


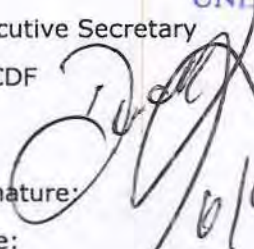

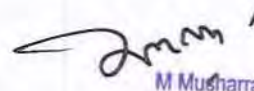
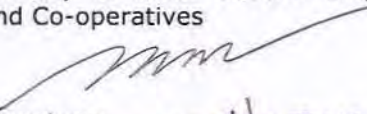
JOINT PROGRAMME DOCUMENT

1. Cover page

Country: Bangladesh

Programme Title: Upazila Governance Project (UZGP)

Joint Programme Outcome: Strengthened capacities of local governments and other stakeholders to foster participatory local development service delivery for the MDGs

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| <p>Programme Duration: 5 years</p> <p>Anticipated start/end dates: August, 2011 –July, 2016</p> <p>Management Arrangement: National Implementation</p> <p>Administrative Agent: UNDP</p> | <p>Total estimated budget*: \$19,312,916</p> <p>Out of which:</p> <p>1. Funded Budget: \$ 18,058,889</p> <p>2. Unfunded budget: \$1,254,027</p> <p><small>* Total estimated budget includes both programme costs and indirect support costs</small></p> <hr/> <p>Sources of funded budget (\$):</p> <ul style="list-style-type: none"> • Government 935,828 (Equivalent to 700.00 lakh BDT)** • UNDP 2,000,000 • UNCDF 1,000,000 • European Union* 10,138,889 • SDC* 4,920,000 <p><small>* Contributions are provided in EUR and CHF ** 1 BDT is equal to 74.80 USD as on 01/08/2011 respectively and are subject to exchange rate variations</small></p> |
| <p>UN organizations</p> <p>Country Director UNDP, Bangladesh</p> <p>Signature: </p> <p>Date: 25/8/2011 Stefan Priesner Country Director UNDP-Bangladesh</p> <p>Executive Secretary UNCDF</p> <p>Signature: </p> <p>Date: 20/9/11 </p> | <p>National Coordinating Authority</p> <p>Economic Relations Division Ministry of Finance</p> <p>Signature: </p> <p>Date: 25/8/2011 M. Musharraf Hossain Secretary Economic Relations Division Ministry of Finance Government of the People's Republic of Bangladesh</p> <p>Local Government Division Ministry of Local Government, Rural Development and Co-operatives</p> <p>Signature: </p> <p>Date: 20/9/11 Syed Mafboob Hasan Additional Secretary Local Govt. Division Government of Bangladesh.</p> |

2. Executive Summary

The Upazila Parishad Governance Project (UZGP) is part of the overall programmatic framework for UNDP and UNCDF support to the Government of Bangladesh Local Government reforms, supported by the European Union, the Governments of Switzerland (SDC) and Denmark (Danida). The UZGP is the product of the Preparatory Assistance that UNDP implemented during 2009-2010 (with Swiss support) to address many of initial challenges of UZPs.

This UZGP document is complemented by the programmatic framework document itself and the partner project UPGP that provides support to the *Union Parishad* (UP) level of local government as part of the wider Local Government Support Program. In this regard the UZGP and UPGP projects will have horizontal and vertical linkages throughout their implementation. In terms of project management there will be a shared implementation team(s) supporting both projects. Programmatically, both projects will share a common output covering policy and capacity development frameworks.

The UZGP is an innovative initiative with four overarching themes.

- Firstly it will support the Government of Bangladesh to implement the governance reforms at *Upazila* (UZP) level that include the recently (re) established elected council at the middle tier of LGI Unit.
- Secondly it will demonstrate how the UZP can fulfill its development mandate for service delivery and leverage its comparative advantage in delivering development and services at the local level and accelerating the achievement of the MDGs – recognizing locally specific needs.
- Thirdly it will weave the UZP into a more holistic and integrated local governance framework in which the UPs, the line agencies and the Upazila Parishads complement one another, co-financing local development programs that are locally accountable.
- Finally it will support central government's capacity to monitor these local governance reforms and to develop a National Framework for Local Government Policy and Capacity Building for local government institutions (LGIs) and local level functionaries.

To do this the UZGP will introduce following major innovations at the local level:

- A strong focus on local democracy and accountability is an objective in its own right. This will include the concerted use of a wide range of participatory mechanism and methods to strengthen the functioning of the Upazila Parishads. This is the focus of the first UZGP Output – which will cover all UZPs with a basic program of support and concentrate on some UZPs for more specific measures.
- The UZP will be an active and vibrant LG unit bringing all service providers at Upazila level under the accountability framework of UZP and create a mechanism of participatory, democratic and accountable body corporate as envisioned in the Local Government (UZP) ACT 1998. In 2009, the Government enacted an amendment to the 1998 Act, that added the position of two vice-chairs (including one female vice-chair) and confirmed the advisory role of the members of parliament with an obligation to the parishad to listen to the MPs' advice.
- The UZGP will introduce an effective local level planning and visionary service delivery system by bring all the government, non-government and private sector initiatives under a coordinated and integrated local level planning and management framework. Through this process environmental and climate change issues will be taken into account.
- The UZGP output introduces a pilot fiscal facility for the Upazila Parishad. These funds will enable the newly established councils to program activities co-financed with the Union Parishads and the line agencies at the local level, thus providing a 'glue' that brings together currently disparate resources under local accountability, and enables the UZP to further its development mandate – with a particular focus on

MDG acceleration.

- The fiscal facility provided to the UZPs will promote the financing of MDG related activities under the UZP plan framework. Assessment tools will also be developed and used to monitor MDG achievements.

The UZGP will run for five years from 2011 to 2016 during which the pilot fiscal facility will be extended to at least 14 UZP for 4 fiscal years (with 7 UZPs targeted the first year) and the main program will be expanded to the whole country, working through the office of the Divisions and Districts. The project will be implemented by the Ministry of Local Government, Rural Development and Co-operatives and will be funded by European Union and Swiss Agency for Development and Cooperation.

3. Situation Analysis

The Upazila as an administrative unit and spatial location occupies a strategic, political and administrative position in Bangladesh. The reestablishment of the Upazila Parishads (UZP) and elections to the 482¹ Parishads in 2009, with a gap of twenty years, means powers are again vested in democratically elected institutions at the sub-national level. Through the 2009 Upazila Act² and the subsequent elections, the UZPs are now empowered to play a major role in the process of promoting local democracy and management and delivery of basic social services. It can also contribute substantially to make local administration accountable to democratically elected institutions. It is the second tier of local government that national government engages directly sub-nationally with its citizens. With an average population of 300,000, UZPs have major responsibilities for virtually supervising all sectoral service providers. For local service delivery, citizen participation and accountability is located at the Upazila that makes it a strategic and vital administrative and political point. Public service ministries delivering key services necessary for livelihoods and well-being all have functionaries posted at this tier including key services of health; education; water and sanitation; agriculture and economic development.

It is now a policy priority to ensure the smooth functioning of Upazilas in the context of their unique and complex local chemistry, their multi-dimensional role, and their associated political considerations. In particular, the capacity of local government representatives in planning and in resource mobilization, the mechanisms that ensure democracy within the Parishad, and the policy directions and initiatives ensure citizens' participation in local government systems need immediate action..

The UN Common Country Assessment of 2005 notes that the lack of elected representatives at many local government tiers (including the Upazila until the 2009 elections), the complex legislative framework for decentralization and limited access to resources at local level results in low levels of effective citizen participation and capacity of LGIs to deliver services. It also notes the importance of the initiatives to address the afore mentioned issues coupled with strong capacity building efforts for local government officials, making a particular mention to the role of elected women representatives.

The new public leadership at the Upazila level needs, in most cases, greater experience and exposure in managing this unique organization that combines civil bureaucracy, development professionals, and other public leaders within one single institutional framework. Most of the newly elected leadership of the UZP also need greater skills to promote pro-poor public service delivery in the face of competing demands from various social and political interest groups. The capacities of the UZP leadership to promote participation and democracy within the Parishad and the skills to promote peoples' participation in the functioning of UZP, are both critical elements of the local leadership's skills requirement. Without the immediate provision of such skills the UZP may not be able to work with their full potential.

There is strong political support for decentralized governance and a greater development role for UZPs. The current Government has reflected in its manifesto regarding the revival of UZP and by holding UZP elections the

¹ Elections were held for all 482 Upazilas but only 481 Parishads were elected.

² The 2009 Act is an updating of a previous act which assigned clear roles, functions and powers to the Upazila Parishads in 13 main areas including health; education; water and sanitation; agriculture and economic development.

commitment has been partially fulfilled. Moreover, acts were enacted and some of the supporting rules were framed to facilitate effective decentralization.

The UZP Act opens up the democratic space for increased citizen's voice and engagement with elected representatives and functionaries in local government. However, challenges prevailing that slow down the process need to be addressed. The rules, regulations, guidelines and circulars relating to the UZPs though framed and circulated facing acute problem at the application stage. This has limited the proper administration and coordination of the funds functions functionaries, development and services at the upazila level. Women representatives face constraints in engaging with the citizen because of their marginalization from decision-making processes at UZP. UZP has to reactivate and institutionalize mechanisms envisaged in the legislation, such as the standing committees, through which public representatives and functionaries can interact consistently and openly with Upazila constituents. These are some of the challenges the UZP has to resolve in future.

The UZGP will explore the opportunities to build on the lessons learnt from the changes underway in the UPs and the local offices of line ministries, without encroaching on the core functions of either the functionaries or the UPs and pourasavas. The legislative function of the UZP is to ensure funds and functionaries are deployed in line with national government policies and targets; i.e. to ensure coverage to hard-to-reach and marginalized constituents. There is a risk that the UZP will fail to fulfill its own legislative functions (planning, setting standards and monitoring compliance) or will be perceived as overriding the functions of other tiers of government. The current tensions between different actors would be exacerbated and this may further marginalize poorer constituents, who already face difficulties in engaging with the democratic processes.

The UZGP along with other issues will precisely follow the following principles while addressing the situations described above.

- The capacities of UZPs, government functionaries, non-state actors will be enhanced with the assistance from the UZGP to make UZP a viable local government institution for effective service delivery and democratic decentralization.
- The UZGP will also aim at building trust, confidence and mutual respect among the public representatives and the government officials.
- Help to create a planning vision and translating the vision into a concrete plan instrument through a process of participation. The project will ensure the preparation of five year plan for all Upazilas following the guidelines prepared by LGD. The plans and implementation tools will include need and area based climate change issues.
- The UZGP will assist the process of MDG achievement by supporting few components of the plan evolved through a participatory process.

Linkages with the District level, particularly should the Zila Parishad elections take place during the lifetime of the project will be taken into account in project activities.

(See a detailed situation analysis in Annex 1)

4. Strategies, including lessons learned and the proposed joint programme

The intervention strategy falls within the frames of the following United Nations Development Assistance Framework (UNDAF) outcome 1: "Government institutions at the national and sub-national levels are able to more effectively carry out their mandates, including delivery of public services, in a more accountable, transparent, and inclusive manner". For this purpose, the proposed intervention brings together UNDP's recognized core mandate for Capacity Development with UNCDF's specialized expertise in local governance and investment capital for fiscal decentralization. In addition, the 2009 Millennium Development Goals Progress Report for Bangladesh promotes the need for progressive approaches to local government to change the nature of the relationship between citizens and the state.

The challenges for development of Upazila level democracy and service delivery are very different from the Unions and Pourashavas. While the lowest tier and the municipalities have a significant portion of 'own' functions, the new Upazila Parishads, with the Government vision and strategy, will have roles and responsibilities vis-à-vis service delivery which will continue to require input from the line agencies and other actors. The councils are envisaged as representative bodies strengthening line agencies accountability and coordination of overall Government service delivery managed at Upazila level side by side with managing own LG functions.

For the UZP to function well, service delivery will need to be organized as both 'devolved' and 'deconcentrated' in their clear forms. The fundamental challenge over the years to come will be to establish the roles and responsibilities and the appropriate arrangements under which the different agents (including non-state actors) collaborate with each other. This is alongside the additional challenges of bringing state and non-state actors to cooperate. This also implies that whereas capacity development is an issue for the new *Parishads*, the present *administrations* and sectoral entities have some capacities. The key challenges are the struggles over roles, powers and funds, new accountability lines and – more broadly - making local democracy work. This includes sensitization of the line agencies to conform to new democratic and decentralization values.

A further challenge of the program is to support UZP as democratic entities and thereby contribute to opening up the democratic space for increased citizen-state engagement at sub-national level. The signs seem congenial. In Bangladesh, over the last decade, in local governance and in other sectors, a range of interventions have modeled approaches focused on operationalizing accountability, citizens' voice, institutional response and engagement.³ These lessons have informed the program's design and will be incorporated into the implementation processes. Key lessons shaping the approach include:

- Representatives, government officials and citizens can build capacities to be able to work together. For citizen-state engagement to work, stakeholders at all levels need to be part of the process.
- Information and understanding are vital for extending access to the marginalized and those hitherto left behind. On the one hand, it means that access to information, and the belief there are channels available through which to act on it, will motivate people, especially poor people, to risk the time and effort to participate in dialogue and decision-making. On the other hand when representatives, functionaries and the administration have a better understanding of the lives and concerns of their constituents they are more willing to sanction actions that respond positively to their demands. Monitoring and evaluation of democratic processes are essential to understand changes in how institutions are listening to and working with all their constituents including the poor. However, processes of collecting and assessing data against simple impact indicators of voice, accountability and engagement are yet to be institutionalized,

Building on these lessons, this program aims to enhance institutional responsiveness on the one hand and open up channels for citizen's voice on the other – linking the 'demand' and the 'supply' of democratic local governance. An element of this is enhancing accountability mechanisms. Accountability takes many different forms but has two important characteristics: i) *answerability*; the right to receive a response and the obligation to provide one, and ii) *enforceability*; the capacity to enforce action and seek redress when accountability fails⁴. The constitution and laws governing the UZP, (2009) and the citizens' right to information (2009) establish GoB obligations for both answerability and enforceability. The program is aiming to support: (a) accountability mechanisms which transparently demonstrate UZPs are institutionally acknowledging and assuming responsibility for decisions and actions taken and, (b) processes of dialogue, challenge and redress through which constituents can engage with the elected representatives.

Project Intervention Principles

- Build on lessons learnt from existing Upazila PA, LGSP-LIC and SHARIQUE pilots to strengthen mechanisms of mutual accountability
- Reinforce GoB policies on citizen engagement (UZP Act 09 - Citizen Charter, RTI, e-governance)

³ See for example, Holland et al 2008; Crawford 2009; Hobley 2006;

⁴ Taken from Crawford 2009 Voice and Accountability in the Health Sector of Bangladesh. DFID Bangladesh: page 4

- UZP as a coordinator of development planning and services by linking with functionaries and line ministries
- Gender mainstreaming (See details in Annex 4)
- Promote pro-poor & gender sensitive planning & services
- Promote livelihood supportive environment & biodiversity conservation in a changing climate
- Enhance oversight, monitoring & policy review functions

Geographical coverage

The geographical coverage for assistance aimed at scaling up support for MDGs through LGs and learning & innovation is expected to be as follows:

The program will cover 7 Districts representing one in each of the 7 Divisions in order to pilot equity initiatives in a priority pro-poor setting measured in terms of a) being the most off-track on the MDG targets and b) to which UZP managed local public service delivery contributes significantly.^[1]

The 7 Districts will be selected together with the Government matching with the following criteria:

1. Representative sample of poverty levels of Bangladesh (proportion of population below the upper poverty line): This will ensure the demonstration effect the project is aiming at to have a broader policy and scaled up impact through the replication and adoption of the best practices it will identify. Districts from different poverty levels will be selected but a poverty bias will be allowed to ensure the sample is representative of Bangladesh's district poverty profiles. Districts with various levels of capacity will be included to ensure sufficient lessons learned from this piloting exercise.

2. Inclusion of 3 former LGSP-LIC districts (including Sirajganj District): This will give the opportunity to continue building on the successful grounds built under the LGSP-LIC project to showcase sound and well proven models for replication. The Sirajganj district will be kept as the pioneer district where the UNDP and UNCDF supported program SLGDP launched fiscal transfers to the UPs in Bangladesh. It is felt important to keep maintaining this district as a model and laboratory to keep pushing innovations in local governance further. The UNDAF priority districts and the geographical targeting methodologies will also be considered before finalization of districts. The methodology took into account not only MDG ranking of the districts, in other words poor performance of MDG related indicators but also pro-poor growth, social services, food security and nutrition and last but not least climate change.

Within the 7 Districts, the Fiscal Facility of the UZGP will cover 14 UZP comprising 2 UZPs in each selected district in each of the 7 Divisions. A phased approach will be adopted: year 1-2 work in 7 UZPs (1 in each of the 7 districts), Year 3: 2 UZPs in each district, and then rising to 14 (2 in each of the 7 districts) in fourth years. The districts will be selected through UNCT developed approach.

A formula will be developed with the Government to select the targeted UZP – this will take into account poverty criteria, geographical criteria, the need to work in UZP where the demonstration effect can be largest and finally the advantages of working in UZP that have benefited from the localizing the MDGs program, the LGSP LIC program.

The UPGP will be operational in the same districts (covering all UPs with its Fiscal Transfer or Block Grant) to facilitate synergies with the improved planning, financial management and revenue mobilization to be explored at UP level, including co-financing and coordination of UP and UZP activities. It is estimated that 400 UPs will be covered in 7 Districts by the UPGP.

Whilst the focus will be on the 14 UZPs that will receive the pilot Fiscal Facility, all the remaining UZPs of the country will receive a basic level of capacity building support on demand delivered through the LGD/(Dep.) Directors, LGs and their district facilitation teams. These UZPs will be encouraged to adopt the lessons learnt and tested practices, emerging from the core group, where appropriate. Dissemination of good practice will be through a variety of methods, *inter alia*: horizontal peer-to-peer learning; mobile trainings; dissemination of IEC materials and the district level helpline. The selection of the core UZPs will be done in agreement with the Government based on the poverty and MDG ranking.

The program will work with the LGD offices of Director, LG and Deputy Director, LG of the Divisional/District Commissioners' offices. Additionally, much of the program funded training, including aspects of the peer-to-peer horizontal learning, will be delivered to all, or a significantly larger group of UZPs and UPs than those targeted directly for fiscal support by the program. Evidence from the existing peer-to-peer learning initiatives by WSP with UPs suggests that once good practices are identified, non-participating UPs are quick to learn and adopt such practices leading to a wider take-up and embedding of good practice across a broad geographical area.

UNDP and UNCDF Comparative advantage and Roles:

The UN system with its commitment to the Millennium Development Goals and to Aid Effectiveness (Paris Declaration and Accra Agreement) has been responding to the needs of Bangladesh for the past 30 years. In this context, UNDP and UNCDF brought together their comparative advantages that create an added-value based partnership to pioneering ways to address local governance issues in Bangladesh.

The proposed intervention brings together a recognised core mandate for Capacity Development with a specialized expertise in local governance and investment capital for fiscal decentralization. UNDP counts with a full blown multi-sector approach with a particular strength in Governance and Poverty Reduction. A consolidated country presence allows for a solid delivery arm within the NEX (National Implementation Modality) agreed with the GoB for enhanced levels of ownership and accountability. The comparative strength of UNDP builds on:

- A strong donor coordination role in countries where local governance attracts considerable attention from the international community
- A strong and dynamic community of practitioners
- Activities in more than 90 countries with considerable potential for south-south learning co-operation
- Flexibility in its support, with focus on local needs
- Close co-operation with UNCDF in working with the more than 20 least-developed countries (LDCs), presenting a strong foundation for linking poverty reduction with democratic governance and natural resource management.

UNCDF's Local Development practice area, which has 15 years' experience of supporting local government finance in Asian LDCs, will be put to the service of improved access to social services, governance and pro-poor economic infrastructure by providing an added-value generating combination of capital, technical assistance and advocacy directly to local authorities. UNCDF's brings added value with its expertise on fiscal transfers to local governments.

The method of implementation will also support donor harmonization in particular to technical assistance and capacity development as the intervention will be a partnership of key donors involved in local governance in Bangladesh (DANIDA, SDC, UNDP, UNCDF and EU) and which are directly linked to the GoB's national LGSP programme supported by a World Bank loan.

UNDP and UNCDF roles within the project:

UNDP will take the lead in supporting the Government for the implementation of activities related to the promotion of democracy, the development of a framework for Local Government Policy and Capacity Development, women empowerment, local planning and where technical areas overlap with the areas of expertise of UNCDF, UNCDF will provide technical support as required.

UNCDF, given its specific capital investment mandate, will ensure the delivery to Government of fiscal grant transfers for Local Government Institutions (UZPs). UNCDF will also take lead and responsibility on fiscal decentralization aspects related to performance based grant systems, UZGP budgeting, UZGP own revenue mobilization, public financial management, local investment programming, local procurement and policy promotion related to these areas. Where technical areas overlap with the areas of expertise of UNDP, UNDP will provide technical support as required.

More details on the roles of each agency in the annexed detailed budget (Annex 5a, 5b, 5c and 5d)

5. Results Framework

In response to current challenges the project will be divided into three Outputs:

Output 1: Strengthened Upazila Parishads as more functional, democratic transparent and accountable institutions

This Output aims at capacity building of the UZP mainly to transform it into a fully functional institution and to promote democracy first from within, and then to empowering people, in particular the women representatives to participate in the policy debate of the UZP. The capacity building efforts will include making the UZP functionaries understand their basic roles and functions. This will contribute to enhancing their skills to perform within the provisions of the existing legal framework and meeting the expectation of their male and female constituencies. It is envisaged that the output will also contribute in supporting the UZPs and the Government to develop a better legislative framework with support to the process of drafting new laws (or amendments), rules and by-laws.

Capacity building will involve a wider set of institutional challenges than covered by the existing support to UZPs including areas related to Parishad members' representative function and requirements, formulating and operationalizing rules and regulations; enhancing transparency, and downwards accountability; as well as strategic capacities relating to fair and equitable development; social inclusion and social cohesion etc. As the program develops, capacity building will focus on the broader development roles of councilors in terms of addressing shortfalls in UZP MDG targets and addressing poverty and vulnerability; combating gender-based violence; climate change and other issues identified by councilors themselves as important within their UZP. The capacity building will be delivered using a range of methods such as through formal training, peer-to-peer learning; practice based training, coaching and mentoring.

In promoting democracy, the output will support the development of local democracy at Upazila level contributing to the Parishads functioning as institutions of local representative democracy. This will help realizing the rights of people to participate in governance with a specific focus on women and those marginalized groups whose voices often go unheard. To this effect strong focus will be put in supporting the contribution of the elected Parishads to increase democratic space, particularly in relation to citizen-state engagement both at horizontal and downward accountability levels. (see annex 3 for details)

Output 2: Strengthened Planning and Budgeting system at UZP with MDG orientation and pro-poor service delivery mechanism

This output will be aimed at creating a simple and viable planning and budgeting system under the existing legal framework and support improvements to the management and coordination of the infrastructure support and local services assigned to all the Upazila Parishads of Bangladesh under capacity development support. The project will ensure the preparation of five year plan for all Upazilas following the guidelines prepared by LGD. Gender and vulnerable group sensitive planning, budgeting and service delivery will also be taken into account while attempting the capacity supports. Elements of economic development fostering through local planning will also be taken into account.

The project under this output will also provide support to an MDG oriented participatory planning and budgetary framework for few UZPs of Bangladesh. This will include a fiscal facility intended both to support development planning and actual delivery of gender sensitive and inclusive local services and infrastructure to a selected number of UZPs spread over all the seven divisions of the country. To do this, Output 2 will address the challenge of enabling the UZP to fulfil a strategic and coordinating development role linking the line agencies, pourshavas and the UPs to focus on coherent development Outputs. The Output will support the Upazila Parishads as a means to improve basic

service delivery within the areas assigned to them further clarifying the roles and responsibility to be carried out as duty bearers, making a difference in development and contributing to the achievement of the MDGs. (see annex 2 and 3 for details)

Output 3: Strengthened technical capacity of Local Government Division for effective policy review, monitoring, lesson learning and capacity development of LGs for improved Local Governance.

This output is common to the UZGP project and its partner project Union Parishad Governance Project (UPGP). It includes support to the development of national policies and systems including rules and regulation which will enable implementation of the Upazila Parishad Act. The project will also assist the government to prepare and operationalize manuals including those for planning, human resources and administration. This Output targets the capacity for policy development and national systems supporting local governance comprising both the LG training institutions, technical support and monitoring by the DLG, and DDLGs at divisional and district levels and relevant sectoral entities. (see annex 3 for details)

Output 4: Effective Project Management Arrangements

The aim of this output is to support effective project management that will facilitate the implementation of activities reflected in Outputs 1, 2 and 3. In support of this output, project management structures such as a Steering Committee (linking both the Union Parishad and Upazila Parishad projects) and an operational Project Boards are going to be established. Different specialized units will be put in place with the Project management team, technical team, Monitoring team, field coordination team and admin/finance support team. Emphasis will be put on a strong technical team that will ensure a sound democracy, fiscal decentralization and citizen engagement support. The M&E team will also be crucial to ensure experiences and progress are captured and duly utilized. A Women empowerment Officer will also be placed to look into Gender-sensitive and pro-poor budgeting ensured in the relevant output. The senior technical advisers will look after the democracy and fiscal support system. This output will also ensure the physical premises with units in Dhaka and at Divisional and District level to support the project implementation.

(See Annex 4 for more details on the Gender strategy)

Table 1: Results Framework

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|--|--|-------------------------------|--|----------------------|---------------------------------------|--|
| UNDAF Outcome Government institutions at the national and sub-national levels are able to more effectively carry out their mandates, including delivery of public services, in a more accountable, transparent, and inclusive manner | | | | | | |
| Joint Programme Outcome (if different from UNDAF Outcome) , including corresponding indicators and baselines, | | | | | | |
| Project Outcome: Strengthened capacities of local governments and other stakeholders to foster participatory local development service delivery for the MDGs | | | | | | |
| Legal and Regulatory Framework in Place: No. of effective secondary legislation instruments required by UZP Act 09 by the end of the project <i>Baseline: 5</i> | | | | | | |
| Functional and Institutional Capacity Improved: No. of UZPs that have adopted internal rules and by-laws including an anti-corruption strategy and a Citizens' Charter by the end of the project <i>Baseline:0</i> | | | | | | |
| Democratic Accountability: % of citizens aware of the roles and responsibilities of UZP <i>Baseline: Baseline survey to be done</i> | | | | | | |
| Pro-poor infra and services: % of citizens satisfied with services specifically targeted by Upazilas through pro-poor and MDG-responsive planning <i>Baseline: Baseline survey to be done</i> | | | | | | |
| JP Outputs (Give corresponding indicators and baselines) | Participating UN organization-specific Outputs | Participating UN organization | Participating UN organization corporate priority | Implementing Partner | Indicative activities for each Output | Resource allocation and indicative time frame* |
| | | | | | | Y1 Y2 Y3 Y4 Y5 Total |

| | | | | | | | | | | | |
|---|------|---------------|--|-----|---|-----------|-----------|-----------|---------|---------|------------------|
| <p>Output 1: Strengthened Upazila Parishads as more functional, democratic, transparent and accountable institutions</p> <ul style="list-style-type: none"> Percentage of women and men UPZ councilors who report they can participate effectively in debate and influence decision making by the end of the project. <i>Baseline: Councilor perception baseline</i> Number of UZPs with are compliant with at least 90% of the provisions of the Right to Information Act By the end of the project <i>Baseline: to be determined</i> Average number of key standing committees functioning in UZPs by the end of the project. <i>Baseline: 0</i> Number of women's development fora registered at the District level by the end of the project. <i>Baseline value: 0</i> Number of UZPs that have prepared a "Citizen's Charter" incorporating arrangements for UZP-constituent relations by the end of the project. <i>Baseline value: 0</i> | UNDP | UNDP UNCDF | | LGD | <p>Activity 1.1.1: Capacity development initiatives for all UZPs</p> <p>Activity 1.1.2: Support UZP for effective meetings and active Committees</p> <p>Activity 1.1.3: Support LGD in drafting of sub-legislation (Delegated legislation) as per UZP Act 2009</p> <p>Activity 1.2.1: Establishing linkages between UZP and other stakeholders and CSOs</p> <p>Activity 1.2.2: Enhance Right to Information and Digital Bangladesh vision</p> <p>Activity 1.3.1: Capacity building initiatives for women elected leaders</p> <p>Activity 1.3.2: Raising awareness on gender equality within the Upazila</p> | 1,520,402 | 1,639,203 | 1,655,302 | 734,702 | 475,102 | 6,024,712 |
|---|------|---------------|--|-----|---|-----------|-----------|-----------|---------|---------|------------------|

| Output 2: Strengthened Planning and Budgeting system at UZP with MDG orientation and pro-poor service delivery mechanism | UNDP UNCDF | UNDP UNCDF | | LGD | | | | | | | |
|---|---------------|---------------|--|--|--|--|-----------|-----------|-----------|---------|-----------|
| <ul style="list-style-type: none"> Number of line department activities integrated with UZP plans and budget Number of participating UZP that have produced development plans responding to local MDG assessment and identifying needs and actions related to the most vulnerable groups (such as the *Dalits or other locally relevant excluded groups) by end of project <i>Baseline value: 0%</i> Number of participating UZPs with development plans that have at least one development intervention addressing needs of the identified most vulnerable groups (such as the Dalits or other locally excluded groups). <i>Baseline value: 0</i> Percentage of performance based grants allocated to projects identified as MDG-responsive in annual development plans in final year of project. <i>Baseline value: First round PMS</i> | | | | <p>Activity 2.1.1: Support to develop of Upazila Development Planning and budgeting guidelines</p> <p>Activity 2.1.2: Design and deliver local planning and budgeting training based on the guidelines prepared under 2.1.1</p> <p>Activity 2.1.3: Developing Upazila integrated 5 years plan plan with emphasis on MDG achievement in all UZPs with special emphasize in 14 Upazila</p> <p>Activity 2.1.4: Support in preparation of Upazila monitoring and evaluation framework</p> <p>Activity 2.2.1: Design and capacitate on Upazila Fiscal Support system tools:</p> <p>Activity 2.2.2: Support to management and implementation of the UZP pilot fiscal support system</p> <p>Activity 2.2.3: Support to further development of the UZP pilot fiscal support system</p> | | | 1,625,146 | 1,723,296 | 1,559,646 | 544,984 | 6,797,785 |

| | | | | | | | | | | |
|--|------------------------------|---------------|--|--|----------------------|---------|---------|---------|---------|-----------|
| <p>Output 3: Strengthened technical capacity of Local Government Division for effective policy review, monitoring, lesson learning and capacity development of LGIs for enhanced Local Governance</p> <ul style="list-style-type: none"> • Number of legislative or regulatory instruments influenced by outcome of piloting activities by the end of the project. <i>Baseline: current set of legislative and regulatory instruments</i> • Existence of a National Framework for Local Government Capacity Development by the end of the project. <i>Baseline: No draft framework exists</i> • Existence of a functioning M&E and MIS system in the Monitoring, Investigation and Evaluation Wing of LGD (capturing key data on local government performance) by the end of the project. <i>Baseline: Only a project based MIS (and in early design stage) is used by LGD</i> • Number of DLGs who have a sustainable system for monitoring and backstopping local governments by the end of the project. <i>Baseline: No system in place</i> | UNDP UNCDF | UNDP UNCDF | | <p>LGD</p> <p>Activity 3.1.1: Facilitate core functions of the Policy Advisory Group.</p> <p>Activity 3.1.2: Support the development of a National Framework for Local Government Capacity Development.</p> <p>Activity 3.1.3: Support to policy support unit for undertaking action research on local governance issues.</p> <p>Activity 3.2.1: Support to LGD (MIE wing) to develop and maneuvering a general strategy and framework for monitoring and Evaluation of UP and UZP performance.</p> <p>Activity 3.2.2: Support to the development of tools for collection and analysis of governance and 'democracy' indicators.</p> <p>Activity 3.2.3: Support National training institutions and education institutions in training and backstopping of UPs and UZPs.</p> <p>3.3.1 Research and Documentation (R&D) fund for knowledge Generation and dissemination activities</p> <p>3.3.2 M&E and project learning review</p> | 557,305 | 624,305 | 103,805 | 479,805 | 534,305 | 2,689,525 |
| Output 4: Project Implementation Support | UNDP UNCDF | UNDP UNCDF | | LGD | 1,060,502 | 408,802 | 408,802 | 408,802 | 408,802 | 2,687,712 |
| UN organization 1: UNDP (77%) | Programme Cost | | | | 14,034,023 | | | | | |
| | Indirect Support Cost | | | | 868,466 | | | | | |
| | | | | | TOTAL UNDP = | | | | | |
| | | | | | 14,969,384 | | | | | |
| UN organization 2: UNCDF (23%) | Programme Cost | | | | 4,165,711 | | | | | |
| | Indirect Support Cost | | | | 244,716 | | | | | |
| | | | | | TOTAL UNCDF = | | | | | |
| | | | | | 4,400,124 | | | | | |
| Total | Programme Cost | | | | 18,199,735 | | | | | |
| | Indirect Support Cost | | | | 1,113,181 | | | | | |
| | | | | | GRAND TOTAL = | | | | | |
| | | | | | 19,312,916 | | | | | |

6. Management and Coordination Arrangements

The project will be a Nationally Executed Project (NEX) in accordance with the National Execution Manual adopted in December, 2004 by the Economic Relations Division (ERD), Ministry of Finance, Bangladesh and UNDP.

The Government of Bangladesh, through the Economic Relations Division of the Ministry of Finance, and the Local Government Division, will ensure direct and transparent administration and management of project funds. ERD as the executing agency for the UNDP Country Programme, in close collaboration with the Local Government Division, as the implementing agency, will assume overall responsibility for management and implementation, ensuring UNDP policies and procedures are adhered to, through the National Project Director (NPD), and the Project Steering Committee. This approach will further promote ownership, accountability, national capacity development and sustainability.

UNDP is responsible for the development of partner coordination, joint administration of the resources allocated by development partners, the mobilization of additional resources and project assurance. UNDP and UNCDF will provide service delivery as agreed upon in the Annual Work Plan and also under the arrangement of Direct Country Office Support (DCS) to a National Execution (NEX) modality or as per "UNDP rules and regulations" at the request of the implementing agency. UNDP and UNCDF may call upon other specialized UN agencies such as UNV for additional support where necessary.

Project Management

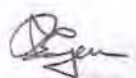
The project will be managed in a manner consistent with the NEX (National Implementation modality) or any future agreement between UNDP and the Government of Bangladesh. Program and Project Management includes the following structures – as illustrated in the figures below. As much as possible a balance gender representation will be sought in the composition of the different groups described below.

The LGD will appoint (in consultation with the Development Partners) a National Project Director (NPD) with the responsibility for providing substantive guidance and support in achieving the outputs. The Deputy Secretary (Upazila), LGD will be the Focal Point at the LGD for UZGP.

1. Steering Committee:

The MLGRD&C will be on the overall supervision of the project and the Steering Committee will be chaired by the Secretary, MLGRD&C. The Committee will be responsible for providing policy guidelines to the Program including the UPGP and the UZGP projects. It will also provide policy advice and guidance to facilitate the link between project activities and national development initiatives. Representatives from the Ministries concerned will be of joint secretary positions and not below that level. The recommended memberships of the Steering Committee are as follows.

- Secretary, Local Government Division (LGD), Ministry of Local Government, Rural Development and Co-operatives – Chairperson;
- Representative, Cabinet Division;
- Representative, Ministry of Law, Justice & Parliamentary Affairs;
- Representative of the Office of Attorney General for Bangladesh;
- Representative from the Planning Commission (Concerned Sector);
- Representative from ERD, Ministry of Finance;
- Representative from IMED, Ministry of Planning;
- Representative, Ministry of Social Welfare;
- Representative, Ministry of Disaster Management and Relief
- Representative, Ministry of Women Affairs;
- Representative, Ministry of Primary and Mass Education;
- Representative, Ministry of Public Administration;
- Representative, Ministry of Fisheries and Livestock;



- Representative, Ministry of Youth and Sports;
- Representative, Ministry of Health and Family Welfare;
- Representative, Ministry of Agriculture;
- Representative, Rural Development and Co-operative Division, Ministry of Local Government, Rural Development and Co-operatives.
- Representative from UNDP;
- Representative from UNCDF;
- Representatives from SDC/EU/Danida;
- Representatives from NILG, BARD, RDA;
- 1 Representatives from NGOs
- 1 Representative from Civil Society working in Local Governance field
- 4 Representatives from Association of Union and Upazila Parishad
- National Project Director as Member Secretary.

Apart from the Ministry of Local Government, Rural Development and Cooperatives, Cabinet Division; Ministry of Law, Justice & Parliamentary Affairs; Office of Attorney General for Bangladesh; representative from the Planning Commission (Concerned Sector); ERD, Ministry of Finance; IMED, Ministry of Planning, represent in the Steering Committee as per NEX guideline, However, additional ten ministries such as ministry of youth and sports, Ministry of Social Welfare; Ministry of Food and Disaster Management; Ministry of Women Affairs; Ministry of Education; Ministry of Fisheries and Livestock; Ministry of Youth and Sports; Ministry of Health and Family Welfare; Ministry of Agriculture; Rural Development and Co-operative Division, Ministry of Local Government, Rural development and Co-operatives and a number of most relevant ministries. Ten more Ministries will participate in the steering committee, since 2010, services of local functionaries of these ministries are also transferred to Upazila Parishad by the Government. In essence, these ten line ministries will have their presence at the Upazila Parishad who will become integral part of the parishad. It is envisaged that their contribution will enable towards development and implementation of holistic local plan both at the central and at the different tiers of the local government.

The Steering Committee will meet twice a year.

2. Project Board (PB):

It will be responsible for the implementation of the UZGP project activities. The Project Board will be responsible for preparing and endorsing the quarterly work plan, quarterly progress report, annual work plan and annual progress report. It will supervise the overall project implementation and day-to-day management of the project. It will meet quarterly the first year and no less than twice a year for the rest of the project's life time. The Project Board will be chaired by the NPD (not below the rank of Joint Secretary) and his/her responsibilities will be as per NEX manual. The PB will consist of:

- With "Executive" role⁵
 - National Project Director, as Chairperson
 - 2 UZP representatives
 - 1 UNO representative
- With "Supplier" role
 - UNDP representative (in a project assurance role),
 - UNCDF representative (in a project assurance role),
- With "Beneficiary" role
 - 2 UP representatives
 - 3 UZP Standing Committee representatives
 - 1 representative among other relevant LG institutions

⁵ Roles in this section are defined as per PRINCE 2 methodology followed by UNDP and UNCDF.

If required the PB may invite a Project Technical Advisor to help brief on relevant issues.

3. **Project Assurance:** Delegated by the PB, the Project assurance role will be responsible for carrying out oversights and monitoring functions. This group, comprised by UNDP and UNCDF CO level teams, the role will ensure that the project management delivers planned outputs as per the annual work plan on the basis of the monthly, quarterly and annual progress reports. The team will organize monthly reviews with the PEG and other reviews at the level of the PB.
4. **Project Manager:** S/he will report to the Project Board and be accountable to the NPD (and UNDP /UNCDF) for day to day activities and provide feedback on any project issues, as and when required. S/he will also be responsible for overall coordination between project and UNDP and UNCDF and among different teams in achieving planned outputs, producing progress and financial reports and be responsible for the effective implementation of the project. The Project Manager will be responsible for delivering the project work plans.
5. **Output Implementation Team:**

The Divisional Facilitation Teams, comprising of government officials at the divisional level and project-supported technical staff, will ensure implementation of Output 1 activities in all Upazilas throughout the country.

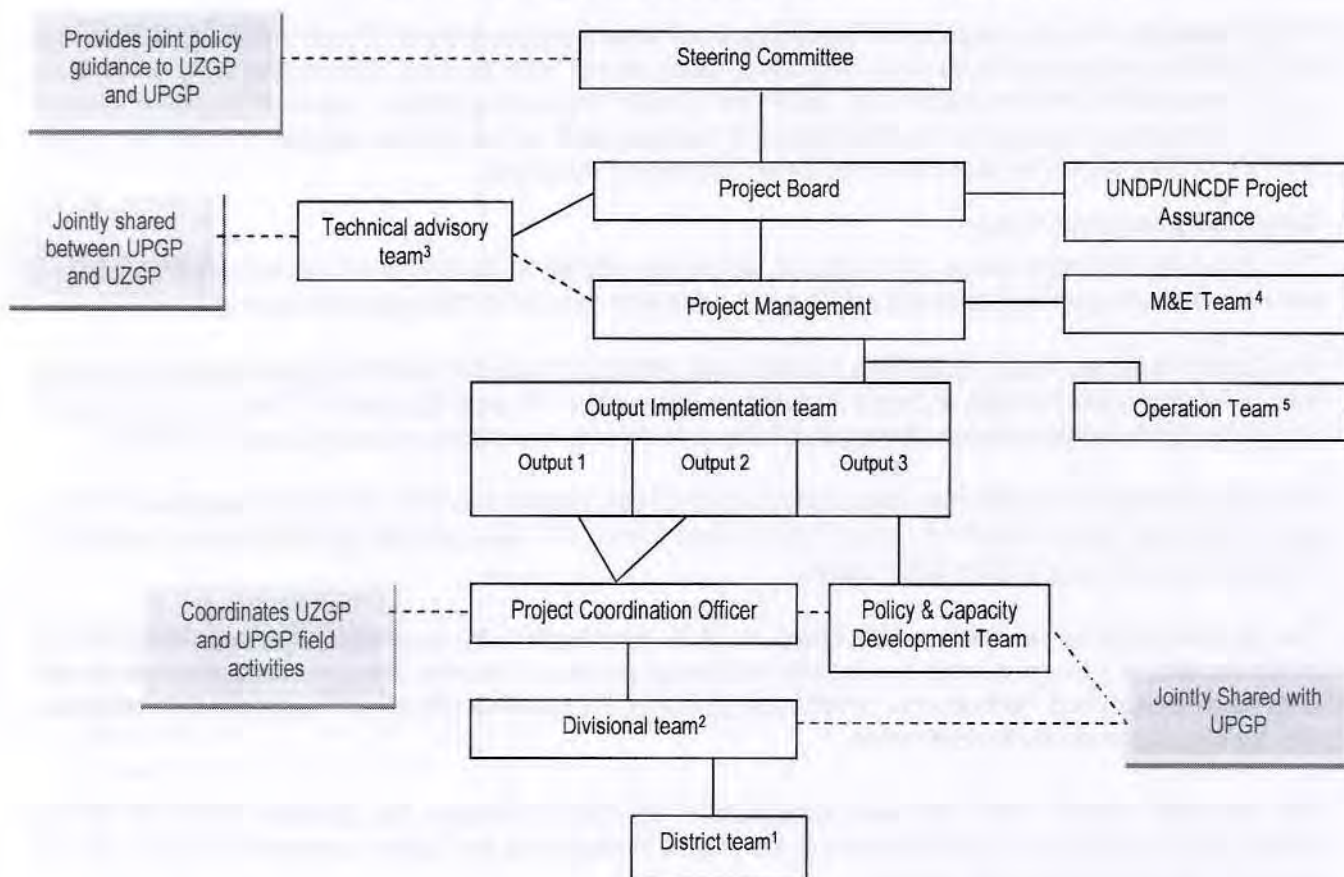
The District Facilitation Teams, comprising of government officials at the district level and project-supported technical staff, will ensure implementation of Output 2 activities in the selected 14 target Upazilas in 7 Districts. The Divisional Facilitation Teams will also oversee all project activities in their respective districts, including Output 2 activities.

The Policy & Capacity Development Team, comprising of Ministry officials from LGD and project-supported technical staff, will ensure implementation of Output 3 at the central level. This team will also provide technical support for implementation of Output 3 of the UPGP project.

The Technical Advisory Team will provide advice to LGD on substantive policy issues related to both the UZGP and UPGP projects. A local governance advisor will work largely on Output 1 and the fiscal decentralization advisor will work mainly on Output 2. However, the role of these advisers will not be limited to specific outputs, and the objective is to work as a team across the programme.

6. **The Operation Team:** Under the direct supervision of the Project Manager, the Operation Team will provide management support on a day-to-day basis to the Project Manager and the Output Implementation Team for the successful implementation of the project.

Upazila Governance Project Organization Structure



1 – The District Team will be responsible to implement Output 2 activities in selected Upazilas as indicated in the narrative. This team will be comprised of District Facilitators and Field Assistants.

2 – The Divisional Team will be responsible to implement Output 1 activities in all Upazilas, and will oversee Output 2 activities implemented by the District Team in selected Upazilas. This team will be comprised of Divisional Facilitators and Field Assistants.

3 – The Technical Advisory Team will report to the NPD and will focus on substantive policy issues. They will also advise the project management team. This team will be comprised of national and international advisers, women empowerment officer, Knowledge Management Officer and Capacity building staff.

4. The Monitoring and Evaluation Team will have M&E Officer and MIS Officer. This team will act independently.

5. The Operations Team will have Operation Manager, Finance Officer, Admin support staff, this team will provide operational support to project management.

7. Fund Management Arrangements

The Participating UN Organizations have appointed UNDP to act as the the Administrative Agent (AA) for the Joint Programme. The AA will enter into a Memorandum of Understanding (MoU) with UNCDF based on the portfolio of activities that have been mutually agreed in line with the common workplan, and a Standard Administrative Agreement (SSAA) with each donor agency. Under the MoU, each participating UN organisation (UNDP and UNCDF) will assume full programmatic and financial accountability for the funds disbursed to it by the AA.

The SAA will set out the terms and conditions governing the receipt and disbursement of funds.

The Administrative Agent is entitled to receive 1% of the amount contributed by donors, for the costs of performing the functions described above. The rate will be stipulated in both MoUs and SAA

Each participating UN organisation will recover indirect costs (7%) in accordance with the MOU and the SAA. This arrangement will be documented in the MOU signed with the Administrative Agent.

The Administrative Agent will issue a financial report and final certified financial statement to donors and participating UN organisations on its activities.

UNCDF will negotiate a separate MoU with government that governs the use of the pilot fiscal facility that ensures fiduciary accountability whilst enabling the funds to be integrated within the government public financial management framework.

8. Monitoring, Evaluation and Reporting

Monitoring

The monitoring of the activities will be three layered: Project M&E, UZP M&E and LGD M&E.

Project M&E: Under this layer the project will be monitored throughout the project period. Annual, quarterly review mechanism will be developed and assessment will be carried out to monitor the progress the key achievements and result. A number of log frames will be developed as for issue log, risk log, project lesson learned log, which will enable to follow through actions ensuring accomplishment of activities with quality. As indicated above this will be in accordance with the programming policies and procedures outlined in the UNDP User Guide, the project will be monitored through the following:

Within the annual cycle

On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods. Gender related aspects will be specifically monitored with gender disaggregated data and qualitative tool for gender impact monitoring.

An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.

Based on the initial risk analysis submitted, a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.

Based on the above information recorded in Atlas, a Project Progress Reports (PPR) shall be submitted by the Project Manager to the Project Board through Project Assurance, using the standard report format available in the Executive Snapshot.

A project Lesson-learned 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-learned Report at the end of the project.

A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events

Annually

Annual Review Report: An Annual Review Report shall be prepared by the Project Manager and shared with the SC, the Project Board and the Output Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.

Annual Project Review: Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is 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 Outputs.

UZZ M & E: Under this layer the project will emphasize direct coaching to Upazila Parishads to monitor the quality delivery of services (developed guidelines will include provision for community monitoring support) through the fiscal support by UPs, line agencies, Pourashavas and other non-state actors. The Standing Committees will also act as inbuilt monitoring systems. This is expected to ensure checks and balances in terms of participation of equal number of men and woman including the poor in the preparation of local level MDG oriented planning.

LGD M&E monitoring: Under this layer, the project will support in developing a M & E framework for the Monitoring Wing of the ministry that will contribute in monitoring not only the project but also other local governance project portfolios in the LGD division. The purpose is to create a synergy among the three layered M & E system that will contribute to policy and strategy development in local governance. The different training institutions BARD, RDA, NILG will also contribute to monitoring through their coaching activities at the central to downward level.

Detail M & E mechanism will be developed during the project period. The aim is to institutionalize the M & E system and build capacity for sustainability – beyond the project period.

Donors Coordination Meeting: Extended Project Board will be organized quarterly where the donors will participate to discuss the progress of the project and provide strategic guidance. Detailed TOR will be developed and will be shared with all development partners and with the implementing agency.

Periodic supervision/ review missions: UNDP and UNCDF and other development partners will have bi-annual periodic joint supervision/ review missions in consultation with the implementing agency as for Local Government Division (LGD) in this particular case. Detailed TOR will be developed in consultation with the implementing and development partners.

Reporting

Each **Participating UN Organization** will prepare the following reports on its contribution in accordance with its financial rules and regulations:

- Annual narrative progress reports, to be provided no later than three months (31 March) after the end of the calendar year;
- Annual financial statements and reports as of 31 December with respect to the funds disbursed to it from the Joint Programme Account, to be provided no later than four months (30 April) after the end of the calendar year;
- Final narrative reports, after the completion of the activities in the Joint Programme Document and including the final year of the activities in the Joint Programme Document, to be provided no later than four months (30 April) of the year following the financial closing of the Joint Programme. The final report will give a summary of results and achievements compared to the goals and objectives of the Joint Programme;
- Certified final financial statements and final financial reports after the completion of the activities in the Joint Programme Document and including the final year of the activities in the Joint Programme Document, to be provided no later than six months (30 June) of the year following the financial closing of the Joint Programme.

UNDP as the Lead Agency will:

- Prepare the consolidated narrative report based on the narrative progress reports received from the Participating UN organizations.

The **Administrative Agent** will:

- Prepare annual consolidated narrative and financial progress reports, based on the narrative consolidated report prepared by the Lead Agency and the financial statements/ reports submitted by each of the Participating UN Organizations;
- By 31 May after the end of the calendar year Provide those consolidated reports to each donor that has contributed to the Joint Programme Account, as well as the Steering Committee, in accordance with the timetable established in the Standard Administrative Arrangement.
- Provide the donors, Steering Committee and Participating UN Organizations with:
 - Certified annual financial statement ("Source and Use of Funds" as defined by UNDG guidelines) to be provided no later than five months (31 May) after the end of the calendar year;
 - Certified final financial statement ("Source and Use of Funds") to be provided no later than seven months (31 July) of the year following the financial closing of the Joint Programme.

Evaluation

Project evaluation will follow the following structure:

A Joint Annual Technical Review (JATR) will take place each year. This will cover both the UZGP project and the UPGP project and will include government, UN agencies and development partners. The JATR will examine progress against project objectives and make recommendations to the project board. This will complement the mid term evaluation and will provide for consistent steering and guidance to the project board.

A full Output evaluation of the programmatic framework will take place in 2016. This process will analyze the experience

of the program and make recommendations for the future support to the governance sector in Bangladesh. In addition, evaluation requirements of each of the participating development partners will be complied with.

Pilot and Learning review system

To make the testing and demonstration effective it is essential to have a systematic framework within which the pilot activities can be monitored and evaluated, lessons learned, knowledge disseminated and where appropriate, incorporated into legislation and regulation or up scaled by national programs like the LGSP.

The project will design clear tools for:

1. Identification of pilot and innovation areas where policy development is needed;
2. Preparation of prototype regulation or process;
3. Design of field testing including definition of expected results;
4. Baseline data collection where necessary;
5. Implementation;
6. Monitoring;
7. Evaluation against defined expected results;
8. Lessons learned documented and disseminated with GoB and other national programs and stakeholders
9. Process of validation, vetting and recognition of learning and good practices identified.
10. Incorporation of lessons learned into nationally applicable regulation or process.

This mechanism will be particularly aimed at informing national programs and intervention of the GoB like the next phase of the LGSP of lessons and best practices identified.

Risks management:

The Upazila as an administrative unit (former Thana) started functioning since 1793. The same unit as elected LGI started functioning from 1960 first. The constitution of Bangladesh made it mandatory to establish elected LGI at each of the administrative tier in 1972. Constitutionally no government can ignore having a LGI at Upazila level as it is considered as a vital administrative unit. In the past, many of the governments ignored the constitutional provisions 9, 11, 59 and 60 by not having LGIs at Upazila and District levels. Because of popular demand from all quarters of Bangladeshi society, the Upazila System was reestablished for the third time in Bangladesh since 2009. It is unlikely that any future government will try to abolish it again. In any case, if the present Upazila Parishad (system) is not in the priority of the future government, the project outputs still are able to support the Upazila structure itself in the change contexts with the same contents developed during project.

Sustainability of the project:

It is envisaged that the capacity built in Upazila through planning, budgeting and participation will continue under the changed context as the Upazila(administrative tier) will function as planning and service delivery point under all circumstances. It is expected that the project policy level intervention will contribute in enabling the system to sustain democratic, accountable and transparent local government as well as inculcating positive changes in the existing administrative and political culture. A working environment may also emerge under which mutual understanding between the local politician and field level bureaucracy will further be enhanced and a win-win situation will be created in achieving mutually exclusive service delivery goals. The planning and budgeting system to be established through the project will continue to provide a workable framework as government will provide block grant to Upazila under all circumstances.

Table 2: Joint Programme Monitoring Framework (JPMF)

| Expected Results (Outcomes & outputs) | Indicators (with baselines & indicative timeframe) | Means of verification | Collection methods (with indicative time frame & frequency) | Responsibilities | Risks & assumptions |
|---|---|---|---|-------------------------|---|
| <p>Strengthened capacities of local governments and other stakeholders to foster participatory local development service delivery for the MDGs</p> | <p>Legal and Regulatory Framework in Place: No. of effective secondary legislation instruments required by UZP Act 09 by the end of the project <i>Baseline: 5</i></p> <p>Functional and Institutional Capacity Improved: No. of UZPs that have adopted internal rules and by-laws including an anti-corruption strategy and a Citizens' Charter by the end of the project <i>Baseline: 0</i></p> <p>Democratic Accountability: % of citizens aware of the roles and responsibilities of UZP <i>Baseline: Baseline survey to be done</i></p> <p>Pro-poor infra and services: % of citizens satisfied with services specifically targeted by Upazilas through pro-poor and MDG-responsive planning <i>Baseline: Baseline survey to be done</i></p> | <ul style="list-style-type: none"> • Project reporting • Performance Monitoring System • Citizen's Perceptions Survey – baseline and two follow-up surveys during project period. • Mid-term and Final Evaluation | <p>Primary and secondary data (Once every two years)</p> | <p>UNDP, UNCDF, LGD</p> | <p>Continued political support from GoB <i>Risk – change of government leading to change in policy</i> <i>Assessed: Medium</i></p> <p>2. Expected resistance to change from Upazila officials and line agencies can be overcome. <i>Risk – officials actively resist change to extent where project implementation is compromised</i> <i>Assessed: Medium</i></p> <p>3. Strengthened UZP willing and able to direct discretionary resources to effective, pro-poor, MDG-responsive service delivery <i>Risk: UP chairs unable agree on strategic response to Upazila-level development challenges</i> <i>Assessed: Medium</i></p> |
| <p>Output 1: Strengthened Upazila Parishads as more functional, democratic transparent and accountable institutions</p> | <ul style="list-style-type: none"> • Percentage of women and men UPZ councilors who report they can participate effectively in debate and influence decision making by the end of the project. <i>Baseline: Councilor perception baseline</i> • Number of UZPs with are compliant with at least 90% of the provisions of the Right to Information Act By the end of the project <i>Baseline: to be determined</i> • Average number of key standing committees functioning in UZPs by the end of the project. <i>Baseline: 0</i> • Number of women's development fora registered at the District level by the end of the project. <i>Baseline value: 0</i> • Number of UZPs that have prepared a "Citizen's Charter" incorporating arrangements for UZP-constituent relations by the end of the project. <i>Baseline value: 0</i> | <ul style="list-style-type: none"> • Evaluation/assessment reports • Progress reports • Media reports • Training Reports • MIS reports • Monitoring reports • Audit reports | <p>Primary and secondary data (Once every two years)</p> | <p>UNDP, UNCDF, LGD</p> | <p>Continued political support from GoB</p> |

| Expected Results (Outcomes & outputs) | Indicators (with baselines & indicative timeframe) | Means of verification | Collection methods (with indicative time frame & frequency) | Responsibilities | Risks & assumptions |
|--|--|---|---|------------------|---|
| Output 2: Strengthened Planning and Budgeting system at UZP with MDG orientation and pro-poor service delivery mechanism | <ul style="list-style-type: none"> • Number of line department activities integrated with UZP plans and budget • Number of Upazila that have 5 year plan <i>Baseline value: 0%</i> • Number of participating UZP that have produced development plans responding to local MDG assessment and identifying needs and actions related to the most vulnerable groups (such as the *Dalits or other locally relevant excluded groups) by end of project <i>Baseline value: 0%</i> • Number of participating UZPs with development plans that have at least one development intervention addressing needs of the identified most vulnerable groups (such as the Dalits or other locally excluded groups). <i>Baseline value: 0</i> • Percentage of performance based grants allocated to projects identified as MDG-responsive in annual development plans in final year of project. <i>Baseline value: First round PMS</i> | <ul style="list-style-type: none"> • Evaluation/assessment reports • Progress reports • Media reports • Training Reports • MIS reports • Monitoring reports • Audit reports | Primary and secondary data (Once every two years) | UNDP, UNCDF, LGD | <ul style="list-style-type: none"> • Continued political support from GoB • Availability of adequate data for local-level MDG assessment and targeting • Pro-poor and MDG-responsive projects seen as priority by UPs |
| Output 3: Strengthened technical capacity of Local Government Division for effective policy review, monitoring, lesson learning and capacity development of LGs for enhanced Local Governance | <ul style="list-style-type: none"> • Number of legislative or regulatory instruments influenced by outcome of piloting activities by the end of the project. <i>Baseline: current set of legislative and regulatory instruments</i> • Existence of a National Framework for Local Government Capacity Development by the end of the project. <i>Baseline: No draft framework exists</i> • Existence of a functioning M&E and MIS system in the Monitoring, Investigation and Evaluation Wing of LGD (capturing key data on local government performance) by the end of the project. <i>Baseline: Only a project based MIS (and in early design stage) is used by LGD</i> • Number of DLGs who have a sustainable system for monitoring and backstopping local governments by the end of the project. <i>Baseline: No system in place</i> | <ul style="list-style-type: none"> • Legislation and regulatory instruments amendments • LG Policy and Capacity Development Framework document • Research reports • LGD MIE wing MIS • Training reports • Meeting minutes • Media report • Course curricula | Primary and secondary data (Once every two years) | UNDP, UNCDF, LGD | <p>Various National training agencies (NILG, BARD RDA etc..) to agree on a common capacity development framework</p> <p>Policy and regulatory framework in place in time for finalization of curriculum</p> <p>LGD MIE wing maintain expressed interest in adopting M&E strategy and MIS, and District level cooperates</p> |

9. Legal Context or Basis of Relationship

Bangladesh is signatory to the **Standard Basic Assistance Agreement (SBAA)** and this program document shall be the instrument referred to as such in Article 1 of the SBAA between the Government of Bangladesh and UNDP, signed on 1986.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the executing agency and its personnel and property, and of UNDP and UNCDF's property in the executing agency's custody, rests with the executing agency.

The executing agency shall:

Put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;

Assume all risks and liabilities related to the executing agency's security, and the full implementation of the security plan.

UNDP and UNCDF reserve the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The executing agency agrees to undertake all reasonable efforts to ensure that none of the UNDP and UNCDF funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP and UNCDF hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

The relationship between the Administrative Agent and the Participating UN Organizations will be governed by the UNDG-approved **Standard Memorandum of Understanding (MOU)** for Joint Programmes.

The donors contributing to the Joint Programme will sign with the Administrative Agent the UNDG-approved **Standard Administrative Arrangement (SAA)** for Joint Programmes.

11. Work plans and budgets
(See Annex)

Table 3: Summary of budget

| Distribution by Output and Agency | Total | UNDP | UNCDF |
|---|---------------------|---------------------|--------------------|
| Output 1 | \$6,024,712 | \$6,024,712 | \$0 |
| Output 2 | \$6,797,785 | \$3,009,669 | \$3,788,116 |
| Output 3 | \$2,689,525 | \$2,393,525 | \$296,000 |
| Output 4 | \$2,687,712 | \$2,606,117 | \$81,595 |
| Total Programmable Budget | \$18,199,735 | \$14,034,023 | \$4,165,711 |
| GMS 7% (ESTIMATE, GMS will be charged as 7% of the Donor, non-UN, contributions to programmable costs, exact amount to be determined once donor contribution amounts are received in USD) | \$1,063,981 | \$819,266 | \$244,716 |
| 1% AA fee (ESTIMATE on SDC contribution, exact amount to be determined once SDC contribution is received in USD) | \$49,200 | \$49,200 | |
| Total | \$19,312,916 | \$14,902,489 | \$4,410,427 |
| | | 77% | 23% |