



United Nations Development Programme

Country: GEORGIA

Project Document

<b>Project Title</b>	Support to the local governance reform in Georgia
<b>Outcome(s):</b>	Strengthen institutional, organizational and individual capacities of central and local government institutions to effectively lead and implement local governance reform
<b>Expected Output(s):</b>	Output 1. Policy making and implementation capacities of the Office of the State Minister strengthened to effectively lead and coordinate the local governance reform process. Output 2. The concept of sustainable training and development system formulated in support of the local governance reform.
<b>Implementing Partner:</b>	The Office of the State Minister on Regional Issues

The overall project expected outcome is to strengthen institutional, organizational and individual capacities of central and local government institutions to effectively lead and implement local governance reform. The project aim will be achieved through the following two outputs. Firstly, significant support to the Office of the State Minister on the Regional Issues will be provided to effectively lead and coordinate the local governance reform process. This will encompass institutional development support to the Office of the State Minister, as well as the development of policy formulation and implementation capacities within the Office. Considerable efforts under this component will also be devoted to create supportive environment for the reform process by increasing knowledge and awareness of different stakeholder groups. Secondly, the project will support the process of developing a professional, accountable and efficient local civil service, capable of exercising the new competencies assigned in the process of local governance reform. This will be achieved through the development of a concept for sustainable/professional local government training and development system, and facilitation of the provision of priority training programmes to address the most urgent needs of local governments in the process of local governance reform.

Period:	2008 – 2010
Atlas Award ID:	_____
Start date:	01 January 2009
End Date	31 December 2010
PAC Meeting Date	_____
Management Arrangement NEX	

Total resources required	1,320,000_
Total allocated resources:	
• Regular	200,000_
• Other:	
o Sida	500,000
o Government	120,000
Unfunded budget:	500,000
In-kind Contributions: Office space by the Office of the State Minister	

Agreed by (Government): \_\_\_\_\_

Agreed by (UNDP): \_\_\_\_\_

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## I. SITUATION ANALYSIS

Georgia has embarked on a rapid decentralisation reform process. Fundamental changes to the system of local government and a raft of new legislation are creating challenges for local governments for which they are not yet prepared. The local governments are at the forefront in delivering public services and engaging the different communities. Therefore, local civil servants are experiencing great pressure to pursue reforms, and provide quality services with limited resources. While there are good examples of Georgian municipalities providing quality services to their citizens, the challenges for local governments are immense. People expect higher and reliable standards of services, and greater social inclusion is demanded. At the same time, local governments need to engage more proactively in cooperation and partnership with various actors, in particular civil society organizations and the private sector.

The successful implementation of local governance and decentralization reform calls for cooperative efforts among many institutions at central and local level. There is also a need to establish a sound policy framework, which would provide a roadmap and would guide the reform process. A capable central government institution mandated to lead policy formulation and the implementation process is also essential. Similarly, at local level, there is a need for professional and competent civil servants capable of exercising the competencies assigned in the process of reform, who also have the ability to provide quality services to local communities. In order to nurture and sustain competent civil servants, effective human resource management policies need to be embedded into the civil service legislation and a systematic approach to training and development of local civil servants requires to be ensured.

Some progress has already been achieved in the process of implementation of local governance reform in Georgia and there are some positive indications of the Georgian Government assuming more responsibility for local governance and decentralization. However, significant problems remain, which need to be effectively addressed.

A package of essential laws defining a new system of local self-government was developed and approved since 2006. Specifically, the amendments to the Organic Law of Georgia on Local Self-Government and the Law on Local Self-Government Budget, which established a formula-based equalization system for expenditure allocation, were approved. The Law on the State Supervision over Activities of Local Self-government Bodies and the Law on Property were also developed and passed by the Parliament. However, some important pieces of primary and secondary legislation are in the pipeline or still require developing. There is also a need to clarify the competences being given to local governments and the division of responsibilities between central and local government, as well as harmonizing existing secondary legislation with the Organic law. It is imperative to ensure that a consultative process of drafting legislation is in place so that all important stakeholders are on board and actively participate in the process.

The Office of the State Minister for Regional Issues has recently been created. It consists of 38 staff members and has four structural units: (1) on Military Conscription matters; (2) on Economics; (3) on Local self-governance; and (4) on Social issues. The unit holding responsibility for local governance issues has nine staff as coordinators looking after regions of Georgia. It is expected that the Office of the State Minister will lead the process of policy formulation, coordination and implementation in the area of local governance. However, the mandate and the role of the office still needs to be clarified and the relevant capacities need to be developed. Therefore, the Office of the State Minister is planning to undergo the process of reorganization, which would be based on a comprehensive functional assessment. In a similar vein, the role and the mandate of the Centre on Effective Government System and the Territorial Arrangement Reform (the Centre), which has an extensive experience and expertise in law drafting issues and has accumulated the team of highly qualified legal experts, also needs to be specified and effectively utilized in the process of local governance reform.

Furthermore, the Decentralization Strategy is in the process of development and it is expected to be finalized by the end of 2008. The Decentralization Strategy should provide the vision of, and a

holistic and well sequenced approach to the reform process. It should also provide a clear framework for law drafting process, and give a clear direction to the training and development of local civil servants. In order to ensure successful implementation of the Strategy there is a need to raise awareness and strengthen commitment among government institutions, especially line ministries, to the process of local governance reform. Part of the problem is that line ministries fail to see a role for themselves in a decentralized system, since they are still working as input controlling and micromanagement centres as opposed to regulating, enabling and evaluating institutions. Additionally, a low level of information sharing and consultation between the Parliament, Government, local governments, and other institutions involved in local governance reform significantly influences the effectiveness of the reform process.

Moreover, despite the importance of a highly competent and professional local civil service to implement the objectives of the reform and provide quality services to local communities, training and development of civil servants is not a top priority on the national agenda. The level of expertise at the local government level remains relatively low and several important reasons can be highlighted:

*The civil service system in Georgia is still in the process of development/reorganization and there is a lack of consensus on the new civil service model, including the employment system at local level. The Public Service Council (PSC) and the Public Service Bureau (PSB) were established in 2004 to lead and coordinate the implementation of the civil service and HR management policies. The PSC is a consultative body, entrusted to guide the Government's policy toward civil service reform. In practice, the PSC experienced difficulties from falling membership and attendance levels and laterally has been unable to provide the direction and managerial control<sup>1</sup>. The PSB was established to be an operational arm of the PSC. It is the legal entity of public law under the overall management of Presidential Administration, reporting directly to the Head of Administration. The PSB currently has twelve staff members, who are not civil servants. PSB is mandated to support the development of a uniform policy for the civil service at both levels – central and local, and to coordinate the human resource management function. The PSB is also tasked with responsibility for the coordination of training activities and the HR policy framework for central and local governments. However, its capacities for HR policy development, coordination and implementation require significant attention and strengthening<sup>2</sup>. There are no agreed HRM policies in place and significant support is also required for the PSB to be able to provide guidance and quality advice to central and local governments on HRM issues.*

*The personnel management function in local government is generally either not developed at all or very weak and tends to focus on the administrative dimension of managing staff and record keeping<sup>3</sup>. The current civil service system does not serve to motivate staff properly to perform better or to increase their capacities. Little value is placed on the management and development of staff competencies, and not enough is done to link this with personal career plans as well as with the strategic plans and objectives of the local government. There is a lack of capacity to articulate training needs and there are no procedures and guidelines on how to develop training plans. The budget provisions and financial resources allocated specifically to training and education of local civil servants are practically non-existent.*

The National Association of Local Authorities (NALA) as a representative of the interests of local governments and should provide an independent mechanism for local governments to effectively communicate and defend their interests vis-à-vis central institutions and other actors. NALA has nine permanent staff members and aims to become a self sustainable organization providing quality and on demand consultation, training and information services to local governments. Currently, the budget of NALA consist of the membership fee paid by local governments in Georgia (approx. 35

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<sup>1</sup> An assessment of the achievements of the Public service Bureau, together with recommendations for the future structure, organization and role of the Bureau, and an outline plan of action for the period following its re-launch, UNDP, June 2007.

<sup>2</sup> Ibid.

<sup>3</sup> Capacity assessment and Practical Application Gardabani Municipality and Kvemo kartli Regional Government, UNNDP Mission report, December 2006.

percents of the total budget) and the financial support coming from different donor organizations, namely USAID, GTZ, the Council of Europe and VNG International (International Co-operation Agency of the Association of Netherlands Municipalities). One of the core functions of NALA is to strengthen the capacities of local governments to deliver better services to local communities. Recently, NALA has developed a training programme for councillors; however, it is still underutilized in the context of capacity development of local governments. The main reason is that NALA lacks appropriate structures, staff, practices and resources to play the above-mentioned roles effectively and to provide high quality services to local governments.

There is a *lack of a systematic approach to training and capacity development*. A wide range of training courses has been delivered to local government employees by a variety of international and local training providers. However, coordination of training programmes among donors, as well as between donors and the responsible public institutions, has been far from adequate. Approaches to training of local government administrations are usually based on ad-hoc needs assessments, are characterized by frequent duplication, and do not provide for the sustainability of results. Training costs are regularly covered by donors and other providers, and it is not common practice for local governments to tender out and pay for training.

The quality of training provided across the government institutions varies significantly and very little attention is paid to the assessment of the impact of training on the performance of local civil servants. *Quality assurance mechanisms are not in place* and there are no commonly agreed standards for training. Thus, in the absence of a proper institutional set-up and a coherent national capacity development framework for the local civil service, the sustainability of capacity development inputs is difficult to secure. There is a well-founded and growing concern that a proportion of the technical and other resources might be lost over time once capacity building projects have closed down and courses completed.

*The local training market is not very well developed* in Georgia and potential training providers have limited capacities to develop and implement high quality training programmes on their own. The results of the assessment carried out in the process of development of the National Training Strategy for Local Self Government in Georgia have revealed that “out of the current nine training providers, only five use a consistent training methodology, have the necessary materials and have developed evaluation mechanisms. Only three of them regularly analyze training needs”.<sup>4</sup> Therefore, there is a need to enhance the capacities of local training providers to enable them to provide quality training and development services for local governments.

Against this background, and due to the pressing demands of local governance reform, support for the development of policy formulation and implementation capacities at central level, as well as for the development of a professional training environment for local governments is a high priority in parallel with efforts to reform the legal and regulatory frameworks, if local government in Georgia is to provide quality services to all members in local communities.

#### ***Current and planned donor activities in the area:***

Several international and donor organizations are actively involved in the area of local governance and decentralization reform:

- UNDP/SIDA has been implementing the project in Kvemo Kartli region, which aims to strengthen the local and regional governance structures in the region. Through a combination of capacity development tools the project supports seven municipalities and region to become both better governed and deliver services to the full spectrum of local citizens, thus counteracting poverty and disadvantage in the region.
- UNDP/SIDA provides support to the Centre on Effective Governance System and Territorial Arrangement Reform, which plays an important role in facilitating local governance reform process. Its primary task is to provide technical expertise in drafting/amending the

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<sup>4</sup> The National Training Strategy for local Self Government in Georgia, the Working Group on the National Training Strategy, the CoE /Tbilisi, April 2004.

Decentralization Strategy and necessary legislation, raising awareness of the population on the ongoing reform and providing organizational and expert support to the State Commission on Effective Governance System and Territorial Arrangement Reform.

- GTZ supported the development of the Training Inventory, which provides information on the main training providers in the country and their capacities to deliver quality training services. This project was implemented in cooperation with Georgian Institute of Public Administration (GIPA). In 2008, GTZ in cooperation with the Center planned to develop training programme on supervision and public participation and to deliver it to the local governments;
- USAID may continue supporting NALA and GIPA. Support to NALA may encompass strengthening capacities of NALA to be able to represent the interests of local governments and covering the operational costs of NALA. USAID is also planning to continue its support to 14 regional training coordinators located in the different regions of Georgia. NALA is also benefiting by the Norwegian funds.

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## II. STRATEGY

The proposed project will last for 24 months and will be implemented as part of the broader UNDP programme in support of the decentralization reform in Georgia. It will build on the ongoing UNDP assistance provided to the Centre on Effective Government System and Territorial Reform (the Centre), and will complement the ongoing UNDP project in the Kvemo Kartli Region aiming to strengthen the local and regional governance structures in the Kvemo Kartli region of Georgia. It will also incorporate the cross-cutting issue of gender equality mainstreaming it across the project activities. Currently, there are approximately 8,000 appointed and 1,600 elected local government officials. Out of the elected officials, about only 9% are female. The particular care will be taken of this segment while working out the policies or in a training design. The project interventions should be in line with the State Concept of Gender Equality adopted by the parliament as well as the National Action Plan on Gender Equality worked out in cooperation with the government. The project will also use the network of women councillors established by UNDP under its different project framework.

Overall, the project aims to strengthen *institutional, organizational and individual capacities of central and local government institutions to effectively lead and implement local governance reform.*

This is going to be achieved through the following two closely inter-related outputs:

Firstly, ***significant support to the Office of the State Minister on the Regional Issues will be provided*** to effectively lead and coordinate the local governance reform process. This will encompass institutional development support to the Office of the State Minister, as well as the development of policy formulation and implementation capacities within the Office. Wherever possible, it will be ensured that policies are gender-considerate. Effective coordination and monitoring/oversight mechanisms will be also supported within the framework of this output. In addition, targeted, on demand support and expert advice will be offered to facilitate the implementation of the Decentralization Strategy. Considerable efforts under this component will also be devoted to strengthen commitment and to create a supportive environment for the reform process by increasing the knowledge and awareness of different stakeholder groups.

Secondly, the project will support the process of ***development of a professional, accountable and efficient local civil service***, capable of exercising the new competencies assigned in the process of local governance reform. The elaboration of a concept for sustainable/professional local government training and development system and facilitation of priority training provision will contribute to the outcome. The training will address the most urgent needs of local governments, including the priority needs for recovery/rehabilitation in the conflict-affected regions in Georgia. Such a system should ensure that training and development services provided by various local and

international organizations correspond to the real needs of local governments, and meet established quality standards that are common to all training and development programmes and providers throughout the country. The system will ensure that basic and priority competencies of local civil servants are being built, and that a systematic approach to continued learning of the local civil service is being pursued. Moreover, the concept of such system will seek to ensure that the know-how created through the project remains in the country, contributes to the further development of the overall system of local governance, and is available to all stakeholders.

This will be achieved by development of the concept for National Training and Development Framework (*hereinafter - the TDF concept*) for local government in Georgia in a participatory manner and preparation and delivery of the priority pilot trainings.

The development of the TDF concept will be led and managed by local stakeholders. The Office of the State Minister, NALA, PSB, CEGSTAR and several municipal authorities will be in the leading position to elaborate the framework. Technical advice and support from international experts and institutions will be provided as necessary. This will ensure a full ownership of the developed framework from the national partners and facilitate its implementation at a later stage.

It is understood by all parties that the Office of the State Minister will ensure an effective coordination and regulatory role as opposed to the control function over the activities of NALA and other stakeholders of local self-governance reform.

During the first year of project implementation (2009) the activities will focus on strengthening of institutional and policy making capacities of the Office of the State Minister and the establishment of effective coordination and consultation mechanisms to support the implementation of local governance reform. Additionally, during the year 2009 the National TDF concept for local government in Georgia will be developed in a participatory manner. The priority training curricula and materials will be prepared and selected trainings will be delivered on a pilot basis.

The second year of the project activities (2010) will build on the products developed and results achieved in 2009 and will mainly focus on the implementation. Based on the TDF concept the support to the implementation of the TDF will be provided. Delivery of the priority training programmes will continue at a larger scale. Furthermore, the support to HR management function in local governments will be provided through the provision of guidance and expert advice. Sample procedures and guidelines for recruitment, performance appraisal and development of municipal training plans will be prepared in 2010.

The project will also build on the results of the UNDP/SIDA project in support to the Centre, which will end on 31<sup>st</sup> December 2008. The local governance expertise accumulated in the framework of UNDP/SIDA project will be utilized within this project to support the implementation process of local governance reform. The limited team of experts will be providing on demand technical support and advice in the area of local governance reform to the Office of the State Minister on Regional Issues.

Furthermore, the project will be closely interlinked with the UNDP/SIDA project in the Kvemo Kartli Region. It is envisaged that the products developed in the framework of the Kvemo Kartli project, for instance in the area of HR management, will be utilized within the framework of this project.

The ultimate beneficiaries of the project will be the Office of the State Minister and local civil servants. The line ministries, NALA, the PSB and the Centre will also significantly benefit from the activities of the project. Members of local communities will benefit from the project as well, as project results will have a direct impact on the quality of services provided to them.

**Sustainability** of the project efforts and results will be achieved through ensuring an active participation of the central and local authorities into all of the activities in the project. In particular, achievement of the first output will be impossible without a regular and day-to-day involvement of the SM's office into the implementation. At the end, it is the SM and staff of the office who

requests support and utilizes the products. The approved new structure of the SM's office, along with job descriptions and staff qualifications will serve as a sustainable product of the reform initiative. While the project aims to support the office of the SM in coordination and awareness raising efforts at an initial stage, it is assumed that the tailor-made capacity development programme for the SM's staff will enable the office to take over this responsibility and continue the coordination and consultation process after the project closure. The capacity building programme will also specifically address the recently recognized gap with regards to coordinating recovery activities at the regional level.

Development and implementation of the National Training and Development Framework will, similarly, take place in a participatory and consultative environment. Leading role of the representatives from the SM's office, NALA, PSB and selected municipalities will ensure the ownership of this product by these parties that serves a precondition of the sustainability of this initiative. The official and effective implementation of the framework will be contingent upon approval of the document by the respective institutions and the ownership of the product from the local stakeholders may warrant a coherent and unified position of the key stakeholders in lobbying the document and facilitating its approval. In the process of the development of the TDF concept, efforts will be made to utilize existing institutions, structures and capacities, enhancing their abilities to become active players of the training and development system. For instance, significant attention will be paid to strengthening local training providers to ensure that they are able to deliver quality training to local governments and to ensure that a competitive training market is enhanced. Technical assistance to PSB or other responsible stakeholders will be provided to strengthen their capacities to develop HR policies and provide guidance and support in the area of HRM to local governments.

It is expected that the training and development system to be proposed by the project will become a platform for coordination of ongoing and planned donor and local initiatives in the area of local capacity development, and will serve to anchor and sustain various capacity development programmes and products produced by different projects. This project will seek to establish an infrastructure that will support different initiatives and will ensure that the results of these existing and planned initiatives (in the form of training programs, capacity development materials, innovative methodologies and tools) stay within Georgia and are available to all local stakeholders. For instance, training programmes developed with support of SIDA, USAID and GTZ can be utilized and sustained with the support of this project.

The criteria for training provision as a minimum entails a basic co-financing contribution by participating local governments (of approximately 15% of participant fees) to support the emergence of a training culture and to establish a basis for financial mechanism aiming at the long term sustainability of the project once donor funding will cease. The municipalities will be expected to gradually increase their financial participation towards attaining a full financial sustainability in the training provision approximately by 2012. This will nurture an increasing demand on quality trainings and a necessity of meeting the expectations with adequate capacities of training providers.

In general the project sustainability strategy rests on the concept of development of a training culture through ensuring a full ownership and broad participation of key stakeholders throughout the entire project. The project will facilitate broad consultation and consensus building process and will encourage cooperation among key stakeholders – the Prime Minister's Office, the Office of State Minister, the Parliamentary Committee on Regional Policy, Self-Government and Mountainous Regions, the Ministries of Finance, Justice, Economy, the NALA, the PSB, the Centre and local governments. Although the project implementation will be closely coordinated with and implemented in cooperation with the Office of the State Minister, the involvement of other stakeholders, especially NALA, will be equally important for the project success. Strong leadership of the Office of the State Minister, well-built partnerships and ownership of the project results by national stakeholders will play a crucial role in *achievement* and *maintenance* of the project results.

The project will start with the two months of the *Inception phase*, to amend and revise the project as per the results of such inception phase. This will encompass detailed assessment of the situation at the start of the project and anticipate how it might influence the activities and intended outputs of the project. It will also entail the full-fledged establishment of the necessary project management structures, equipment of project facilities, selection and recruitment of staff members, and the development of the detailed work plan for the project.

### III. PROJECT OUTPUTS AND ACTIVITIES

**Output 1.** Policy making and implementation capacities of the Office of the State Minister strengthened to effectively lead and coordinate the local governance reform process.

*Activity 1.1 Provide targeted institutional development support to the office of the State Minister and develop its policy formulation and implementation capacities;*

In the framework of this activity the *institutional development support* to the Office of the State Minister will be provided. It will encompass support in defining/clarifying the mandate and the core functions of the Office of the State Minister and the development of the TORs for the different units. The functional analysis will be carried out to ensure that the Office of the State Minister is capable of performing all mandated functions in the most efficient and effective manner. Based on the results of the functional analysis, recommendations will be developed regarding the required organizational structure, the need for streamlining of the functions and eliminating redundancies, and also the human capacities to support the effective implementation of its mandate and of the functional responsibilities of the different units. Expert advice will be provided to implement the recommendations of the functional analysis. The methods and accumulated knowledge during the similar exercise within the Kvemo Kartli project framework will also be utilized.

In the framework of functional analysis the individual competency profiles of the staff members will be developed and existing competency gaps identified. Based on the results of the assessment *tailored training and coaching package* will be created and delivered. The individual coaching sessions will be made available for the key staff of the Office of the State Minister to address the most urgent capacity needs. Significant attention within the training and coaching package will be devoted to develop policy formulation and implementation capacities of the staff of the Office of the State Minister, including developing the capacity to ensure coordination of recovery initiatives at the local level. It will also be thought to develop the policy for municipalities on how to ensure gender mainstreaming in local administration.

*Activity 1.2 Provide targeted - on demand technical support and expert advice to the Office of the State Minister;*

This is a demand driven component of the project. The main areas of support will be discussed, agreed and specified with the State Minister during the project Inception phase. Based on the results of the discussion the preliminary half-year action plan for demand driven support and expert advice will be developed during the Inception phase. The demand driven component might encompass *an expert advice* related to the mandate or one of the functional areas covered by the Office. It might involve necessary *research support and support for the development of analytical papers/reports* related to the local governance reform. An expert advice might be necessary to maintain the process of implementation of the Decentralization Strategy. This might encompass the provision of *targeted policy advice or law drafting support in different areas*, such as local



economic development, fiscal decentralization, sectoral reforms (health, education, social). It also might include the support to the development of regional profiles and integrated planning methodology. This project component will be implemented in close cooperation with the Center utilizing the accumulated expertise in the area of local governance and decentralization.

*Activity 1.3 Support the Office of the State Minister in facilitating an effective coordination and consultation process;*

Technical and organizational support will be provided to ensure that an effective coordination and consultation mechanism for the implementation of local governance reform is in place and that it is functioning effectively. Several issues will be covered in the framework of this activity. Firstly, an *on line information sharing mechanism* will be established to ensure an effective information exchange between the line ministries and with the Office of the State Minister (content of information, frequency of exchange, focal points). Secondly, the website of the Office of the State Minister will be created to facilitate electronic communication and information exchange between the Office of the State Minister and various national, regional and local stakeholders. Thirdly, the development of the GIS cartographic database, producing a detailed inventory and mapping of the information at regional and local levels, will be explored. If feasible, this would support effective government policy-making process for sustainable regional and local development; e.g. the information would be maintained regarding various needs of the communities such as gas infrastructure, water systems, etc. Should the development of the GIS database be considered feasible, the experiences of foreign countries might also be explored. Fourthly, support will be provided to *organize coordination/consultation meetings of the State Commission or other consultative body and establish regular monitoring procedures* based on the provisions of the Decentralization Strategy. Finally, *technical support* will be offered to help the State Minister to lead the process of *donor coordination*. This, among others, might encompass organizational support to relevant meetings and development of information sharing tools and procedures.

*Activity 1.4 Facilitate awareness raising to support the process of local governance reform.*

The Office of the State Minister will be supported in *designing and implementation of special awareness raising programme* to raise knowledge and strengthen the commitment to the process of local governance and decentralization reform. The Decentralization Strategy will be introduced to different stakeholders, clarifying the overall vision, key objectives, expected results and expected impact on the improvement of the daily lives of the communities. The primary target group will be parliamentarians and senior civil servants in the State Chancellery and in the line ministries. It will also reach out to the broader audience through the policy papers, special articles and reports. In the framework of this activity *high level stakeholder meeting* will be organized to discuss the Decentralization Strategy and to accumulate high level support to champion the process of reform. *Two round table discussions* will be organized with the participation of the line ministries, regional Governors and local council members. Special attention will be devoted to clarify the changing role and responsibilities of the line ministries in the process of local governance reform. *Several analytical reports* focusing on one of the selected areas of local government reform, such as local finance, civil service reform, etc. will be produced in the framework of this activity.

**Output 2:** The concept of sustainable training and development system developed in support of the local governance reform.

*Activity 2.1 Support a participatory development of the National Training and Development Framework concept for local government in Georgia (hereinafter - the TDF concept);*

The preparation of the TDF concept will be facilitated in close cooperation with key stakeholders – the Office of the State Minister, NALA, PSB, the Center, the Parliamentary Committee, representatives of local governments. The Working group on training of local civil servants and human resources (hereinafter - the WG), which has been established under the State Commission will be utilized and activated to ensure cooperation and consultations among the key stakeholders. The WG will be chaired by the representative of the Office of the State Minister. *Organizational support and technical advice* will be provided to the WG in the process of formulation of the TDF concept.

The National Training Strategy for Local Self Government in Georgia, which has been developed in 2004 with support of the Council of Europe, as well as the Decentralization Strategy document, will be taken as a basis for the formulation of the current TDF concept with the lessons learned being carefully analyzed. The TDF concept will define:

- (1) the principles of training and development of local civil servants;
- (2) priority training programs;
- (3) priority target groups;
- (4) the institutional structure of the local government training system (roles, responsibilities, linkages, legal framework);
- (5) a quality assurance mechanism;
- (6) the financing framework; and
- (7) the reporting and monitoring mechanism.

While working on a concept for the training system, a comprehensive review of the current legal and institutional framework related to training and development will be carried out. Experience of other international organizations active in the area of training will also be analyzed and utilized in the process of formulation of the TDF concept. The decision on the priority training and development areas, as well as priority target groups will be influenced by and strongly linked with the goals and objectives of the Decentralization Strategy. The results of the capacity assessment carried out in the framework of UNDP/SIDA project in Kvemo Kartli region will also be taken into account.

*Round table with senior decision-makers* will be organized to present the TDF concept to key stakeholders and facilitate kick-off its implementation. The experiences of other countries in the area of training of local civil servants will be shared during the meeting.

*Activity 2.2 Support the development and delivery of the first cycle of priority training programmes and strengthen HR management function in the local government units to be able to articulate training and development needs;*

The induction training programme, HR management training programme and one additional priority training area based on the TDF concept will be selected and *support to develop and deliver the first cycle of pilot training seminars* will be provided. While delivery of the training packages, a special emphasis will be put on cross-cutting issues such as the gender mainstreaming aspects of local administrations along with the issues of accountability, voice and representation of the citizens, to support fundamentals for a responsible local civil service. Preparation and delivery of the training programmes will include specification of the training needs, development of the training curricula and materials, organizing training of trainers, selection of participants and actual delivery of training and development programmes. The training materials will serve as guidance for training providers. In the process of development of training curricula *the quality requirements for the training programmes and training providers* will be developed and submitted to the WG for approval. Significant attention will be paid to *strengthening the capacities of local training providers*. Local providers (institutions and individuals) will be invited to participate in Training of Trainers programmes and in the delivery of training seminars to local civil servants. NALA is expected to play one of the key roles in providing the training at this stage with an understanding

that in future such function should be outsourced from NALA; i.e. the training agency currently operating under the umbrella of NALA, should become independent institution once its capacities are adequate.

*Specific training needs for each priority training area* will be defined through the focus group discussions and individual interviews with beneficiaries. This will help to indicate key topics to be addressed in the training curricula. A number of local governments will be selected (representative sample of Georgian municipalities - urban, rural, ethnically mixed) to conduct focus group discussions and interviews to identify capacity gaps as they relate to the implementation of decentralization reform. In the framework of the assessment of training needs, special attention will be paid to analyze the institutional and individual capacities of HR function in the local governments. Based on the assessment results a *training and development package on HR management* will be developed. In general, wherever feasible, the method of synthesising both the reflective and prescriptive needs identification will be used, i.e. the training programmes will be developed based on the analysis from both, the beneficiaries and training providers.

Training will be open to all local governments and selection criteria will be defined during the course of the project but it is envisaged that criteria will entail a basic co-financing contribution by participating local governments (of approximately 15% of participant fees) in order to support the emergence of a training culture and to establish a basis for financial mechanism aiming at the long term sustainability of the project once donor funding will cease. It is expected that not less than 90 civil servants is going to be trained in the framework of this project.

Special training and development programme focusing on HR management and development will be prepared and delivered to the chief executives and personnel management specialists of the local governments. The training and development program will not be limited to training but will also entail targeted consultations/coaching in the course of the training and will endow participants with tangible results to develop concrete action plans for the strengthening of HR management function in their respective local governments. Special attention will be devoted to the process of articulation of training needs and development of the training plans. Four groups of trainees will be trained (25 trainees per group, 100 trainees in total).

Expert support will be provided to develop model by-laws for personnel units and sample job descriptions for personnel management specialists. The sample procedures and guidelines for recruitment, performance appraisal and development of municipal training plans will be prepared and technical support to personnel management units and specialists will be provided to apply necessary procedures. In implementing this activity, the project will coordinate its efforts with related projects and institutions such as the Public Sector Financial Management Reforms Support Project or the PSB.

### *Activity 2.3 Support to the establishment of relevant training infrastructure*

Care will be taken for the development of the concept for the *establishment of relevant training infrastructure and most importantly for the anchoring of the Training Coordination and Support Facility* (the Training Facility). This might include (depending on the need identified within the concept for the TDF) strengthening HR capacities of the institution assigned to carry out training facilitation and coordination function. Specifically, this would encompass the provision of advice and mentoring regarding the staff structure and functions such as training and development coordination, priority curriculum design, commissioning of training, training of trainers, evaluation of training effectiveness, etc. A *twining arrangement* with similar training institution in one of the best practice countries in order to gain knowledge and experience and develop partnership relationships will be established. Within the framework of this twinning arrangement the study visit will be organized.

An effective *on line system for the information exchange among training providers, local governments and other stakeholders, as well as for the collection and dissemination of training materials and best practices* will be established and training information will be made available for

all interested stakeholders. The database will be managed in future by the Training Facility. Following information will become available for the different stakeholders: training needs assessment, database of the local training providers (area of specialization, staff, facilities available, experience, activities/projects); database of trainers (area of expertise, relevant experience, other relevant information); database of the projects implemented/ongoing by donor organizations or local institutions (institution, duration, description of activities, etc.).

#### IV. RESULTS AND RESOURCES FRAMEWORK

**Applicable Key Result Area (from 2008-11 Strategic Plan):** Strengthening accountable and responsive governing institutions

**Partnership Strategy:** the Office of State Minister on Regional Issues (OSMRI) will be the key partner in achieving the project outputs. Sida, as of the organizations with the Supplier role within the Project Board, will be closely consulted and involved at all stages of project formulation, implementation and evaluation. The Parliamentary Committee on Regional Policy, Self-Government and Mountainous Regions, the Ministries of Finance, Justice, Economy, the PSB, the NALA, the Centre on Decentralization will be consulted as appropriate to maximize the effects of the project;

**Project title and ID (ATLAS Award ID):** Support to the local governance reform in Georgia

INTENDED OUTPUTS	OUTPUT TARGETS FOR (YEARS)	INDICATIVE ACTIVITIES	IMPLEMENTING PARTNER	INPUTS
<p><b>Output 1:</b> Policy making and implementation capacities of the Office of the State Minister strengthened to effectively lead and coordinate the local governance reform process</p> <p><b>Baseline:</b> Unclear mandate and insufficient policy making capacities of the Office of the State Minister; Ineffective coordination and consultation mechanism.</p> <p><b>Indicators for 2009:</b></p> <ul style="list-style-type: none"> <li>▪ Mandate and functions of the Office of the State Minister approved;</li> <li>▪ No of products made available to the OSMRI through an expert support;</li> <li>▪ Training and coaching package</li> </ul>	<p><b>Targets for 2009:</b></p> <ul style="list-style-type: none"> <li>▪ At least 60 days of expert support provided to the OSMRI on an on-demand basis;</li> <li>▪ At least 15 staff trained; and at least 90 days of training and coaching support provided to the OSMRI;</li> <li>▪ Exchange of documents/reports using on line information sharing mechanism initiated and accelerating over time;</li> <li>▪ At least 2 coordination-consultation meetings of the State Commission supported by the project;</li> <li>▪ At least 2 donor coordination meetings conducted by the OSMRI;</li> </ul>	<p><i>1.1 Activity: Targeted institutional development support to the office of the State Minister to develop its policy formulation and implementation capacities provided;</i></p> <ul style="list-style-type: none"> <li>▪ Support the Office of the State Minister in defining its mandate and core functions and in developing the TORs for the different units;</li> <li>▪ Carry out functional analysis and prepare recommendations;</li> <li>▪ Provide technical advice and support to implement the recommendations of the functional analysis;</li> <li>▪ Define competency profiles for the staff members and assess competency development gaps and needs;</li> <li>▪ Create and deliver tailored training and coaching package to the staff members of the Office of the State Minister.</li> <li>▪ Support the development of policy for municipalities on how to ensure gender</li> </ul>	OSMRI	<p><b>Appointment of core team and associated salary and operational costs:</b></p> <ul style="list-style-type: none"> <li>▪ <b>Salaries:</b> Project manager</li> <li>2 Experts</li> <li>Administrative assistant</li> <li>▪ Office equipment, furniture;</li> <li>▪ Operational costs of the office:</li> <li>▪ <b>TA costs</b></li> <li>▪ <b>Implementation of training/coaching programme:</b></li> <li>▪ <b>Organizational costs</b></li> </ul>

<ul style="list-style-type: none"> <li>▪ prepared;</li> <li>▪ No of staff trained; and no. of hours of coaching support provided;</li> <li>▪ Staff members' positive feedback on quality of training and coaching programme;</li> <li>▪ Results of impact assessment to assess the behaviour and competency change of the staff of the Office of the State Minister;</li> <li>▪ Policy on gender mainstreaming at local level developed</li> <li>▪ No of documents/reports exchanged using on line information sharing mechanism;</li> <li>▪ No of coordination-consultation meetings of the State Commission supported by the project;</li> <li>▪ No of donor coordination meetings conducted by the OSMRI;</li> <li>▪ No of progress reports on the implementation of Decentralization Strategy issued by the OSMRI;</li> <li>▪ Website of the SMORI operational</li> <li>▪ GIS system development explored</li> <li>▪ No of participants attending high level stakeholder meeting;</li> </ul>	<ul style="list-style-type: none"> <li>▪ At least one progress report on the implementation of Decentralization Strategy issued by the OSMRI;</li> <li>▪ At least 5 senior decision makers and 20 mid-level managers attending high level stakeholder meeting;</li> <li>▪ At least 30 participants attending two round table discussions; At least 4 analytical reports produced by the project;</li> <li>▪ At least 5,000 visitors consulting the website</li> </ul> <p>Target 2010.</p> <ul style="list-style-type: none"> <li>▪ At least 15,000 visitors consulting the website</li> <li>▪ Exchange of documents/reports using on line information sharing mechanism accelerating over time;</li> <li>▪ At least 3 coordination-consultation meetings of the State Commission supported by the project;</li> <li>▪ At least 3 donor coordination meetings conducted by the OSMRI;</li> <li>▪ At least one progress</li> </ul>	<p>mainstreaming in local administration.</p> <p><i>1.2 Activity: On demand technical support and expert advice to the Office of the State Minister provided;</i></p> <ul style="list-style-type: none"> <li>▪ Agree on the priority areas of support and develop preliminary action plan;</li> <li>▪ Provide 30 days of expert support based on the action plan and on the ad hoc needs.</li> </ul> <p><i>1.3 Activity: Support to the Office of the State Minister in facilitating an effective coordination and consultation process in the area of local governance reform provided;</i></p> <ul style="list-style-type: none"> <li>▪ Support the establishment of an online information sharing mechanism with the line ministries (content of information, frequency of exchange, focal points);</li> <li>▪ Provide organizational and technical support to the Office of the State Minister to organize regular coordination-consultation meetings of the State Commission to support the process of local governance reform;</li> <li>▪ Provide support to the Office of the State Minister in establishing regular monitoring procedures based on the provisions of the Decentralization Strategy;</li> <li>▪ Provide organizational and technical support to the Office of the State Minister to lead the process of donor coordination.</li> <li>▪ Web-site of the SMORI made</li> </ul>	<p>Online mechanism (project manager)</p> <p>Monitoring procedure (project manager)</p>
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<ul style="list-style-type: none"> <li>▪ No of participants attending two round table discussions;</li> <li>▪ Participants' feedback on the quality and usefulness of the round table discussions;</li> <li>▪ No of analytical reports;</li> <li>▪ Participants' feedback on the quality and usefulness of the analytical reports;</li> </ul>	<p>report on the implementation of Decentralization Strategy issued by the OSMRI;</p> <ul style="list-style-type: none"> <li>▪ At least 2 analytical reports produced by the project;</li> </ul>	<p>operational and maintained to facilitate electronic communication and information exchange between the Office and various stakeholders.</p> <ul style="list-style-type: none"> <li>▪ The development of a GIS cartographic database with a detailed inventory of the information at regional and local levels will be explored and followed up if feasible.</li> </ul>	
<p><b>Indicators for 2010:</b></p> <ul style="list-style-type: none"> <li>▪ Website of the SMORI maintained prior to its full hand-over to the Office of the SM</li> <li>▪ No of documents/reports exchanged using on line information sharing mechanism;</li> <li>▪ No of coordination-consultation meetings of the State Commission supported by the project;</li> <li>▪ No of donor coordination meetings conducted by the OSMRI;</li> <li>▪ No of progress reports on the implementation of Decentralization Strategy issued by the OSMRI;</li> <li>▪ No of analytical reports;</li> <li>▪ Participants' feedback on the quality and usefulness of the analytical reports;</li> </ul>		<p><i>1.4 Activity: Awareness raising programme to support the process of local governance reform implemented.</i></p> <ul style="list-style-type: none"> <li>▪ Provide support in designing and implementation of special awareness raising programme;</li> <li>▪ Organize high level stakeholder meeting to discuss the Decentralization Strategy;</li> <li>▪ Organize round table discussions with the participation of the line ministries, regional Governors and local council members on the implementation of Decentralization Strategy;</li> <li>▪ Prepare analytical reports focusing on selected areas of local governance reform.</li> </ul>	

<p><b>Output 2:</b> The concept of sustainable training and development system developed in support of the local governance reform.</p> <p><b>Baseline:</b> There is no training and development system for local civil servants, training is not coordinated and it is not based on real needs of local governments.</p> <p><b>Indicators for 2009:</b></p> <ul style="list-style-type: none"> <li>▪ TDF concept formulated and agreed;</li> <li>▪ Report on the current legal framework related to training and development produced;</li> <li>▪ No of participants attending the high level round table to present the TDF concept;</li> <li>▪ Training Needs Assessment report produced;</li> <li>▪ Quality requirements for the training curricula and training providers elaborated;</li> <li>▪ Training curricula and materials in priority areas available;</li> <li>▪ Number of sample by-laws for personnel management and department developed and</li> </ul>	<p><b>Targets for 2009:</b></p> <ul style="list-style-type: none"> <li>▪ at least 5 senior decision makers and 20 mid-level managers attending high level stakeholder meeting;</li> <li>▪ At least 3 gender-considerate training courses developed</li> </ul> <p><b>Targets for 2010:</b></p> <ul style="list-style-type: none"> <li>▪ At least 4 new training courses developed</li> <li>▪ At least 30 training sessions supported with participation of all Georgian regions</li> <li>▪ At least 500 local government representatives trained in priority subjects.</li> <li>▪ At least 600 hours of technical advice and mentoring was provided regarding the HR management of the Training Facility;</li> <li>▪ At least 6 trainers trained;</li> <li>▪ At least 90 trainees trained during the pilot training programmes; (30 trainees per subject)</li> </ul>	<p><b>2.1 Activity: A participatory development of the National Training and Development Framework supported.</b></p> <ul style="list-style-type: none"> <li>▪ Provide organizational support and technical advice to the WG in the process of formulation of the TDF concept;</li> <li>▪ Carry out a comprehensive review of the current legal and institutional framework related to training and development;</li> <li>▪ Facilitate the approval of the TDF concept by the State Commission;</li> <li>▪ Carry out training needs assessment (including the assessment of HR function);</li> <li>▪ Develop quality requirements for the training curricula and training providers;</li> <li>▪ Develop training curricula and materials (including HR management package);</li> <li>▪ Organize a high level round table to present the TDF concept to key stakeholders and to kick off its implementation;</li> </ul> <p><b>2.2 Activity: Priority training programmes developed and delivered and the HR management function in the local government units strengthened.;</b></p> <p>Carry out training of trainers;</p> <p>Select training participants and deliver the</p>	<ul style="list-style-type: none"> <li>▪ <b>TA costs:</b></li> <li>▪ <b>Organizational costs:</b></li> <li>▪ <b>Study visit</b></li> </ul>
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plans elaborated;  
▪ HR package approved by the WG;  
▪

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## VI. MANAGEMENT ARRANGEMENTS

The project will be implemented in accordance with the National Execution (NEX) modality under which the Government of Georgia through the Office of the State Minister on Regional Issues will be responsible for project implementation, while UNDP will provide support for the execution of project activities and provision of inputs. The Office of the State Minister will be an implementing partner<sup>5</sup>.

The Project manager will be recruited to manage the project on a day-to-day basis. His primary responsibility will be, jointly with the core team, to ensure that the project achieves results that are capable of delivering the outputs described in this document. The Project Manager will be in charge of requesting funds to cover project-related expenses, and for keeping an adequate control system for all financial and accounting records. The Project Manager will be reporting periodically to UNDP on the implementation of the project.

The Project Management Unit (PMU) will be created and located within the office of the State Minister to coordinate and manage project implementation. The following incumbencies will be established within the PMU: (TORs attached per position)

- Project Manager (holding strong expertise in institutional development and responsible for overall daily supervision of the project implementation and delivery of quality products). Besides involvement into the substantial project activities and providing the overall direction and the guidance to the project staff in achievement of the project outputs, the PM will be responsible to the financial, HR and administrative management of the project, establishing and maintaining the partnerships with national and international stakeholders, and hold accountable for the project activities towards the Project Board.
- Two Experts directly responsible for producing each of the Project Outputs. Under the overall guidance of the project manager, each expert will lead implementation of the specified output and provide extensive technical support during the implementation. Since the activities scheduled under the both outputs are to continue throughout the entire duration of the project, it is proposed to recruit the experts on a permanent basis, rather than on a short-term contract to carry out each action. This will ensure a close cooperation and coordination between the experts, maintenance of the institutional memory and established relations with all the partners throughout the implementation. The estimated heavy workload under each of the outputs within the limited time (as detailed in the AWP) justifies recruitment of separate experts per output.
- Administrative Assistant dealing with finances, procurement, HR, etc.
- A number of international and local experts to support project activities will be recruited on temporary contracts.

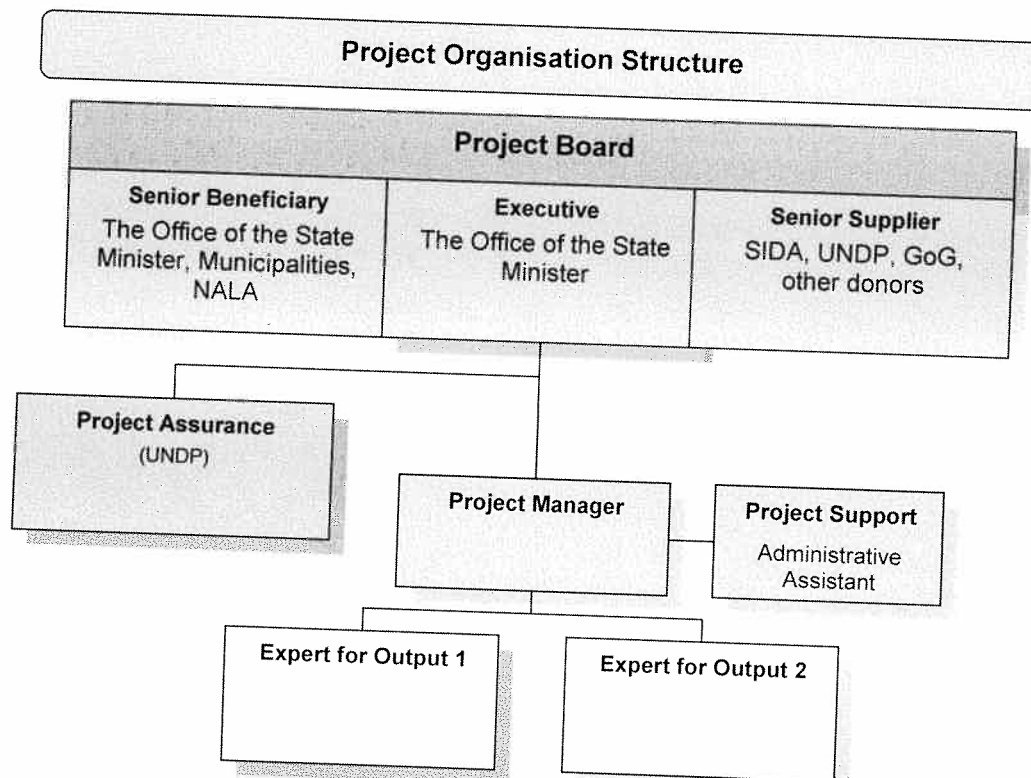
UNDP will provide operational support to the project in the following areas: human resources management services, financial services, procurement and contracting services, as well as with logistics and administration. UNDP will be responsible for the provision of all project inputs upon a formal request from the Project Manager. The Project Manager will provide UNDP with the

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<sup>5</sup> The Implementing Partner is the entity responsible and accountable for managing a project, achieving project outputs, and for the effective use of UNDP resources. A single Implementing Partner is designated to lead the management of each UNDP-supported project. The Implementing Partner may enter into agreements with other organizations or entities to assist in successfully delivering project outputs. *Source: The UNDP Programming for Results Management Guide*

necessary documents authorizing payments to be made in connection with project activities. During the absence of the Project Manager, the functions will be delegated to one of the experts. Official summary records of all transactions will be provided by UNDP to the Project Manager who will in turn keep appropriate and complete records for future project auditing.

**Project Board:** The Project Board will consist of the following permanent members: the Office of the State Minister on Regional Issues, SIDA, UNDP and a representative of the local authorities, most likely to be represented by NALA. The other reform stakeholders such as the Parliamentary Committee, Public Service Bureau (PSB), representatives of selected municipalities etc. will be invited as needed based on the subject of the meeting. The Board will meet on a quarterly basis. For additional information regarding the project management and the functions of the Project Board, please refer to the attached Annex 2 (*Annex # 2 to the Project Document: Support to the local governance reform in Georgia*).



## VII. MONITORING AND EVALUATION

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.
- 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 (see annex 3), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.

<p>implemented;</p> <ul style="list-style-type: none"> <li>▪ The training courses considerate of gender mainstreaming issues.</li> </ul> <p><b>Indicators for 2010.</b></p> <ul style="list-style-type: none"> <li>▪ No of trainers trained;</li> <li>▪ No of trainees trained during the pilot priority training programmes;</li> <li>▪ Participants' positive feedback on quality of training provided;</li> <li>▪ No of new training courses developed</li> <li>▪ No of training courses delivered</li> <li>▪ Training Coordination and Support Facility concept provided;</li> <li>▪ On line system/database for on training and development established;</li> <li>▪ Twinning arrangement in place.</li> <li>▪ No of hours of technical advice and mentoring regarding the HR management of the Training Facility;</li> <li>▪ Sample job descriptions for personnel management and specialists developed and implemented;</li> <li>▪ Guidelines for recruitment and performance appraisal developed;</li> <li>▪ A methodology for development of local government training</li> </ul>	<ul style="list-style-type: none"> <li>▪ Representatives of at least 15 municipalities will benefit from the pilot training</li> </ul>	<p>first cycle of three priority training programmes;</p> <p>Support the development of model by-laws, job descriptions, sample procedures and guidelines for recruitment, performance appraisal and standard methodology for development of municipal training plans;</p> <p>Facilitate the approval of HR package by the WG.</p> <p>Upscale delivery of the priority training packages (incl. trainings on gender mainstreaming and accountability and voice issues).</p> <p><b>2.3 Activity Result: The establishment of relevant training infrastructure supported.</b></p> <p>Facilitate the anchoring of the Training Coordination and Support Facility;</p> <p>Technical advice and mentoring regarding the HR management of the Training Facility;</p> <p>Support the development of an effective on line system/database for on training and development;</p> <p>Support the establishment twinning arrangement with similar training institution in one of the best practice countries;</p>
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- 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

**Semi-Annual Review Reports.** Two Semi-Annual Review Reports shall be prepared by the Project Manager and shared with the Project Board after completion of respective 2 quarters of the project implementation. As a minimum requirement, the Semi-Annual Review Report shall consist of the Atlas standard format for the Quarterly Progress Report (QPR) covering the 2 quarters 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 reports, an annual project review shall be conducted during by the end of 2009 to assess the performance of the project. 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 outcomes.

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## VIII. LEGAL CONTEXT

This project document shall falls within the legal context outlined in all general agreements between the Government of Georgia and UNDP.

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**V. ANNUAL WORK PLAN: 2009**

Please see Annex 1.