deputies.
- Capacity development: The project provides capacity support through training programs for district councilors and administrative staff, and the development of the legal framework and guidelines for planning and implementation at the local level.

Upon completion of this process, the district council is basically operational and it is at this point that S2SII has the responsibility to (horizontally) hands over the support to the UN Joint Programme on Local Governance and Basic Service Delivery (JPLGIII), which is a collaborative effort between UNDP, UN-Habitat, UNCDF, ILO and UNICEF to support the efforts of decentralization, local governance and basic service delivery. JPLGIII will support the district council to improve service delivery and empowerment of local communities to participate in representative and legitimate local governance characterized by transparency, accountability and participation by all citizens.

A (substantial) caveat with regards to this handover responsibility needs to be made. An important lesson learned in S2SI was that, given the fact that JPLG's support to (and selection of) district councils is significantly different from that of S2S, the handover of the newly established district councils is rarely smooth. JPLGIII has withdrawn from district council formation. JPLGIII is essentially a capacity development program of local governance and does rarely, if ever, provide financial support for the running costs of district councils. JPLGIII only support Class A Districts, and is not always (fully) present in the areas S2S is working in. The implementation of JPLGIII also requires a heavier footprint on the ground and different capacities at the Ministries of Interior at the FMS, causing significant response delays.

Partly, this situation reflects some of the discrepancies between the 'messy', ambiguous situation on the ground and the rational divisions and sequences of the Wajadir Framework: in complex, uncertain and volatile contexts such as stabilization in newly recovered areas in Somalia, too many variables are at play to predict, let alone guarantee linear progression, homogeneous pathways for all districts and seamless transitions from one stage of the stabilization process to another. From another perspective, this situation also reflects the need for stronger coordination between the different actors involved in the implementation processes and activities of the Wajadir Framework, not only between S2SII and JPLGIII but also with actors such as SSF, TIS+ and FCA, so that emerging 'handover gaps' can be identified and shared early on and joint solutions designed. S2SII will therefore put special emphasis on strengthening the capacity of MoIFAR and the MOIs of the FMS to coordinate the different actors involved in the stabilization process. For those 'handover gaps' that cannot be solved by the joint portfolio of activities and capacities of the stabilization actors, MoIFAR will design a strategy to mobilize additional resources.

Capacity development of national partners

The project provides direct support to the Federal Ministry of Interior, Federal Affairs and Reconciliation, the FMS Ministries of Interior and district authorities to support the development of the civil service. This capacity development takes the form of policy and strategy development to stimulate coherent approaches, the development of regulatory arrangements e.g. in the field of oversight, financial transfer, the provision of infrastructure (offices) and equipment and training, coaching and mentoring of staff members to further enhance their skills and competencies.

The capacity development strategy of S2SII will pay special attention to the capacity needs of the fledgling Federal Member States to coordinate, manage and implement project activities in their regions. The introduction on the new FMS was a major step forward in S2SI and, as subsequent (formal and informal) evaluations and discussions have demonstrated, the success of S2SII will depend to a large degree on the ability of these states to coordinate, manage and implement. Key strategies will involve the training, coaching, mentoring and 'experience sharing' across states, of key personnel of the FMS involved. S2SII will, where necessary and appropriate, establish collaboration with relevant learning outfits and training programs of other stabilization and local governance projects.

III Project management and coordination

Recipient organizations and implementing partners

The project will work directly with the Federal Government of Somalia, Federal Member States and districts. Within the Government of Somalia, the mandate for local governments and stabilization lies with the Ministries of Interior (federal and states). The horizontal and vertical

coordination has steadily been improving the last few years, as have the capacities to oversee and implement in line with set priorities. The S2SII will be implemented under the leadership of FGS MoIFAR with clear functions for FMS- and district-level actors.

Federal Government of Somalia (MoIFAR)

- MoIFAR has the accountability and responsibility to implement the project activities as agreed in the project document and annual workplan.
- Remains in charge for implementation & coordination of programmatic activities as indicated in the project document & workplans.
- Authorizes all the requests for transfer and payment submitted to the MoF (FGS),
- Reviews and endorses the workplans and the requests for payment submitted by FMS / districts under S2SII.
- Prepares quarterly progress reports (MPTF template) and financial reports based on the FMS generated reports for the same period,
- Ensures oversight on the cash management of all the districts and other central and local authorities.
- MoIFAR has the responsibility to coordinate national stabilization meetings, comply with the FGS public procurement, hiring of consultants and the financial requirements as highlighted in the PFM and Procurement Act of the FGS.
- MoIFAR has the responsibility to monitor activities on the field, supervise the consultants, discuss performance evaluation and properly file the documents for future reference.

Federal Member States (MoIs/MoF)

- The ministries of interior at the FMS-level will receive the funds into the MoF/FMS single treasury account.
- MoF/FMS will properly record the funds into their accounting system and for further transfer to the respective districts under the same state.
- MoIs at the FMS-level will take the exclusive responsibility of supervising, coordinating and implementing project activities at the state-levels.
- MoIs at the FMS-level will also take the lead the implementation of district council formation as well as the quarterly stabilization coordination activities at the state-levels.
- Districts will report back to both MoI's and MoF at FMS level and at the federal-level MoIFAR to ensure proper financial accountability and transparency.

S2SII will be convened and overseen by the UNDP. Since 1991, UNDP has been working in Somalia, in the areas of peacebuilding and conflict management, people-centered governance and law, economic recovery and environmental protection, and protecting and empowering women. UNDP is a key partner of the Federal Government of Somalia and has an established relationship with the Ministry of Interior, Federal Affairs and Reconciliation as well as with the federal member states.

Through its operational mechanism, such as the Letter of Agreement and Micro Capital Grant Agreements, UNDP can place consultants and staff promptly and provide substantial support to areas of difficult accessibility. This mechanism provides substantial flexibility that enables UNDP to scale up if required and reach out to additional areas.

The UNSOM CRESTA/A unit will provide coordinating and advisory support to the project. The CRESTA/A unit plays an important role in the overall alignment with the CAS strategy and the Pillar Working Group as well as related policy alignment within the broader

stabilization architecture including co-chairing the joint SDRF-CAS stabilization forum with MoIFAR.

Liaison at the policy and/or funding levels with PBSO and the UNDP Multi-Partner Trust Fund Office (MPTF Office) will be the responsibility of the Peacebuilding Fund Secretariat in Somalia, working in close consultation with the Project Board. The S2SII Project Manager will provide information and clarifications as requested by PBSO and/or MPTF Office pertaining to project implementation status and progress.

This modality was developed under the first phase of the project and functioned well and is expected to continue to deliver direct results and facilitate state-building through a clear role and responsibility distribution and collaborative arrangements.

Project management

The overall management and coordination of the project will be overseen by the Project Board, that will comprise representatives from MoIFAR, MoF, UNDP and UNSOM. The Project Board is responsible for reviewing progress towards the targets set forth in the project document, including reviewing the activities identified in the monitoring and evaluation framework and the third-party monitoring reports, and on the basis identifying solutions and adjustments to maximize the impact of the project and mitigate against any risks identified.

The day-to-day project management will be implemented by the project team. This team consists of an international project manager (part-time) with the support a technical team whose terms of references are attached in Annex E. S/he will report to the project board. The project team will include:

UNDP project oversight, management and support team

- International Project Manager (P4) through 20% of time: and
- National Project Officer/Coordinator: SB4/SB5 (SC9/SC10)
- Project Associate/Officer: SB3/SB4 (SC7/SC9)

MoIFAR National Window implementation team

- Project Manager
- Stabilization & Reconciliation Advisor
- Stabilization M&E Advisor
- Admin/Finance Officer
- Local Governance Specialist
- Gender Advisor

Technical advisors will be placed at FMS- and district-levels, to assist with the implementation of all activities and reporting back directly to the FMS MoIs, who will in turn report to MoIFAR.

The UNDP Project Team will monitor and verify the implementation and will be supported by a third-party monitoring arrangement. Public relation, awareness, sensitization materials and activities will be procured and through the services of local NGOs, community-based organizations, and contractors the implementation of the proposed activities will be ensured. Further the project will be supported by the UNDP Effective Institutions project support team.

S2SII is one of the pilot projects using the National Window within the UN MPTF arrangements. This will allow the provision of funding directly to the Central Bank of Somalia and, via intergovernmental fiscal transfers, to MoIFAR, the FMS MOIs and district administrations in the target districts for recurrent costs, salaries, travel, coordination costs, district reconciliation conferences and district council formation activities. Expenditure directly managed by UNDP will use the UN window of the UN MPTF, among others for project management and technical support as well as hire a fiduciary monitoring agent to oversee the disbursements through the National Window.

Coordination

The S2SII is embedded in an active environment where multiple actors are engaged. The coordination and alignment between these actors is so important that a dedicated output was formulated to ensure an active role of the project in the coordination to strengthen the likelihood that the outputs will contribute to the outcome and to the desired impact. As mentioned above, S2SII will pay special attention to strengthen the capacity of MoIFAR and the MOIs of the FMS to coordinate the processes and activities of all stabilization actors. In addition, S2SII will encourage close collaboration between the S2SII project team at MoIFAR and the PBF-funded Reconciliation project, co-implemented by MoIFAR, UNDP and UNSOM. It should be noted that, although the formal discussion and coordination structures are in place (see below), effective collaboration is an evolving capacity that requires a certain amount of experimentation and that does not follow automatically after the mere establishment of these structures.

For example, on March 27, 2019, MoIFAR convened a conference at MIA on District Council Formation activities and how to better coordinate the activities of various agencies and implementing partners. One outcome was to establish a DCF taskforce whose focus would be on data collection, identification of districts for council formation between partners, and status report for overall council formation processes.

In this vein, the S2SII project is one of the core projects within the UN's support to the National Stabilization Strategy, which is centered around the following:

- Reconciliation – both on ‘political level’ (political settlement) and ‘society level’ (community to community and citizen to citizen).
- Security – extending the area under control of government security apparatus
- Establishing the formal government machinery
- Investing in social-economic development and service delivery
- Providing humanitarian assistance where required

As recognized in the CAS strategy and the NDP (National Development Plan) the different elements of the strategy are inter-dependent and are best addressed in unison and in collaborative engagement. The transition strategy under the CAS foresees expansion of the area under control of the government security apparatus in a gradual manner, where simultaneous or sequenced action is coordinated in the other areas of the overall stabilization approach. The present project will operate closely with this framework.

The National Stabilization Strategy is coordinated under the SDRF as the ninth pillar of the National Development Plan and as Strand 3 of the Comprehensive Approach to Security adopted at the London Conference in May 2017. The Ministry of Interior, Federal Affairs and Reconciliation is the main focal point on stabilization within the government with some related capacity in the Prime Minister's office Stabilization Support Unit and Ministry of Finance

Project Implementation Unit (PIU). MoIFAR hosts a bi-monthly stabilization meeting (acting as the NDP pillar 9/CAS Strand 3 working group) with the government counterparts and international community, including the UN and AMISOM. Besides the bi-monthly meeting in Mogadishu there are also regular stabilization and local governance coordination meetings held at FMS-level which are coordinated by the respective Ministries of Interior regrouping the same partners than at the federal level. Besides these two governmental coordination forums, there is also daily interaction between MoIFAR and UNSOM CRESTA/A team on coordination, policy support and catalytic programmes. The bi-monthly PWG 9 Stabilization/Strand 3 Meeting at the Federal level is the main conduit for coordination of the project in coherence with international support. One week prior to each bi-monthly stabilization meeting, UNSOM CRESTA/A also convenes a donor stabilization meeting to align policy and programme coordination issues.

The SDRF and MPTF

The Somalia Development and Reconstruction Facility (SDRF) oversees the coordination of international development assistance in Somalia and brings together under a common governance framework several funds, including the Somalia UN MPTF, the World Bank Multi Partner Fund for Somalia, a Somalia Fund managed by the African Development Bank, and the Special Financing Facility (SFF). The Somalia Multi-Partner Trust Fund has been established to receive funding from donors to finance activities undertaken through two separate funding streams: the United Nations Multi-Partner Trust Fund for Somalia (the “Somalia UN MPTF”), established by the participating UN organizations to finance activities of participating UN organizations; and the Somalia Multi-Partner Trust Fund National Funding Stream (the “Somalia National Funding Stream”), established by the Government to finance activities of National Entities. Funding for Component 3 of the project is channeled through the Somalia MPTF National Funding Stream (Annex XX). The UN MPTF Office as AA for the PBF and Somalia UN MPTF, will transfer funds from the PBF to the Somalia UN MPTF National Funding Stream. The Somalia Multi-Partner Trust Fund National Funding Stream Account and the UN Somalia MPTF will be reflected as recipient organizations as per article 4.4 of the TOR of the Peacebuilding Fund of 13 August 2009 and complemented by the exception agreement between PBSO and MPTF Office (Annex E). These two new recipients will assume full programmatic and financial accountability for the funds disbursed to them by the MPTF Office. The Ministry of Finance uses the funds based on the National Regulatory Framework and assumes full programmatic and financial accountability for the funds disbursed to it by the MPTF Office.

Risk management matrix

Risks to the achievement of PBF outcomes	Likelihood of occurrence (high, medium, low)	Severity of risk impact (high, medium, low)	Mitigating Strategy (and Person/Unit responsible)
Misappropriation of funds	Medium	High	Project will engage third party monitor/fiduciary agent to monitor use of funds

Incompetency of hired experts	Low	Medium	Prior consensus on experience and duration of a contract
Unclear or untraceable expenditure	Low	Medium	The project will use standardized forms and provide training on operational controls, financial management and monitoring
Renewed Al-Shabaab attack and/or threats to communities	Medium	High	Regular security assessment and use of safe locations for the conduct of project activities
Project delay due to political dispute among the communities	High	Medium	Monitoring of political developments to inform project implementation and the need to amend plans based on the situation.
Exclusion of marginalized groups	Medium	High	Corrective measures based on local assessment
Deteriorating humanitarian situation	High	High	Monitoring of humanitarian developments and adjustment to workplans as necessary, based on consultations with Somali authorities
Local communities fail to embrace caretaker administrators	Medium	High	More time and resource for community consultation and reconciliation will be required
Delays in establishing systems for funds flow to regions/district levels	Medium	High	Alternative mechanisms will be required for CA and IA to access funds for local administrations

Monitoring and evaluation

The Project Board will assess progress and risks on a twice per a year basis. UNDP and MoIFAR are responsible to undertake monitoring activities, including baseline data collection prior to the start of the project, monitoring to assess progress towards intended outputs, reviews or studies if required to measure effect of project, field visits, etc. The MoIFAR will report to the SDRF and PWG9/CAS Strand 3 on the activities of stabilization support efforts, including the PBF. At the project level, the project evaluation and monitoring functions will be the responsibility of the Project Board. The project manager will have the day-to-day role of tracking and monitoring progress.

The Ministry of Finance (MOF) will have oversight of the funds and the overall expenditure and reporting. And the Ministry of Interior at FMS is responsible for expenditure verification at the District Administration level. UNDP Project Team will monitor and verify the implementation by the Federal Government and the districts. The project manager will have the day-to-day role of tracking and monitoring progress. UNDP Project Team will monitor and verify the implementation by the Federal Government and the districts.

The following (and the specific M&E annexes) will be further discussed with the third-party monitoring agency, including finetuning and unpacking of result, indicators and possible means of verification (draft Monitoring Plan attached as **Annex C**).

Monitoring and evaluation of the project will involve the following processes:

Within the annual project cycle

- Project Progress Reports shall be submitted to the Project Board through the Programme Oversight Quality Unit of UNDP Country Office. As part of its obligation to quality assure all programming funded through UNDP, the UNDP Country Office will continually review project planning documents and undertake periodic monitoring and spot check missions in partnership with MoIFAR and donors as appropriate. The results of these quality assurance exercises will be used to support continuous strengthening of UNDP support to MoIFAR and will be reflected in the project reporting.
- Monthly Newsletters shall be submitted to all stakeholders, national counterparts, implementing partners, donors and UNDP CO.
- A Monitoring Plan shall be developed annually in line with the activities and also including the monitoring and spot check missions.
- Monthly or fortnightly project reporting will provide on-going activity updates and inform stakeholders in real time, about issues arising.
- Internal reporting within the project will help track activities and progress thereof.
- An Issue Log shall be activated in Atlas and updated by the project management support unit to facilitate tracking and resolution of potential problems or requests for change.
- A Risk Log, based on the generalized risk assessment provided in this document, shall also be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- A Lessons Learnt Log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons Learnt Report.
- Financial Analysis will accompany all project progress reports that will include delivery rates to ensure all UNDP and donor resources are being utilized in accordance with the project document and annual work plans/budgets. Further, the project shall be subject exclusively, to the internal and external-auditing procedures provided for in the financial regulations, rules and directives of UNDP.

Internal and External Assessments

- Quarterly Assessments shall be undertaken, based on quarterly work plans, to determine progress.
- Annual Project Review shall be conducted internally during the fourth quarter of each year, or soon after, to assess the performance of the project, and appraise the Annual

Work Plan for the following year. In the last year of the project, this review will be a Final Assessment. This review will be driven by the Project Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate CPD outcomes.

- Third-Party Monitor Agency will also support monitoring of project activities. The third-party service provider prepares a standard agreed-upon procedures report in accordance with the applicable standards, which includes:
 - Enumeration of the agreed-upon procedures performed and a summary of corresponding factual findings;
 - A statement indicating that the report is intended solely for the information and use of the specified parties;
 - Identification of the specific parties to whom use is restricted;
 - A statement that the report is not intended to be and should not be used by anyone other than the specified parties; and
 - A statement that the scope of agreed-upon procedures does not provide the same level of assurance as that of an audit or review.
- A fiduciary agency will be contracted that can carry out spot checks with the national counterpart and the concerned districts; independently verify the respect of the financial procedures; review the financial procedures to ensure that they cover the best practices in bookkeeping and accounting processes and recommend adjustment where necessary and within the scope of what is possible considering local conditions. The fiduciary agency's scope of work includes:
 - Verification of flow of funds and FGS payment processing;
 - Monitoring of payments to consultants and experts;
 - Monitoring in the field: site visits to districts (spot checks); and Deliverables / Expected Outputs.

Independent Reviews and Evaluations

A final evaluation of the project will be conducted in July 2020. The structure and process of this evaluation will be determined by UNDP, in accordance with the requirements set by PBSO, but based on the interests, concerns and inputs of stakeholders. This evaluation should inform objective, independent reports on project progress towards stated objectives, issues arising, lessons learned, and include recommendations to improve future implementation.

Project exit strategy and sustainability

The purpose of the PBF's support to the government-led stabilization approach is cementing peace following the recovery of an area from Al-Shabaab by AMISOM and SNA forces, or in areas that remain fragile to lay the foundations for dialogue, reconciliation, and local governance. As in the first phase, S2SII will create an environment conducive for other donors to support peace dividends projects and ensure their linkage with the dialogue, reconciliation and governance processes. For example, following establishment of a caretaker administration in Dinsoor District after its recovery by AMISOM and the SNA, a number of partners including USAID made significant investments in community recovery projects in the area that sustained the progress. Similar investments have occurred elsewhere and a number of key donors, including USAID, UK, and EU, have shown interest in supporting such projects. There is also growing indications in FIMM district reports and other assessments that in areas where stabilization activities have been undertaken, that the improvements in the combination of local governance and economy has allowed the district authorities to raise revenues locally to help

sustain their activities. At the Federal and State level, it is hoped that similar improvements in revenue raising and current discussions on financial support between the Government and the World Bank and the International Monetary Fund will help consolidate and sustain the capacity of MoIFAR and its state counterparts to underpin the Transition Plan. In addition, successful implementation of the first component of the project through direct budget support, and continued use of national systems will contribute to increasing the confidence of donors in using national systems to channel assistance, including as recently announced by the EU.

With regard to resource mobilization, both MoIFAR and UNSOM officials discussed a way forward to address the budget gap in S2S II project. Plans are underway to reach donors to raise alternative sources of funding to the project. In addition, the Embassy of Norway in Somalia has expressed an interest in supporting Government Stabilization agenda, particularly S2S II Project. This prospect for support will be followed up with high-level ministerial engagement as confirmed in a sideline meeting with deputy SRSG George Conway during Strand 3 on April 29, 2019.

IV Project budget

The total budget of the project is USD: **\$ 4,631,309**

As per rules of PBF, and in line with its GEWE policy under Gender Marker 2, at least 30% of the budget will be targeted to gender specific activities (or by ensuring at least 30% participation of women in the project activities). A specially recruited Gender Advisor will see to the GEWE specific activities and women participation.

Annex A.1: Project Administrative arrangements for UN Recipient Organizations

The UNDP MPTF Office serves as the Administrative Agent (AA) of the PBF and is responsible for the receipt of donor contributions, the transfer of funds to Recipient UN Organizations, the consolidation of narrative and financial reports and the submission of these to the PBSO and the PBF donors. As the Administrative Agent of the PBF, MPTF Office transfers funds to RUNOS on the basis of the signed Memorandum of Understanding between each RUNO and the MPTF Office.

AA Functions

On behalf of the Recipient Organizations, and in accordance with the UNDG-approved “Protocol on the Administrative Agent for Multi Donor Trust Funds and Joint Programmes, and One UN funds” (2008), the MPTF Office as the AA of the PBF will:

- Disburse funds to each of the RUNO in accordance with instructions from the PBSO. The AA will normally make each disbursement within three (3) to five (5) business days after having received instructions from the PBSO along with the relevant Submission form and Project document signed by all participants concerned;
- Consolidate the financial statements (Annual and Final), based on submissions provided to the AA by RUNOS and provide the PBF annual consolidated progress reports to the donors and the PBSO;
- Proceed with the operational and financial closure of the project in the MPTF Office system once the completion is completed by the RUNO. A project will be considered as operationally closed upon submission of a joint final narrative report. In order for the MPTF Office to financially close a project, each RUNO must refund unspent balance of over 250 USD, indirect cost (GMS) should not exceed 7% and submission of a certified final financial statement by the recipient organizations’ headquarters.
- Disburse funds to any RUNO for any costs extension that the PBSO may decide in accordance with the PBF rules & regulations.

Accountability, transparency and reporting of the Recipient United Nations Organizations

Recipient United Nations Organizations will assume full programmatic and financial accountability for the funds disbursed to them by the Administrative Agent. Such funds will be administered by each RUNO in accordance with its own regulations, rules, directives and procedures.

Each RUNO shall establish a separate ledger account for the receipt and administration of the funds disbursed to it by the Administrative Agent from the PBF account. This separate ledger account shall be administered by each RUNO in accordance with its own regulations, rules, directives and procedures, including those relating to interest. The separate ledger account shall be subject exclusively to the internal and external auditing procedures laid down in the financial regulations, rules, directives and procedures applicable to the RUNO.

Each RUNO will provide the Administrative Agent and the PBSO (for narrative reports only) with:

Type of report	Due when	Submitted by
Semi-annual project progress report	15 June	Convening Agency on behalf of all implementing organizations and in consultation with/ quality assurance by PBF Secretariats, where they exist

Annual project progress report	15 November	Convening Agency on behalf of all implementing organizations and in consultation with/ quality assurance by PBF Secretariats, where they exist
End of project report covering entire project duration	Within three months from the operational project closure (it can be submitted instead of an annual report if timing coincides)	Convening Agency on behalf of all implementing organizations and in consultation with/ quality assurance by PBF Secretariats, where they exist
Annual strategic peacebuilding and PBF progress report (for PRF allocations only), which may contain a request for additional PBF allocation if the context requires it	1 December	PBF Secretariat on behalf of the PBF Steering Committee, where it exists or Head of UN Country Team where it does not.

Financial reporting and timeline

Timeline	Event
30 April	Annual reporting – Report Q4 expenses (Jan. to Dec. of previous year)
<i>Certified final financial report to be provided by 30 June of the calendar year after project closure</i>	

UNEX also opens for voluntary financial reporting for UN recipient organizations the following dates

31 July	Voluntary Q2 expenses (January to June)
31 October	Voluntary Q3 expenses (January to September)

Unspent Balance exceeding USD 250, at the closure of the project would have to be refunded and a notification sent to the MPTF Office, no later than six months (30 June) of the year following the completion of the activities.

Ownership of Equipment, Supplies and Other Property

Ownership of equipment, supplies and other property financed from the PBF shall vest in the RUNO undertaking the activities. Matters relating to the transfer of ownership by the RUNO shall be determined in accordance with its own applicable policies and procedures.

Public Disclosure

The PBSO and Administrative Agent will ensure that operations of the PBF are publicly disclosed on the PBF website (<http://unpbf.org>) and the Administrative Agent's website (<http://mptf.undp.org>).

Annex A.2: Project Administrative arrangements for Non-UN Recipient Organizations

Accountability, transparency and reporting of the Recipient Non-United Nations Organization:

The Recipient Non-United Nations Organization will assume full programmatic and financial accountability for the funds disbursed to them by the Administrative Agent. Such funds will be

administered by each recipient in accordance with its own regulations, rules, directives and procedures.

The Recipient Non-United Nations Organization will have full responsibility for ensuring that the Activity is implemented in accordance with the signed Project Document;

In the event of a financial review, audit or evaluation recommended by PBSO, the cost of such activity should be included in the project budget;

Ensure professional management of the Activity, including performance monitoring and reporting activities in accordance with PBSO guidelines.

Ensure compliance with the Financing Agreement and relevant applicable clauses in the Fund MOU.

Reporting:

Each Receipt will provide the Administrative Agent and the PBSO (for narrative reports only) with:

Type of report	Due when	Submitted by
Bi-annual project progress report	15 June	Convening Agency on behalf of all implementing organizations and in consultation with/ quality assurance by PBF Secretariats, where they exist
Annual project progress report	15 November	Convening Agency on behalf of all implementing organizations and in consultation with/ quality assurance by PBF Secretariats, where they exist
End of project report covering entire project duration	Within three months from the operational project closure (it can be submitted instead of an annual report if timing coincides)	Convening Agency on behalf of all implementing organizations and in consultation with/ quality assurance by PBF Secretariats, where they exist
Annual strategic peacebuilding and PBF progress report (for PRF allocations only), which may contain a request for additional PBF allocation if the context requires it	1 December	PBF Secretariat on behalf of the PBF Steering Committee, where it exists or Head of UN Country Team where it does not.

Financial reports and timeline

Timeline	Event
28 February	Annual reporting – Report Q4 expenses (Jan. to Dec. of previous year)
30 April	Report Q1 expenses (January to March)
31 July	Report Q2 expenses (January to June)
31 October	Report Q3 expenses (January to September)

<i>Certified final financial report to be provided at the quarter following the project financial closure</i>
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Unspent Balance exceeding USD 250 at the closure of the project would have to be refunded and a notification sent to the Administrative Agent, no later than three months (31 March) of the year following the completion of the activities.

Ownership of Equipment, Supplies and Other Property

Matters relating to the transfer of ownership by the Recipient Non-UN Recipient Organization will be determined in accordance with applicable policies and procedures defined by the PBSO.

Public Disclosure

The PBSO and Administrative Agent will ensure that operations of the PBF are publicly disclosed on the PBF website (<http://unpbf.org>) and the Administrative Agent website (<http://www.mptf.undp.org>)

Final Project Audit for non-UN recipient organization projects

An independent project audit will be requested by the end of the project. The audit report needs to be attached to the final narrative project report. The cost of such activity must be included in the project budget.

Special Provisions regarding Financing of Terrorism

Consistent with UN Security Council Resolutions relating to terrorism, including UN Security Council Resolution 1373 (2001) and 1267 (1999) and related resolutions, the Participants are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. Similarly, all Recipient Organizations recognize their obligation to comply with any applicable sanctions imposed by the UN Security Council. Each of the Recipient Organizations will use all reasonable efforts to ensure that the funds transferred to it in accordance with this agreement are not used to provide support or assistance to individuals or entities associated with terrorism as designated by any UN Security Council sanctions regime. If, during the term of this agreement, a Recipient Organization determines that there are credible allegations that funds transferred to it in accordance with this agreement have been used to provide support or assistance to individuals or entities associated with terrorism as designated by any UN Security Council sanctions regime it will as soon as it becomes aware of it inform the head of PBSO, the Administrative Agent and the donor(s) and, in consultation with the donors as appropriate, determine an appropriate response.

Non-UN recipient organization (NUNO) eligibility:

In order to be declared eligible to receive PBF funds directly, NUNOs must be assessed as technically, financially and legally sound by the PBF and its agent, the [Multi Partner Trust Fund Office \(MPTFO\)](#). Prior to submitting a finalized project document, it is the responsibility of each NUNO to liaise with PBSO and MPTFO and provide all the necessary documents (see below) to demonstrate that all the criteria have been fulfilled and to be declared as eligible for direct PBF funds. The NUNO must provide (in a timely fashion, ensuring PBSO and MPTFO have sufficient time to review the package) the documentation demonstrating that the NUNO:

- Has previously received funding from the UN, the PBF, or any of the contributors to the PBF, in the country of project implementation
- Has a current valid registration as a non-profit, tax exempt organization with a social based mission in both the country where headquarter is located and in country of project implementation for the duration of the proposed grant. (**NOTE:** If registration is done on an annual basis in the country, the organization must have the current registration

and obtain renewals for the duration of the project, in order to receive subsequent funding tranches)

- Produces an annual report that includes the proposed country for the grant
- Commissions audited financial statements, available for the last two years, including the auditor opinion letter. The financial statements should include the legal organization that will sign the agreement (and oversee the country of implementation, if applicable) as well as the activities of the country of implementation. (**NOTE:** If these are not available for the country of proposed project implementation, the CSO will also need to provide the latest two audit reports for a program or project based audit in country.) The letter from the auditor should also state whether the auditor firm is part of the nationally qualified audit firms.
- Demonstrates an annual budget in the country of proposed project implementation for the previous two calendar years, which is at least twice the annualized budget sought from PBF for the project⁴
- Demonstrates at least 3 years of experience in the country where grant is sought
- Provides a clear explanation of the CSO's legal structure, including the specific entity which will enter into the legal agreement with the MPTF-O for the PBF grant.

⁴ Annualized PBF project budget is obtained by dividing the PBF project budget by the number of project duration months and multiplying by 12.

Annex B: Project Results Framework

Outcomes	Outputs	Indicators	Means of Verification/ frequency of collection	indicator milestones
Outcome 1 Federal, state and district-level administrations have capacity to oversee, coordinate and implement stabilization activities.		Outcome Indicator 1.1 Levels of government administrations capacitated to manage and implement stabilization efforts through use of National Window. Baseline: Embryonic Target: Advanced Outcome Indicator 1.2 Value (in \$) of resources channeled through the national window. Baseline: 1,435,615 Target: 4,000,000	Third Party Monitoring Agency reports. Number of reports/joint press releases made by FGS and FMS Levels of government. Project team technical monitoring reports Reports of semi-annually feedback sessions between Federal Government of Somalia and Federal Member States	Enabled the capacity by the government authorities to manage and coordinate stabilization efforts. Support is entailed using national funding streams, thereby strengthening the accountability and legitimacy of government authority.
	Output 1.1 Empowering local governments leads to higher levels of legitimacy; Activity 1.1.1: provide technical capacity at the FGS, States and District levels to undertake the stabilization activities: <ul style="list-style-type: none"> 6 MOIFAR 10 States 18 Districts 	Output Indicator 1.1.1 # of Staff at district, FMS and federal level recruited and in place to support stabilization activities. Baseline: FGS 3; FMS 0, Districts 14 Target: FGS 6, FMS 10, Districts 18.	List of staff recruited and trained Training reports Reports of 'experience-sharing' sessions between new FMS	Provided technical capacity at federal government and district level to over 60% government counterparts Twice a year, experience-sharing sessions between new FMS organized by MoIFAR
		Output Indicator 1.1.2 Government effectively managed stabilization activities at three levels of government Baseline: Average 9-13 reports per month Target: monthly – 18 districts reports	Monthly, quarterly, semi-annually and yearly reports	Over 70% staff members' performance appraisal received satisfactory rating
		Output Indicator 1.1.3 % of staff utilized knowledge and experience gained from training received Baseline: 60% Target: 80%	Performance appraisal of staff members	
	Output 1.2	Output Indicator 1.2.1	Expenditure and financial reports	

	Financial support enables local governments to operate	Value (in \$) of resources expended by district administrations. Baseline: \$50,000 Target: \$100,000		Provided support for the oversight and accountability of transfer support to administration at district level. Provided running cost for district councils.
	List of some of the activities under this Output: 1.2.1 Provide operational capability to MOIFAR and MOIs levels of governments 1.2.2 <ul style="list-style-type: none"> 1.2.2.1. provide training to new interim district administrations 1.2.2.2. deployment support to new interim district administration 1.2.2.3 conduct and disseminate conciliatory messages and public awareness 1.2.2.4 Establishment and training of district peace and security committees (DPSCs) 1.2.2.5 Newly recovered district administration running costs 	Output Indicator 1.2.2 Number of fiduciary monitoring visits with reports and recommendations for improvement Baseline: 10 Target: 15	(M/W) Monitoring reports	At least 4 fiduciary monitoring visits conducted
		Output Indicator 1.2.3 # of financial procedures adopted and implemented. Baseline: adopted and implemented 4 sets of the PBF financial procedures Target: FGS's PFM procedures.	Financial manuals, SOPs etc of the peace process (M/W)	All the target districts have financial procedures and Standard operating (SOPs) in place
Outcomes	Outputs	Indicators	Means of Verification/ frequency of collection	indicator milestones
Outcome 2 An enabling environment		Outcome Indicator 2	Coordination meeting reports Reconciliation workshop reports	Coordination mechanism established to implement social cohesion and reconciliation interventions

conducive to social cohesion, trust, civic participation and development led by the community is established in accessible districts.		<p>Citizens actively collaborate with each other and local authorities to resolve key drivers of conflict in the community and address public challenges in an inclusive and equitable manner, with a special emphasis on gender issues</p> <p>Baseline: Fair Target: Excellent</p>	<p>Citizen scorecards on the inclusiveness, responsiveness and effectiveness of government's activities</p> <p># of dedicated sessions, workshops and other activities for and by (exclusively) women</p>	<p>Enabled the capacity by the government authorities to manage and coordinate stabilization efforts.</p> <p>Citizens pro-actively approach local and state authorities to use new mechanisms and processes to create public value</p> <p>Reconciliation and governance processes become the preferred platform for women to discuss their needs and further their interests</p>
	<p>Output 2.1 Coordination mechanisms strengthened to attract new partners and align actions</p> <p>List of some of the activities under this Output:</p> <p>Activities 2.1.1 (District Council Formation (6 districts in total)):</p> <ul style="list-style-type: none"> 2.1.1.1 Make assessments through community consultations and nomination of district preparatory committee 2.1.1.2 awareness raising campaigns through local media, banners and local artists 2.1.1.3 preliminary consultative meetings 	<p>Output Indicator 2.1.1 # of stakeholders participating in every 2-month coordination meetings organized at FGS level.</p> <p>Baseline: 23 Target: 25</p> <p>Output Indicator 2.1.2 # of state stabilization coordination meetings organized at FMS level.</p> <p>Baseline: 3 Target: 4</p>	<p>Third party monitoring agency performance reports</p> <p>Meeting minutes and attendance sheets</p>	<p>At least 70% target districts are able to organize and facilitate coordination meetings with partners.</p>

	<ul style="list-style-type: none"> • 2.1.1.4 wider district peace building conference to resolve issues • 2.1.1.5 selection process of district council member • 2.1.1.6 election of district council officials and inauguration • 2.1.1.7 post district council formation subsidies (running cost) 			
	<p>Output 2.2 Reconciliation enhanced efforts to support district council formation and stability</p> <p>List of some of the activities under this Output:</p> <p>2.2.1 Conduct assessments on clans and conflicts mapping through community consultations & nomination of District Preparatory Committee</p> <p>2.2.2 Awareness raising campaigns through local media, banners & local artists</p> <p>2.2.3 Preliminary consultative meetings</p>	<p>Output Indicator 2.2.1 # of gender-fair DPSC established with approved ToRs</p> <p>Baseline: 4 DPSCs formed in 4 districts. Target: 1 per district 4 new districts.</p> <p>Output Indicator 2.2.2 # of coordination meetings between DPSCs and peace dividend providers</p> <p>Baseline: 8 Target: minimum 1 per district</p> <p>Output Indicator 2.2.3 # of disputes resolved by DPSCs</p> <p>Baseline: 10 Target: minimum 1 per district</p> <p>Output Indicator 2.2.4</p>	<p>Workshop reports</p> <p>Training materials</p> <p>Number of women members of DPSCs</p> <p>ToRs</p> <p>Meeting minutes and attendance sheets aggregated by gender</p> <p>Photos and video recordings of meetings/consultations/workshops</p>	<p>Provided support for the public awareness activities of the community on the formation of the district local councils through community dialogue sessions, district wide reconciling conference, printing material and web-based publicity/arts-based publicity e.g. drama songs etc.</p>

	2.2.4 Wider district peacebuilding conference to resolve issues	# of district council consultations organized with community to form governance structures. Baseline: 4 Target: 6		
	2.2.5 Selection process of district council members	Output Indicator 2.2.5 # of conferences and consultations held to form legitimate district councils. Baseline: 4 Target: 6		
	2.1.6 Election of district council officials & Inauguration	Output Indicator 2.2.6 # of people participating (Men: Women) in District council formation process. Baseline: 10% female Target: 30% Female		
	2.2.7 Post District Council Formation Subsidies	Output Indicator 2.2.7 # of project board meetings held regularly Baseline: 2 Target: 4		
	Output 2.3 Project Effectively Managed			
	List of some of the activities under this Output			
	2.3.1 HR/Personnel			
	2.3.2 Project Travel cost			
	2.3.3 Supplies and Equipment			
	2.3.4 UNDP Office/premises cost 2.3.5 Fiduciary Monitoring Agent on the Government executed funds 2.3.6 DPC 13% of the UNDP programmable funds (includes security, financial management,		Project board meeting reports	UNDP and MoiFAR project management and implementation team in place.

	operations and oversight costs of UNDP CO and is in line with the high cost of doing business in Somalia)			

Annex C: Project Monitoring Plan

Monitoring Activities – Project Level

Monitoring Action	Source/Method of Collection	Due Dates	Responsible Staff	Resources (\$)	Risks and Assumptions
<i>Monitoring action</i>	<i>Specific publication, evaluation, survey, field observation, interviews, etc.</i>	<i>Specific dates for each period</i>	<i>for collecting and reporting data</i>	<i>Estimated cost</i>	<i>Any risks or assumptions concerning data collection</i>
Annual and Semi-annual Progress Reports (Progress to be reported in the agreed PBF template as per the reporting requirements of the project)	Project Advisors and District Based staffs reports; state and districts-based staff monthly reports, project meetings & missions reports, etc.	15 th June for Semi-annual report and 15 th November for Annual reports.	Project Manager / Project Officer	\$0.00	- Delay of receiving regular narrative/financial reports from the project implementation counterparts (MoIFAR, FMS, Districts, etc.) Irregularity of data provided by project counterparts
Project Board Meeting (Progress to be reviewed by the Project board including monitoring of Capacity Development and actions recommended, measurement of progress/ indicators Explanations for slippage and variance against budget, risk logs, issue log)	Project Progress Report; Minutes of the previous Board meeting	At least once quarterly	Project Board (organized by MoIFAR Project Manager)	\$0.00	Absence of MOIFAR and MOF leadership- Minister, PS Level at the Board Meetings, delays in holding the meetings due to security restrictions.
Joint UNDP-MOIFAR project team field visits to the project sites.	BTORs, minutes of the meetings, etc.	At least two mission per state.	MOIFAR and UNDP project team		Security clearance issues, FGS and FMS political standoff may impede the visits.

Monitoring Action	Source/Method of Collection	Due Dates	Responsible Staff	Resources (\$)	Risks and Assumptions
<i>Monitoring action</i>	<i>Specific publication, evaluation, survey, field observation, interviews, etc.</i>	<i>Specific dates for each period</i>	<i>for collecting and reporting data</i>	<i>Estimated cost</i>	<i>Any risks or assumptions concerning data collection</i>
End project evaluation	Annual work plans; Meeting minutes; Bi-annual progress reports; Annual reports; transactional support documentation	July 2020	MOIFAR and UNDP project team.	\$20,000	District level accessibility challenges due to security and political issues.

Monitoring Activities – Output Level *(These monitoring activities need to be defined by the project manager/ subject matter expert)*

Expected Results (Outcomes & Outputs)	Indicators, Baselines and Targets	Monitoring Event and Data Collection Plan					
		Monitoring Action	Source/ Method of Collection	Due Dates	Responsible Staff	Resources (\$)	Risks and Assumptions
<i>Obtained from the project Result's Framework.</i>	<i>Obtained from the Project Result's Framework)</i>	<i>Monitoring action</i>	<i>Specific publication, evaluation, survey, field observation, interviews, etc.</i>	<i>Specific dates for each period</i>	<i>for collecting and reporting data</i>	<i>Estimated cost</i>	<i>Any risks or assumptions concerning data collection</i>
Output 1: Empowering local governments leads to higher levels of legitimacy	Indicators: # of Staff at district, FMS and federal level recruited and in place to support stabilization activities. Baseline: FGS 3; FMS 0, Districts 14	Document review:	Third party Monitor Reports; Reports submitted by the MoIFAR Advisors; Spot checks Staff contract; Attendance sheets; payments; Terms of Reference (TORs); recruitment	Once every quarter- March/June/ December.	Project Officer and Associate.	\$0.00	Restriction of movement due to security of access to targeted areas of the project IP's consultants do not submit quality reports in a timely manner

Expected Results (Outcomes & Outputs)	Indicators, Baselines and Targets	Monitoring Event and Data Collection Plan					
		Monitoring Action	Source/ Method of Collection	Due Dates	Responsible Staff	Resources (\$)	Risks and Assumptions
<i>Obtained from the project Result's Framework.</i>	<i>Obtained from the Project Result's Framework)</i>	<i>Monitoring action</i>	<i>Specific publication, evaluation, survey, field observation, interviews, etc.</i>	<i>Specific dates for each period</i>	<i>for collecting and reporting data</i>	<i>Estimated cost</i>	<i>Any risks or assumptions concerning data collection</i>
	Target: FGS 6, FMS 10, Districts 18.		reports, performance appraisals, Staff deliverables etc.				
Output 2: Financial support enables local governments to operate	<p><i>Output Indicator 2.1:</i> Value (in \$) of resources expended by district administrations.</p> <p><i>Baseline:</i> \$50,000 <i>Target:</i> \$100,000</p> <p><i>Output Indicator 2.2:</i> Number of fiduciary monitoring visits with reports and recommendations for improvement</p> <p><i>Baseline:</i> 10 <i>Target:</i> 15</p> <p><i>Output Indicator 2.3:</i> # of financial procedures adopted and implemented.</p> <p><i>Baseline:</i> adopted and implemented 4 sets of the PBF financial procedures</p>	<p>Field verifications visits</p> <p>Internal project monitoring;</p>	Reports of Fiduciary monitoring Agent-financial verifications of government executed PBF funds.	One field visit per district.	UNDP and MOIFAR Project Team	\$80,000	<p>No harmonized intergovernmental fiscal transfer procedures.</p> <p>The fiduciary agent / TPM consultant may have difficulties in accessing for the targeted districts due security.</p> <p>Challenges in obtaining supporting documents from the partners.</p>

Expected Results (Outcomes & Outputs)	Indicators, Baselines and Targets	Monitoring Event and Data Collection Plan					
		Monitoring Action	Source/ Method of Collection	Due Dates	Responsible Staff	Resources (\$)	Risks and Assumptions
<i>Obtained from the project Result's Framework.</i>	<i>Obtained from the Project Result's Framework)</i>	<i>Monitoring action</i>	<i>Specific publication, evaluation, survey, field observation, interviews, etc.</i>	<i>Specific dates for each period</i>	<i>for collecting and reporting data</i>	<i>Estimated cost</i>	<i>Any risks or assumptions concerning data collection</i>
	Target: fully adopted, implemented FGS's PFM procedures and functional Inter-governmental fiscal transfers_						

Annex D: Checklist of project implementation readiness

Question	Yes	No	Comment
1. Have all implementing partners been identified?	x		
2. Have TORs for key project staff been finalized and ready to advertise?	x		
3. Have project sites been identified?	x		
4. Have local communities and government offices been consulted/ sensitized on the existence of the project?	x		
5. Has any preliminary analysis/ identification of lessons learned/ existing activities been done?	x		
6. Have beneficiary criteria been identified?	x		
7. Have any agreements been made with the relevant Government counterparts relating to project implementation sites, approaches, Government contribution?	x		
8. Have clear arrangements been made on project implementing approach between project recipient organizations?	x		
9. What other preparatory activities need to be undertaken before actual project implementation can begin and how long will this take?	N/A		