

**United Nations Development Programme, India
Project Brief**

Capacity Development for Local Governance

1. Situational Analysis

Decentralisation and Capacity Development

The 73rd and 74th Constitutional Amendment Acts, 1992, gave Constitutional status to the third tier of government at the sub-State level, thereby creating the legal conditions for local self-rule or Panchayati Raj. These Amendments sought to bring about greater decentralisation, increasing the involvement of the community in planning and implementing schemes and, thereby, increasing accountability.

Since the enactment of the Acts in 1993, the Government of India (GoI) has increasingly emphasized the role of Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) in local governance and decentralized planning to make service delivery more effective and to strengthen transparency and accountability. In 1996 the GoI extended the provisions of the Panchayats to the scheduled tribal areas¹ through Act No. 40, known as PESA (Panchayats Extension to the Scheduled Areas) recognising the prevailing traditional practices and customary laws besides providing the management and control of all natural resources (land, water and forests) by the inhabitants of the tribal areas.

The Eleventh Five-Year Plan recognizes that a very large part of Plan expenditure is now accounted for by development programmes and schemes for rapid eradication of poverty and delivery of various services that are mostly in the realm of local government functions. The Plan document emphasizes on the pivotal role played by PRIs in improving service delivery in keeping with their Constitutional mandate of economic development and social justice. It calls for strengthening PRIs so that they could bring about the desired results through effective planning and implementation of the government schemes. It emphasizes the need for preparing a comprehensive capacity building strategy, accompanied by intense monitoring.

The State of Panchayats 2007-08² highlights that the *raison d'être* for training and capacity development initiative stems from the fact that the 73rd and 74th Constitutional Amendment Acts, while being revolutionary, are being implemented on extremely uneven grounds. The rationale for capacity development, according to the Report is to:

- bridge the gap in the existing social inequalities that exist by developing capacities of women, Scheduled Castes and Scheduled Tribes to enable their participation in the local governance processes with confidence,
- recontextualise the skills and experience of first time entrants and providing them relevant information,
- develop a cadre of local leadership that can be change agents for the society, and
- reorient the government officials so that they can enable effective local government functioning.

The report identifies the constraints of SC/ST and women representatives from sections of the population that have been marginalised and historically faced social exclusion. They face barriers in exercising their constitutional authority or fulfilling their due responsibilities in the PRI or ULB. In addition the process of exclusion and marginalisation also results in the PRI/ULB not recognising and addressing the concerns of marginalised sections of the population as a whole.

¹ Schedule V, Indian Constitution

² The State of Panchayats: 2007-08, An Independent Assessment, Volume I, Institute of Rural Management, Sponsored by MOPR, 2008

The Study on Elected Women Representatives³ (2008) noted that imparting training emerged as a critical determinant of the performance of elected women representatives. A large proportion of women who received training have performed better. This was true for Pradhans (male/female) and Ward members (male/female). Training should not only be made mandatory for all elected representatives, but it should also be organized regularly, covering multiple dimensions including rules and regulations, administrative issues, budgeting and finance and the implementation of development schemes.

The dimension of the challenge / task before the State training institutions can be demonstrated by the numbers of elected representatives in the PRIs as on 1st December 2006 which is the main target group of SIRD training (see table). In addition to the elected representatives SIRDs also train PRI officials.

Given the imperatives of strengthening capacities of elected representatives, the Ministry of Panchayati Raj has launched a National Capacity Building Framework (NCBF⁴) that aims at:

State	Total of elected representatives
Bihar	130.091
Chhattisgarh	160.386
Jharkhand	n.a.
Madhya Pradesh	396.877
Rajasthan	119.804
Uttar Pradesh	771.661
Orissa	100.862

Source: Study on Elected Women Representatives in Panchayati Raj Institutions, MoPR 2008

Jharkhand is yet to hold Panchayat Elections. The matter is pending before the Supreme Court of India.

- enabling Panchayat elected representatives to upgrade their knowledge and skills to better perform their responsibilities;
- orienting key officials associated with the devolved functions to (a) better function as technical advisors and trainers and (b) respect, be more receptive and learn from the ground-level experience of elected Panchayat representatives;
- improving the Gram Sabha functioning;
- sensitising the media, political parties, representatives in the legislatures, civil society organizations and citizens.

The Government has a few schemes with limited financial provisions to roll out components of the NCBF:

- The Backward Regions Grant Fund (BRGF), designed to address regional imbalances in development, has a provision for capacity building of 250 crores INR per annum (10,000,000 INR per district per annum) for 6 years from 2006-2007 until 2011-2012. These funds can be used to build capacities in planning, implementation, monitoring, accounting, improving accountability and transparency. The BRGF is applicable to select districts⁵ in all seven UNDAF⁶ States.
- Under the Rashtriya Gram Swaraj Yojana (RGSY) scheme⁷ there are 30 crore (300 million) INR available for training and capacity building in the 342 non-BRGF districts. Financial assistance is meant for actual training⁸ of PRIs and the construction of Satellite Training Studios. Proposals from NGOs that come with

³ Study on Elected Women Representatives in Panchayati Raj Institutions, MoPR, Government of India, 2008

⁴ See Annex 1 for excerpts.

⁵ BRGF districts in the UNDAF States: Bihar (36), Chhattisgarh (13), Jharkhand (21), Madhya Pradesh (24), Orissa (19), Rajasthan (12), Uttar Pradesh (34). For a detailed listing refer to the BRGF guidelines (Website MoPR: <http://panchayat.gov.in>).

⁶ UNDAF stands for United Nations Development Assistance Framework. It's geographical focus lies in the seven focus States of Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan and Uttar Pradesh. These States were selected on the basis of their low ranking on human development, gender disparity indices as well as the high proportion of people from the Scheduled Caste and Scheduled Tribe groups.

⁷ The RGSY scheme was allocated 30 crore (2006-2007), 33 crore (2007-2008) and 30 crore (2008-2009). Expenditure has been 24.5 crore (2006-2007) and 30.32 crore (2007-2008). For details see RGSY guidelines (Website MoPR: <http://panchayat.gov.in>).

⁸ According to MoPR figures a total 350,000 elected representatives have been trained by end June 2008.

State Government recommendation receive 75% funding from the Union Government and 25% funding from the State Government.

- The MoPR has initiated a targeted scheme⁹ called Panchayat Mahila Evam Yuva Shakti Abhiyan (PMEYSA) which has a networking and empowerment component for Elected Women Representatives (Panchayat Mahila Shakti Abhiyan) and a sensitisation and awareness building component targeting youthful PRI members and youth club members (Panchayat Yuva Shakti Abhiyan).

While these are all components that contribute to the rolling out of the NCBF, the Ministry of Panchayati Raj is seeking additional financial commitments for NCBF implementation and has initiated talks with UNDP on the establishment of a Trust Fund for this purpose.

Capacity Development Institutions

The State of Panchayat Report maps the institutions responsible for developing capacities of the elected representatives as well as civil society initiatives that are associated in this. It notes that though a number of institutions are active in the field of capacity development, they are working in a highly compartmentalized manner with least networking amongst them. Other aspects such as training modules, clientele, duration and other socio-cultural specificities may as well need to be looked into for making capacity building process a more meaningful exercise.¹⁰

It notes the need for strengthening State Institutes for Rural Development (SIRDs) so that they are able to provide dynamic leadership. A curriculum designed in an integrated manner rather than focusing on sectoral needs is urgently required. There is total lack of mechanisms for monitoring and evaluating the impact of training. This is required to provide feedback for ensuring that the process, content, methodology of capacity development efforts is suited and relevant to the context.

A recent assessment of State Training Institutions (ATIs and SIRDs) in the UNDAF States conducted by the Administrative Staff College of India (ASCI) notes that the ATIs as centres for training of civil servants can only play a limited role by sensitising and reorienting civil servants to the ground realities of participatory democracy. In a study conducted by the Lal Bahadur Shastri National Academy for Administration on the availability of gender expertise in select Administrative Training Institutes, noted that there is a lack of well qualified resource persons, lack of training literature and resource material, particularly on gender based violence, and lack of budgetary provisions for the conduct of training.

In regards to SIRDs, the ASCI study found an inability to play an effective role in capacity development of elected local representatives and functionaries stemming from a lack of strategic focus and convergence, which emanates from the concerned Central Ministries and is reflected in all levels of public administration. The assessment of the existing infrastructure of the SIRDs points to the need for strengthening regional, district and sub-district level presence for effective outreach.

The study emphasises the importance of staffing these institutions with well-qualified and well-paid teams of professionals and identifies a need to develop systems, which foster creativity and initiative. Putting in place such systems will enable these institutions to design and develop curriculum based on the felt needs of their clientele and deliver it using the appropriate methodology. The study also underlines the fact that capacity-

⁹ The scheme includes setting up State Support Centers managed by the State EWR Association which would keep updated information related to the participation of EWRs and EYRs in Panchayati Raj Institutions for the entire State and serve as knowledge support institutions. See PMEYSA guidelines for further details (Website MoPR: <http://panchayat.gov.in>).

¹⁰ The State of Panchayats: 2007-08, An Independent Assessment, Volume I, Institute of Rural Management, Sponsored by MOPR, 2008, page 355

building initiatives will yield adequate results only when they are accompanied by investments in mobilization of civil society and policy level advocacy in favour of decentralized governance.

UNDAF and UNDP CPAP

The Government of India - United Nations Development Assistance Framework (UNDAF) 2008-2012 resonates with the priorities of the Eleventh Five Year Plan and seeks to develop the capacities of all governance actors at the district level and below to determine the local development priorities and ensure efficient and equitable delivery of public services through a participatory governance process. It also aims to address the right to information as a fundamental mechanism for government accountability to the citizen, particularly to disadvantaged.

Drawing from the UNDAF, the UNDP India Country Programme Action Plan (CPAP) focuses on capacity development of elected representatives, particularly women belonging to Scheduled Caste and Scheduled Tribes and government officials at State, district and local levels for gender sensitive and inclusive planning, implementation and monitoring in support of decentralisation. Taking cognizance of increased government attention to strengthening accountability and transparency at all levels, the CPAP aims at strengthening and institutionalizing of accountability frameworks in these districts.

It aims to do so by strengthening the institutions responsible for capacity development as well as the mechanisms of doing so. All five UNDP practice areas have capacity development components¹¹ which are closely linked to or feed into the proposed activities under this project which is being housed in the Democratic Governance unit.

Project Rationale

UNDP recognises capacity development of local authorities as an essential step in improving local governance in order to address human development challenges, preserve human rights, reduce poverty and prevent conflicts. Local authorities are best-placed to leverage the capacities of various actors to fulfil their mandate and act in complementary ways to reduce poverty and promote local development.

“Doing so effectively, involves playing multiple roles – as convenor, planner, direct service provider, overseer of other service providers etc. – and calls for an emphasis on a key set of functional capacities (...) The evidence suggests that engaging and inspiring leadership is often a lynchpin for success, pointing to the need to link the individual level with the organizational and societal capacity levels in a more comprehensive approach to engaging on capacity development.”¹²

The 2007 Governance Outcome Evaluation of the UNDP programme recommended that UNDP’s future programme should focus on strengthening capacities of public administration and elected representatives for designing and planning more inclusive and gender sensitive programmes and schemes, so as to enhance participation of the hitherto excluded groups. Implementation and monitoring capacities also need to be strengthened accordingly.

¹¹ The 2008-2012 CPAP provides scope for capacity development activities in each of the UNDP practice areas: Crisis Prevention and Recovery (e.g. Disaster Risk Management), Democratic Governance (e.g. Access to Justice), Energy & Environment (e.g. Climate Change), HIV & Development (e.g. Mainstreaming HIV/Aids), Poverty Reduction (e.g. Financial Inclusion).

¹² UNDP Practice Note “Supporting Capacities for Integrated Local Development”, November 2007, New York

Though comprehensive, the National Capacity Building Framework (NCBF) has not been fully rolled out as yet. UNDP will provide support to the implementation and enrichment of the framework incorporating elements of UNDP's capacity development approach (explained in the Strategy section) with a focus on the UNDAF States. While the project will operationalise the NCBF in the seven UNDAF States learnings from the project will provide inputs for strengthening the framework and provide opportunities for upscaling beyond the focus States.

This project will provide an opportunity to move beyond formal training institutions and bringing together other stakeholders in developing capacities through means other than formal training, such as handholding support through Panchayat Resource Centres (PRCs), strengthening networks of women elected representatives as well as establishing other stakeholder networks.

2. Scope and Strategy

In order to define the scope and strategy of the project, a scoping study to support programme development for the CPAP Output on "Strengthening State Support Institutions" was commissioned. The Administrative Staff College of India (ASCI) and UNDP organized a Workshop in February 2008 which brought together representatives from the Ministry of Panchayati Raj (MoPR), the Department of Personnel and Training (DoPT), the National Institute for Rural Development (NIRD), State training institutions (ATIs and SIRDs), NGOs and academicians. Challenges and opportunities in the area of Capacity Development of PRI elected representatives and officials were discussed and best practices from around India presented.

In preparation of the workshop a query to the UN knowledge sharing network Solution Exchange¹³ had generated a record number of replies from network members in a lively discussion on the approach that the project might take and past experiences with Capacity Development initiatives in the sector. A consolidated reply was distributed to workshop participants and has informed project development.

State specific capacity development needs are likely to differ substantially. The ASCI scoping study includes a thorough assessment of the capacities of SIRDs and ATIs in the seven UNDAF States and will inform the negotiations with State governments on the scope of State level activities which will be undertaken under this project as well as State PRI Capacity Development Strategies. UNDP will coordinate closely with and complement the work of other development actors supporting the strengthening of state training institutions e.g. in Bihar where a coordination process has already started with DFID, World Bank and ADB.

A capacity assessment of PRI elected representatives and officials would be carried out under this project where not available. In some States¹⁴ this may have been completed and may be added to or updated.

An area of particular interest is the use of Information and Communication Technologies (ICT) in Capacity Development – be it in modes of training delivery, networking of stakeholders or the organisational capacities of institutions. UNDP has commissioned a scoping study on the use of ICT for Development which will offer among other things a broad assessment of State Training institutions ICT readiness and usage along with recommendations for the integration of ICT Capacity Development for Local Governance. Similarly, lessons from the use of multi-modes for delivery of training on scale to PRIs and officials being implemented under the Strengthening State Plans for Human Development (SSPHD) Project in Mysore and Capacity Building of EWR project through the Indira Gandhi National Open University (IGNOU) will be integrated in the design of interventions under this project.

¹³ Solution Exchange membership encompasses practitioners, activists and policy makers from all over India (see www.solutionexchange-un.net.in)

¹⁴ The Solution Exchange Decentralisation Community has completed an assessment of PRI capacities for decentralised planning in the Sehore and Betul districts of Madhya Pradesh (2007).

Further, the Center for Good Governance (CGG, Hyderabad) has conducted a study on mainstreaming the Right to Information (RTI) Act provisions as well as learnings taken from the UNDP-DoPT project “Capacity Building for Access to Information” (A2I) into the 2008-2012 country programme of UNDP India. Recommendations will give options for creating greater awareness regarding the RTI Act, wider application of its provisions as well as for creating efficient supply side structures and processes within PRIs.

2.1 Scope

The 73rd Constitutional Amendment mandates political decentralisation, leaving issues of design and implementation on sectoral, administrative and fiscal aspects to the States. The 73rd Constitutional Amendment incorporated Part IX covering Article 243 and Articles 243A to 243O in the Constitution of India. All 24 States to which the provisions of Part IX of the Constitution apply have enacted Panchayati Raj legislation. The State Panchayati Raj Acts define the contours of implementation of Panchayati Raj in different States.

Thus it is evident, rural decentralization has been initiated by the centre, but its implementation and its success depends on the State governments. Therefore it is an imperative to work at State level when addressing capacities of the local governance stakeholders. State governments will anchor all the State specific activities.

Taking the National Capacity Building Framework (NCBF) as a point of departure the MoPR-UNDP project seeks to address capacity gaps by supporting State governments in strengthening training institutions and developing effective mechanisms that build the capacities of elected representatives and functionaries of the Panchayati Raj Institutions (PRIs) and to some extent of elected representatives in ULBs. The focus of the project is to build capacities for human development oriented, inclusive planning, implementation, and improved accountability in local governance.

The range of activities includes institutional **capacity assessment** of the SIRDs, ATIs and Panchayat Extension Centres (ETCs) to identify their challenges and opportunities and to suggest appropriate support. A thorough **training needs assessment** of PRI members and officials in the seven UNDAF States will inform the scope of interventions that may be taken up by the UNDAF States as part of a Capacity Development Strategy, the design of training curricula and course material, the appropriate modes and methodologies of training delivery, as well as the resources required. As part of this analysis the institutional structure and human resources available to implement each State level Capacity Development Strategy would be looked at. The capacity assessments¹⁵ would specifically study the responsibilities, motivation, leadership, authority, resources, ability to communicate, and the capability for rational decision-making and learning. As part of both assessments best practices would be identified and recommendations made on their adaptation to project needs.

A national **framework curriculum and training manual** would be prepared in collaboration with national level resource institutions to cover the subject matter in line with the National Capacity Building Framework (see excerpts in Annex 1) and other identified subject matter agreed upon between MoPR and UNDP. The development of the framework curriculum and manual will draw upon learnings and experience of training institutions such as the National Institute for Rural Development (NIRD), various SIRDs, the UNDP¹⁶ and resource institutions. In addition, methods for **monitoring and evaluating the impact of training** as well as for

¹⁵ For duty-bearers this would mean answering the questions as to whether the duty-bearer feels that she/he *should* do something about a specific problem, whether she/he feels that she/he *may* take action, and whether she/he *can* act. For the latter adequate human, economic and organisational resources are required.

¹⁶ UNDP has developed a large repository of knowledge and experience in developing capacities in its five practice areas: Poverty Reduction, Democratic Governance, Energy & Environment, Crisis Prevention & Recovery and HIV & Development as well as additional areas such as Gender-Based Violence which will be accessed through this project.

training delivery (**modes¹⁷, methods, and pedagogy**) would be studied and proposed for implementation and dissemination.

Issues of gender and inclusion would be mainstreamed in all course content developed under the project. In view of the outcomes envisioned in the UNDAF, emphasis will be placed on the development of capacity to **respond to the needs of marginalised groups (i.e. scheduled casts, scheduled tribes, minorities) as well as women and girls** by way of a targeted analysis and specific recommendations for addressing inequalities and discrimination. The manner in which elected representatives can effectively represent needs of the marginalized, ways in which administration officials can be responsive in planning, managing and delivering public services, and be more accountable to the marginalized groups and women, will be addressed in training interventions, network events / fora and research as well as in project monitoring and evaluation.

Subsequently the national framework curriculum would be added to and adapted to **State specific needs** as identified in the Training Needs Assessment (TNA). State level consultations with relevant stakeholders would be held to guide this process. During the elaboration of the curriculum the target training institutions would be consulted regularly and their capacities built in regards to curriculum design. Subsequently the curriculum will be piloted (incl. testing monitoring and impact evaluation methods) and revised. Thereby the capacities of **State training institutions** will be strengthened to develop appropriate curricula, to pilot capacity development modes and to build a resource pool of training material and trainers with the support of experts and resource institutions. States will use the National Training Manual to develop similar publications for trainers and resource persons.

In parallel with the piloting of training interventions, **community empowerment and mobilisation** will be accompanying the training pilots for GP elected representatives and officials in selected¹⁸ Gram Panchayats to ensure participation and understanding of the accountability methods (e.g. citizen charters, social audits, citizen report cards). Claimholders, especially from the marginalised groups need to be capacitated to assert their rights and negotiate their fair share of resources effectively with duty bearers.

Comprehensive and holistic training requires additional expertise and resources from various subject matters and inputs from specific training institutes or experts in the field. Such inputs will be generated by **networks** of institutions, experts and trainers, elected representatives and officials and a **pool of experts** at the disposal of the Responsible Parties engaged in capacity development under this project. Particular attention will be paid to establishing a network of training institutions and trainers.

The project will provide state and district level **fora for experience sharing and learning** from best practices. A compendium of best practices in capacity development will be collated as an advocacy document and additional research / studies may be conducted as needed. Exposure visits for elected representatives, public officials and law makers will provide an opportunity to foster learning. Field based training for elected representatives can be explored by using well-functioning¹⁹ Gram Panchayats as peer trainers.

It is essential to raise **awareness of the policy makers** at the State level on the need for strengthening

¹⁷ Possible modes could include: centralized institutional training, decentralized institutional training (i.e. through PRCs, District Institutes for Education & Training (DIETs)), decentralized direct training in campaign mode (Rajasthan), decentralized SATCOM based training (e.g. Karnataka), decentralized group training (e.g. Kerala), training in cooperatives (e.g. Dairy Cooperative Network), peer group training, twinning, distance learning, self-guided learning with CD-Rom or printed material, broadband transmission of training interventions, etc. (see UNDP Scoping Studies on ICT for Development and on Capacities of the ATIs and SIRDs in the seven UNDAF States).

¹⁸ UNDAF focus districts will have priority in the selection process.

¹⁹ The State Capacity Assessments would identify some examples of functioning GPs where lessons can be taken and used for peer learning.

decentralised governance with a specific focus on marginalised groups, women and girls. Sensitisation of policy makers through exposure visits and fora will be undertaken to ensure this. The implementation Panchayats Extension to the Scheduled Areas Act (PESA) has been identified as a priority issue for policy advocacy, for building awareness and for exploring effective approaches to realise the provisions of the Act (e.g. central role of the Gram Sabha in Scheduled Areas).

In order to sustain training interventions targeted²⁰ handholding support would be piloted through **Panchayat Resource Centres**²¹, use of radio programmes, telephone help-lines, etc. in pilot districts. Government of India resources²² for capacity development may be leveraged to upscale the pilot initiatives of this project.

Special attention will be paid to focus on developing capacities of **elected women representatives and SC/ST elected representatives** and to form pressure groups by way of networking²³. Gender issues will be mainstreamed in the curriculum in an effort to ensure gender sensitive planning, implementation and monitoring. The Ministry of women and Child, Government of India is increasingly emphasizing on gender budgeting as a tool for gender sensitive planning. Capacities on gender budgeting will be built at the State level.

The above activities will be run in parallel to **strengthening substantive policy development**, advocacy and research capabilities within the Ministry of Panchayati Raj supported by a national centre of excellence / think tank. The establishment of the latter within a national resource institution will be supported under this project. Further the project management capacities of project partners will be strengthened through the implementation of the project.

2.2 Strategy

UNDP defines itself as the development network of the United Nations connecting the capacity development in its partner countries worldwide to global best practices and to its partners, be it donor agencies, other UN agencies, civil society organisations, the private sector or government itself. Capacity development cuts across each of UNDP's core focus areas and is clearly identified in the Strategic Plan as UNDP's overarching contribution to development. This project seeks to benefit from UNDP's global experience in capacity development and as a catalyst for innovation and human development.

This project aims to support the effectiveness of the reforms and decentralization efforts taken by the Government of India and the States (i.e. the devolution of funds, functions and functionaries) and the work of the governmental training institutions (i.e. SIRDs, ATIs and others) in developing the capacities of PRIs and officials. It thereby supports the development of capacities²⁴ at three levels:

- a) the enabling environment (i.e. funding frameworks, policy advocacy, etc.),

²⁰ Specific handholding support would be available for SC/ST elected representatives and EWRs.

²¹ PRCs may provide support as information clearinghouses, as facilitators of training and capacity development initiatives of governmental and non-governmental organisations, as promoters of interaction between government line functionaries, as mobilisers for Gram Sabha and Ward Sabha and as advocates for women, SC and ST elected representatives.

²² For example, districts that fall under the Backward Regions Grant Fund (BRGF) scheme have 10,000,000 (10 Mio.) INR available for capacity building activities related to participatory planning (see <http://brgf.gov.in/>). The Capacity Building component consists of training of elected PRIs as well as building the necessary institutions to support them in fulfilling their constitutional mandate.

²³ Under the past UNDP Country Programme, UNDP has support networks of women elected representatives in all UNDAF States. The project will build on this work and support a continuation of their work in view of making them self-sustainable.

²⁴ UNDP defines capacity as the "ability of individuals, institutions and societies to perform functions, solve problems, and set and achieve objectives in a sustainable manner. Capacity Development (CD) is thereby the process through which individuals, organisations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development objectives over time" (see Website UNDP at www.capacity.undp.org).

- b) the organisational / institutional level (i.e. training institutions, expert networks, etc.) and
- c) the individual level (i.e. PRI members, officials, legislators, etc.)

UNDP defines capacity development as the process through which individuals, organisations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development objectives over time²⁵. For UNDP, the capacity development process consists of five steps that are embedded into a programming process:

- 1) Engage stakeholders on capacity development;
- 2) Assess capacity assets and needs and define a vision and mandate;
- 3) Formulate a capacity development response (i.e. policies and strategies);
- 4) Budget, manage and implement a capacity development response; and
- 5) Evaluate capacity development

These processes are rooted in a methodological approach that demands adaptation to the local reality without using blueprints. It must start from the specific capacity requirements and performance expectations of the environment, sector or organisation it supports.

The project builds on previous UNDP-supported projects such as “Strengthening of State ATIs in India”²⁶ (2000-2002, DoPT) and “Capacity Building of Elected Women Representatives and Functionaries of PRIs”²⁷ (2003-2007, MoPR), by way of continuing support to established networks and integrating the lessons-learned. In Orissa, this project will build on the ongoing PRI Capacity Building project “Dakshyata” of the Government of Orissa and UNDP, implemented by the Orissa SIRD in 2008. Early learnings from the Orissa experience will inform the project development in other states. An ongoing UNDP-MoPR project with the Indira Gandhi National Open University (IGNOU) has been exploring the use of distance education modules in training PRI members and will deliver valuable insights²⁸ for the project.

The project aims to **strengthen institutions and processes** at all levels:

At the national level, a centre of excellence / think tank will be established under the aegis of the MoPR which will provide guidance and advisory services on Capacity Development for PRIs and Local Governance issues to MoPR and State governments. This Centre will also have a pool of resource persons or institutions that can be accessed by participating States or MoPR for generating inputs into the project implementation and to strengthen the overall policy development capacities in the Ministry.

The State Departments of Rural Development / Panchayati Raj will anchor the project at the State level, identify the project scope and serve as the hubs for coordination and cross-sectoral linkages with other State departments. With assistance from resource institutions they will develop or review the State PRI Capacity Development Strategy and will coordinate the adaptation of the framework curriculum developed under this project to the State specific needs.

²⁵ UNDP Bureau for Development Policy 2008: Supporting Capacity Development. The UNDP Approach. New York

²⁶ Documentation of the ATI project includes an impact assessment study on the intensive training done at the district level, a list of modules developed under the project and ToT provided both in India and abroad.

²⁷ Documentation of the EWR project is currently under preparation (incl. State level reports and a National level report). Two reports by PRIYA (a support agency hired under the project) titled “Engendering Governance Leadership” and Learning Leadership: Women Empowerment in Governance” have documented the approach taken and the impact of the project.

²⁸ IGNOU is engaged in preparing a multi-modal training intervention for strengthening PRIs (i.e. self-learning materials, audio-visual training modules and a diploma course). These activities would dovetail with the implementation of the NCBF and will be reviewed and considered for upscaling through MoPR’s training interventions through RGSY and BGRF (training component).

State level project activities will be carried out mainly by the State Institutes of Rural Development (SIRDs) and their district level extension centers (ETCs) which will be assisted by resource institutions and experts in curriculum design, content development, field-testing of training methods, in developing tools to monitor & evaluate training impact as well as other training related tasks. Curricula would be aligned with ATI curricula whenever possible to ensure convergence. ATI curricula development has been supported through previous UNDP projects. Yet, these may be amended if deemed fit, to ensure that the training materials used by SIRDs and ATIs are aligned.

Where required and/or found appropriate other training institutions will undertake activities under this project - depending to their missions and available capacities. All training institutions will be networked with SIRDs (responsible for training elected representatives and officials from the PR & RD departments) and the ATIs (responsible for training the officials of the State Administrative Services). Cooperation and coordination of training institutions may vary as States may have merged their ATI and SIRD – see Bihar’s BIPARD.

In the ongoing CPAP, the project will work closely with **other GoI-UNDP projects** such as “Strengthening State Plans for Human Development (SSPHD)” (Planning Commission), “District Planning” (Planning Commission) as well as projects of other UNDP units (i.e. Disaster Risk Management, Energy and Environment, HIV/AIDS and Poverty & Livelihoods). A close link²⁹ will be established between the District Planning project undertaken by the Planning Commission and UNDP.

The CDLG project will undertake mobilisation and empowerment activities at the Gram Sabha level accompanying the training pilots for GP elected representatives and officials to ensure the community members’ participation and understanding of accountability methods (e.g. citizen charters, social audits, citizen report cards). Training impact evaluations will assess the effectiveness of both trainings and will document lessons learned.

Coordination between the projects is envisioned as part of the State project steering committee structures and the DP project will contribute with expertise and advice during the development of the training curriculum on district planning. The Planning Commission has expressed an interest in assisting training institutions in establishing and strengthening their capacity to train PRI members in this particular regard and the ongoing SSPHD project with Planning Commission has already initiated a training programme for trainers from SIRDs and ATIs on ‘human development and district planning’.

Acknowledging urban-rural linkages and their importance in district planning, the project would pilot involving elected representatives from ULBs in capacity development interventions related to district planning in close cooperation with the DP project. Cooperation between PRIs and ULBs would be fostered and the CDLG project would assist in strengthening the capacities of training institutions to undertake training in this regard.

On an **individual level** the project activities intend to achieve a behavioural change through increased motivation, joint decision-making, the provision of resources (i.e. networks, resource persons/institutions, training courses/material, information, innovative solutions and methods) and personal empowerment. Elected representatives and officials of local governments shall be able to improve the capabilities they need to perform their functions better through the outputs produced under this project. Products developed will allow for individual learning opportunities, learning within networks, through peer-learning structures or within larger groups consisting of people with similar or mixed backgrounds (depending on the outcome intended).

²⁹ The DP project will provide intensive support as part of the integrated planning process supported under the project. In districts where the DP project is launched ahead of CDLG, the DP project will generate inputs for the CDLG design/adaptation of training strategy and curriculum, where the CDLG project launches before the DP project methods and developed materials will be used by the DP project in handholding activities and training for the community.

During the implementation of the project abovementioned networks, institutions, lawmakers, elected representatives, officials, trainers and experts will continuously be faced with challenges in their local governance related work. The Ministry of Panchayati Raj is eager to explore areas for improvement and intervention through research, documentation, convening fora and organising exposure visits in order to develop policies that address these challenges. Upstream project activities comprise policy advocacy and knowledge management which build, improve and inform the **enabling environment** for PRI. Fora and exposure visits for policy makers will ensure that these activities are connected with the downstream components of the project (i.e. EWR networks, training pilots and Gram Sabha mobilisation).

3. Project Deliverables

The project has five deliverables:

- **Strengthened capacity development strategies**
Elaboration or strengthening of a State Capacity Development Strategy in all UNDAF States which address identified needs in terms of institutional structures, the adequacy of human resources in State Training Institutions and the allocation of funds to capacity development interventions by a range of actors. This includes strengthening State training institutions in the formulation, design and piloting of a comprehensive capacity development strategy for elected representatives and officials with a focus on content and curriculum, modes of delivery as well as monitoring and evaluating the impact of training.
- **Policy, research and network support**
Creation or strengthening of a national centre of excellence / think tank providing policy support to the Ministry of Panchayati Raj in regards to strengthening local governance related policies and schemes. Issue-specific studies by external experts, evaluations and scientific project support from an expert pool. Establishing or strengthening networks of institutions and experts, elected representatives and officials.
- **Advocacy and sharing of good practices**
Advocating good practices and fostering experience sharing through exposure visits for practitioners and lawmakers, discussion fora and documentation. By showcasing and discussing the downstream interventions, upstream results may be achieved through changes in the policy frameworks (e.g. NCBF, BRGF, and other schemes).
- **Community Empowerment and Mobilisation**
Training at the Gram Sabha level accompanying the training pilots for GP elected representatives and officials to ensure participation and understanding of the accountability methods (e.g. citizen charters, social audits, citizen report cards).
- **Strengthening capacities for management** and design of activities including establishment of project management structure at the National and State level as well as in the State Institutes for Rural Development.

4. Results & Resources Framework

Intended Outcome as stated in the Country Programme Results and Resource Framework:				
Capacities of elected representatives and State and district officials in the UNDAF focus states/districts enhanced to perform their roles effectively in local governance. (CP Outcome 2.1.)				
Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets.				
An indicator regarding Capacity Development will be added to the M&E framework at a later stage.				
Applicable Strategic Plan Key Result Area:				
Strengthening accountable and responsive governing institutions.				
Project title: Capacity Development for Local Governance (ID: 61110)				
ATLAS Award ID: 49815				
Intended Outputs <i>(as outlined in CPD/CPAP)</i>	Output Targets	Indicative Activities <i>(deliverables)</i>	Responsible parties	Inputs
Institutions and mechanisms strengthened to enhance capacities of elected representatives and functionaries for human development oriented, inclusive planning, implementation, and improved accountability in local governance.	2008 <ul style="list-style-type: none"> ▪ Agreements with UNDAF focus State Governments signed ▪ Project Management and Implementation Systems set up at the National and State level in UNDAF states ▪ Capacity assessment of state training institutions in UNDAF states conducted (e.g., training needs analysis, delivery of training, training materials etc.) 	<ul style="list-style-type: none"> ▪ Scoping study on capacities of SIRDs and ATIs (completed) ▪ Workshop with MoPR, State Representatives and UNDP to discuss learnings of the previous MoPR-UNDP project, present the incoming project and to discuss project management arrangements ▪ National resource institution(s) contracted to develop national framework curriculum and manual, monitoring tools and delivery mechanisms ▪ Project management and coordination teams at national and State level functional ▪ Policy and research support to the National Capacity Building Framework ▪ Initiation of development of a national framework curriculum and manual, incl. proposed modes, methods and pedagogy of delivery, monitoring and evaluation of training impacts 	<p>Departments of Panchayati Raj and Rural Development in the participating States</p> <p>National and State level resource institutions</p>	<p>Consultants / Experts</p> <p>Salaries for project staff</p> <p>IT equipment and office supplies for project staff</p> <p>Travel and accommodation</p> <p>Printing and Layout Services</p> <p>Hospitality and meeting supplies</p>

	<p>2009</p> <ul style="list-style-type: none"> ▪ Training content and delivery system and organisational structure refined by State training institutions. ▪ Training modules on HD themes – human poverty, gender (including gender based violence), environment, participation - institutionalized at state training institutions developed. ▪ Networks between State training and resource institutions and PRIs, established to share experiences and access material. ▪ State Local Governance Capacity Development Strategies (incl. curriculum and training handbook/manual) adopted by State Governments. 	<ul style="list-style-type: none"> ▪ SIRDs equipped with additional human resources (technical support) ▪ State-level TNAs complete for PRI elected representatives and officials ▪ State level consultations on State priorities and TNA findings with relevant stakeholders ▪ Networks of resource institutions and experts created ▪ Networks of EWR strengthened ▪ Networks of PRI elected representatives and officials created ▪ Policy and research support to the National Capacity Building Framework ▪ Finalisation of national framework curriculum and manual, incl. proposed modes of delivery, monitoring and evaluation of training impacts ▪ Adaptation of national curriculum, proposed modes of delivery, monitoring and evaluation of training impacts to State-specific needs ▪ Elaboration of State Manual / Handbook for Master Trainers and Trainers ▪ Elaboration of State Local Governance Capacity Development Strategies ▪ Policy advocacy and documentation of best international practices ▪ Good practices advocated and experience sharing fostered through exposure visits, State level fora, advocacy and documentation ▪ State capacity development curriculum piloted using training impact monitoring ▪ Community mobilisation and empowerment activities to complement training pilots mentioned above ▪ Providing policy support through technical experts at a center of excellence or think-tank for PRIs ▪ Strengthened Panchayat Resource Centres (PRCs) in select districts ▪ Sensitisation through radio / TV programmes, newsletters, newspaper articles, etc. 		
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	<p>2010</p> <ul style="list-style-type: none"> ▪ Training action plans developed and rolled out by state training institutions. ▪ Tracking mechanism established in state training institutions to monitor and evaluate impact of training programmes. 	<ul style="list-style-type: none"> ▪ Policy and research support to the National Capacity Building Framework ▪ Good practices advocated and experience sharing fostered through exposure visits, State level fora, advocacy and documentation ▪ Networks of resource institutions and experts supported ▪ Networks of EWR strengthened ▪ Networks of PRI elected representatives and officials supported ▪ State capacity development curriculum piloted using training impact monitoring ▪ Community mobilisation and empowerment activities to complement training pilots mentioned above ▪ Providing policy support through technical experts at a center of excellence or think-tank for PRIs ▪ Strengthened Panchayat Resource Centres (PRCs) in select districts ▪ Sensitisation through radio / TV programmes, newsletters, newspaper articles, etc. 		
	<p>2011</p> <ul style="list-style-type: none"> ▪ Training modules and programmes revised based on feedback generated by the tracking mechanism. ▪ Policy advice provided on decentralized governance into approach paper to 12th plan ▪ State Specific Project Evaluation 	<ul style="list-style-type: none"> ▪ Policy and research support to the National Capacity Building Framework ▪ Good practices advocated and experience sharing fostered through exposure visits, State level fora, advocacy and documentation ▪ State capacity development curriculum piloted using training impact monitoring ▪ Community mobilisation and empowerment activities to complement training pilots mentioned above ▪ Networks of resource institutions and experts supported ▪ Networks of EWR strengthened ▪ Networks of PRI elected representatives and officials supported ▪ Providing policy support through technical experts at a center of excellence or think-tank for PRIs ▪ Strengthened Panchayat Resource Centres (PRCs) in select districts 		

		<ul style="list-style-type: none"> ▪ Sensitisation through radio / TV programmes, newsletters, newspaper articles, etc. 		
	<p>2012</p> <ul style="list-style-type: none"> ▪ Lessons from support to training institutions fed into national training policy. ▪ Programme outcome evaluation ▪ Programme outputs and lessons learnt log feed into next UNDAF/CP (through UNDAF/CP consultations). 	<ul style="list-style-type: none"> ▪ Policy and research support to the National Capacity Building Framework ▪ Good practices advocated and experience sharing fostered through exposure visits, State level fora, advocacy and documentation ▪ Networks of resource institutions and experts supported ▪ Networks of EWR strengthened ▪ Networks of PRI elected representatives and officials supported ▪ Providing policy support through technical experts at a centre of excellence or think-tank for PRIs ▪ Strengthened Panchayat Resource Centres (PRCs) in select districts ▪ Sensitisation through radio / TV programmes, newsletters, newspaper articles, etc. ▪ Project documentation ▪ Closure events at State and National Level 		

5. Risks Assessment

Risk	Category	Impact and Probability	Response
Central Government Commitment	Political	Change of Government (general elections) may change MoPR position towards project	Acceptance
Change of policy regarding NCBF	Regulatory	Change of policy regarding NCBF may require change in project priorities (high impact, medium probability)	Flexibility in project brief to adjust to changes in National policy.
State Government Commitment	Political	Change of Government (State elections) may change State Government position towards project	Acceptance
Change of State Capacity Development Strategy	Regulatory	Tripartite agreements may need to be amended (high impact, medium probability)	Flexibility in project brief to adjust to changes in State priorities.
Lack of demand from States	Political	States may not be interested in working with the project (medium impact, low probability)	Mitigation – prepare convincing presentation on project outputs & outcomes benefiting development and addressing State priorities.
Rotation of staff	Operational	Changing staff of training institutions may impact project outputs and developed capacity may be lost (medium impact, low probability)	Mitigation – convince States to keep staff involved in project for a significant time to show results.
Effect of unrest on face to face training (pilots)	Operational	Security concerns may cause disruption in the delivery of face-to-face training (medium impact, low probability).	In the selection of districts risks need to be assessed. Regular monitoring of risk required.
		Monitoring visits by UNDP staff may be prohibited due to security advisories.	Setting in place of a monitoring mechanism that can continue throughout periods with security advisories.
		Staff hired under the project as well as staff of responsible parties may be exposed to security risks. While staff members under service contracts have insurance in the event of an accident in the course of pursuing their official duties, Special Service Agreement (SSA) holders have no UN insurance.	Regular monitoring of risks required. Insurance options and requirements to be clearly stated in agreements with partners.
Fluctuation of trainees (pilots)	Operational	Monitoring and evaluation of training impacts affected by migration of trainees or changes in designations / elected representatives.	M&E methodology needs to factor in this risk and attempt a tracking of participants.
Slow delivery at State level	Operational	State level project implementation may have slow delivery (medium impact, low risk)	Regular monitoring of delivery status by State liaison officer / project coordinator with close oversight by Programme Officer
Absorption capacity of trainees	Other	The time commitment and/or skills required to complete the training modules may overburden trainees (i.e. PRI elected reps, officials)	Develop options for demand driven approach to training with optional modules and self-paced learning methods. State level TNA to address the issue.

Absorption capacity of trainers	Other	The time commitment and/or skills required to complete the Training of Trainers (ToT) may overburden trainers (i.e. staff of training institutions)	Assessment of human resource capacity of training institutions preceding the (ToT) followed by targeted skill development.
Low participation of women and SC/ST in pilots	Strategic	Pilots may not succeed in generating a high level of involvement of individuals with SC/ST status or of women (low impact, low risk)	Ensure that ToRs include targets for the involvement of women and SC/ST in pilots.
Currency	Financial	Fluctuation in the USD-INR exchange rate	Escalate risk to senior management.

6. Management Arrangements

Programme Management Board

A Programme Management Board (PMB) for the Democratic Governance Programme Outcome (Outcome 2 in CPD/CPAP) will be set up and co-chaired by DEA and UNDP. The PMB will oversee the delivery and achievement of results for all the initiatives under the Democratic Governance Programme Outcome and provide strategic direction for future programmes in this Outcome area. The PMB will also appraise the new programme initiatives prior to sign off with the Implementing Partners (IPs). The PMB will comprise ministries³⁰ relevant to the Programme Outcome and relevant stakeholders identified in consultation with UNDP and Implementing Partners. It will meet twice a year, in the 2nd and 4th quarter, to take stock of the physical and financial progress.

Potential Implementing Partners

The project will be implemented by Ministry of Panchayati Raj (MoPR), Govt. of India and State Government Departments taking up the role as Implementing Partners (see annex for a list of potential Implementing Partners at State level³¹). MoPR will designate a National Project Director (NPD) at the level of a Joint Secretary to the Government of India. She/he is responsible for overall management, including achievement of planned results, and for the use of funds through effective process management and well established project review and oversight mechanisms. The Implementing Partner(s) will approve and sign a budgeted Annual Work Plan (AWP) with UNDP as per UNDP rules and regulations.

MoPR will notify the composition of a National Project Steering Committee (see below) and convene quarterly review meetings.

The Implementing Partner will designate or hire a Project Manager on project funds and will provide³² an appropriate work location for project staff. Efforts will be made to designate a project manager from the Ministry itself so that capacity is built in the government and remains there after the project is completed. The Project Manager and a support team (see below) will support the NPD in coordinating project activities including the preparation of Annual and Quarterly Work Plans, budget, financial reports, etc. and will interface on project management issues. She/he will monitor progress, ensure the quality of deliverables and will report issues and progress to the NPD. Progress at the State level will be monitored in coordination with the Nodal

³⁰ Implementing partners and therefore members of the PMB are as of September 2nd 2008: the Ministry of Panchayati Raj and the Ministry of Rural Development. Discussions with the Department of Justice and the Planning Commission are ongoing.

³¹ Operational details for Implementing Partners at State level will be detailed out in the respective AWP.

³² If no space is available at the Implementing Partner's facilities, appropriate work space may be hired at project expense.

Officers and Project Coordinators (see below). The Project Manager will highlight any quality concerns, issues and risks to the NPD and UNDP in quarterly Project Progress Reports.

The day-to-day management to ensure implementation of project activities will be carried out by two National UN Volunteers to be hired under this project. In order to ensure effective coordination one would be located in the UNDP office and one at MoPR, but both would be reporting to the Project Manager.

An Annual Review Report shall be prepared by the Project Manager and shared with the PSC and the Outcome Board. As minimum requirement, the Annual Review Report shall consist of the Project Progress Reports covering the whole year with updated information for each standard element of the PPR as well as a summary of results achieved against pre-defined annual targets at the output level.

National Project Steering Committee

The National Project Steering Committee (NPSC) will be chaired by the National Project Director (NPD), Secretaries of the participating State PR&RD Departments, Representative of DoPT (Training), Representative of MoRD (Training), Planning Commission, and UNDP. Meetings are convened by the NPD when necessary and at least twice a year.

The NPSC will carry out the following functions:

- Ensure that the project goals and objectives are achieved in a defined timeframe;
- Review the project progress and suggest implementation strategies periodically;
- Review the project expenditures against activities and outcomes.
- Approve Annual and Quarterly Work Plans.

The NPSC will be responsible for making management decisions for the project. In order to ensure UNDP's ultimate accountability, the final decision making rests with UNDP in accordance with its applicable regulations, rules, policies and procedures. Project reviews by the NPSC will be carried out on a quarterly basis during the running of the project, or as necessary when raised by the Project Manager.

Responsible Parties

To achieve project results, partners will be identified for achieving specific project results. These will be designated as Responsible Parties and could be State Government departments, Non-Governmental Organisations (NGOs), Autonomous Institutions, private sector development agencies or UN agencies.

Initially, the Panchayati Raj and Rural Development Departments (PR&RD) of the UNDAF State Governments will be the Responsible Parties for the project. A Nodal Officer will be designated to oversee the activities in the State. She/he will be supported by one supporting staff person (State Project Coordinator) and will work in close cooperation with the Support Teams to be established at the SIRDs.

The Responsible Parties are responsible for overall management, including achievement of planned results, and for the use of funds through effective process management and well established project review and oversight mechanisms at State level.

A tri-partite agreement will regulate the relationship between the Responsible Parties, the Implementing Partner and UNDP. This will include: overall objectives for the 5 year period (outcomes, outputs and indicators), monitoring mechanisms, fund flow management arrangements, reporting requirements and each party's specific responsibilities.

The Responsible Parties will sign a budgeted Annual Work Plan (AWP) with MoPR, in line with the national AWP. The State Project Coordinator and the SIRD Support Team will carry-out the day-to-day management work to ensure implementation of project activities. The division of management responsibilities will be clearly stated in the tri-partite agreements and may differ from State to State.

The Responsible Parties will enter into agreements with SIRDs and ATIs for activities pertaining to strengthening capacities of training institutions. If required Responsible Parties will enter into agreements or contracts with other institutions or experts to undertake activities identified in the AWP such as adaptation of national framework curriculum to State specific requirements, translation, support³³ to SIRDs and Panchayat Resource Centres, community mobilisation as well as knowledge dissemination through radio/TV discussions/newsletters etc.

Partnerships will be established with National Resource Institutions that will support development of national curriculum and monitoring tool as well as proposing effective modes of delivering capacity development programmes. Resource institution/experts would be selected for a resource pool that can provide quality inputs to the implementation phase of the capacity development strategy.

Procurement of services from Responsible Parties will be through capacity assessment and a process of competitive bidding to undertake specific tasks linked to project outputs carried out under the overall guidance of the National Project Steering Committee. If the entity short-listed is another Government Institution or a UN Agency, the process of selection of the Responsible Parties will be carried out through appropriate capacity assessment and appraisal processes. Notwithstanding, the contracting arrangements will be fully documented and endorsed by the National Project Steering Committee.

SIRD Support Team

A team of qualified personnel consisting of three National UN Volunteers (NUNVs) as technical support staff will be placed in the SIRDs. These staff will assist in the implementation of the work plan inside the SIRD and beyond. They will report to senior management of the respective SIRD. The detailed terms of reference will be detailed in an annex to the tri-partite agreements according the needs identified in the institutional capacity assessment and the requirements of the project.

The recruitment and staffing process will give due attention to considerations of gender equality and promoting diversity at workplace and will not discriminate on the basis of HIV/AIDS status.

State Project Advisory Groups

A Project Advisory Group (PAG) will be constituted at the State level to advise the State Steering Committee on the strategic direction for the project. The PAG will be convened and chaired by Chief Secretary and would comprise representatives of the relevant departments as detailed in the tri-partite MoU. The PAG will have an advisory and consultative role for the project to ensure that results are achieved at the state level.

³³ This support differs from the management support provided by the SIRD Support Team (see below) in that it provides the technical expertise for initiating and guiding the implementation of the State Capacity Development Strategy at SIRD level. If the human resources at the SIRD lack specific qualifications, experts can be contracted to assist staff and to bring in the required know-how.

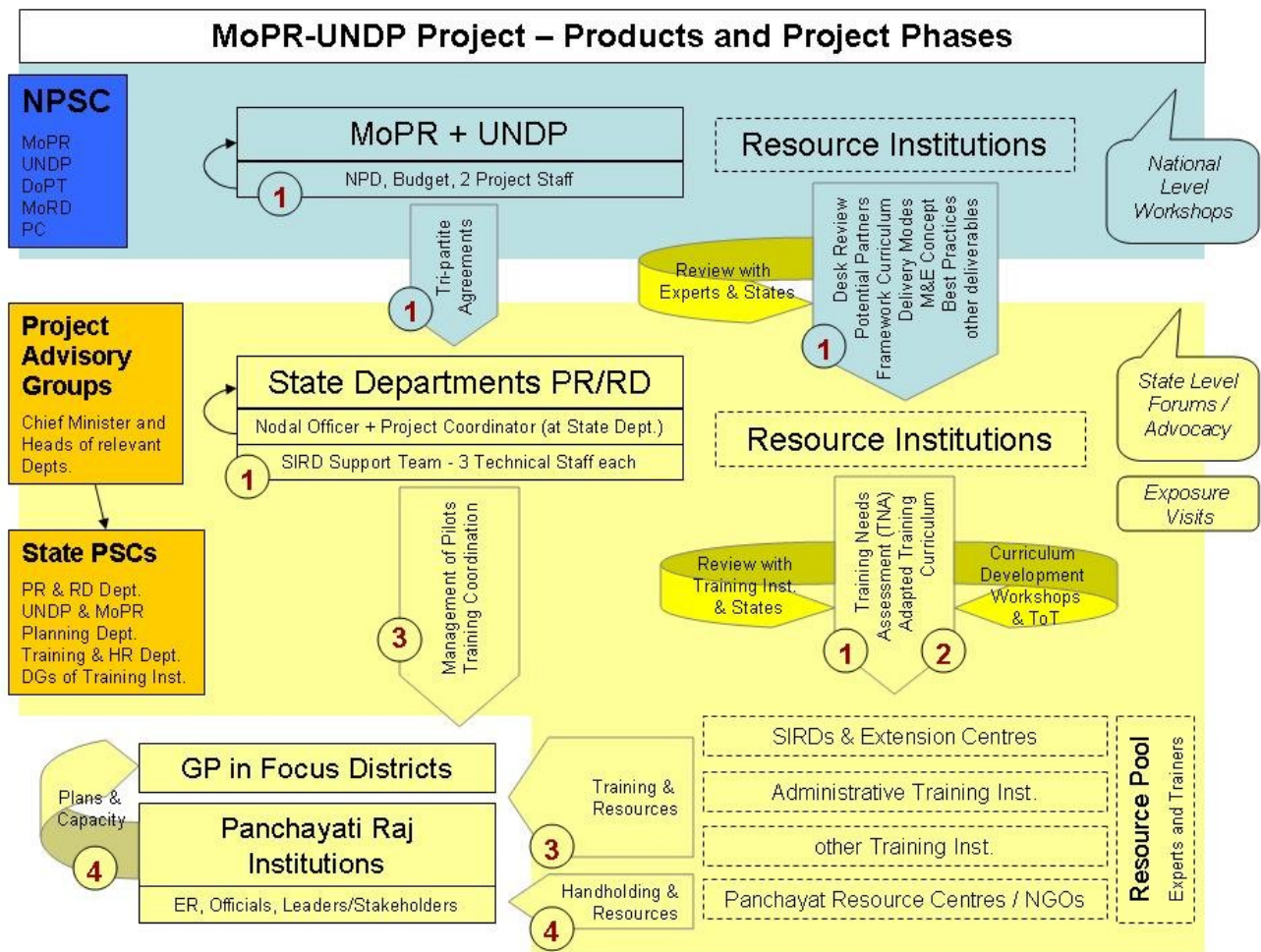
State Project Steering Committees

The State Project Steering Committees (SPSCs) will be chaired by the Commissioner cum Secretary, PR&RD Department. Members include DG SIRD, DG ATI and representatives of MoPR and UNDP, representatives of relevant State departments and other individuals as defined in the tri-partite MoU.

The SPSCs will carry out the following functions:

- Ensure that the project goals and objectives are achieved in a defined timeframe;
- Review the project progress and suggest implementation strategies periodically;
- Review the project expenditures against activities and outcomes; and
- Approve Work Plans.

The SPSCs will be the body responsible for making, management decisions for the project and holding periodic reviews. The PR&RD departments retain the ultimate accountability for decisions made by SPSC in accordance with its applicable regulations, rules, policies and procedures. Project reviews by the SPSC will be carried out quarterly basis during the running of the project, or as necessary.



Management Arrangements - Numbers indicate the sequence of establishment / activities. These arrangements apply when there is only one single Implementing Partner at the National Level.

Project Assurance

Project Assurance will be the responsibility of UNDP. The Project Assurance role will support the NPSC and SPSC by carrying out objective and independent project oversight and monitoring functions. During the implementation of the project, this role ensures (through periodic monitoring, assessment and evaluations) that appropriate project management milestones are managed and completed.

Project Assurance, in collaboration with the Project Manager, will convene an annual review meeting involving the Implementing Partners and Responsible Parties to review the progress in the previous year and approve the work plan for the coming year. An independent external review may be conducted through resource persons/groups to feed into this process. Project Assurance and Project Manager will meet quarterly (or whenever guidance/decision is required by an implementing agency).

Funds Flow Arrangements and Financial Management

The Implementing Partner(s) will account for funds received from UNDP as per the respective signed AWP. They may request UNDP to proceed directly with payments to Responsible Parties on its behalf on a quarterly basis through the standard Fund Authorization and Certificate of Expenditures (FACE) Report. The Project Manager will be responsible for compilation and collation of these Financial Reports. Unspent funds from the approved AWPs will be reviewed in the early part of the last quarter of the calendar year and funds reallocated accordingly. The detailed UNDP financial guidelines will be provided on signature of the project.

The Implementing Partner(s) may enter into an agreement with UNDP for the provision of implementation support services (ISS) by UNDP in the form of procurement of goods and services. Cost recovery for ISS will be charged as per UNDP rules and regulations and the details will be outlined in the budgeted AWPs for each year.

Upto 1% of the total project budget will be allocated for communication and advocacy activities undertaken by UNDP.

A separate Savings Bank Account will be opened in the name of the project and any interest accrued on the project money during the project cycle will be ploughed back into the project in consultation with the NPC, state governments and UNDP and project budgets will stand revised to this extent. In case there is no scope for ploughing back, the interest will be refunded to UNDP.

Audit

The project shall be subject to audit in accordance with UNDP procedures and as per the annual audit plan drawn up in consultation with DEA. The project shall be informed of the audit requirements by January of the following year. The audit covering annual calendar year expenditure will focus on the following parameters – (a) financial accounting, documenting and reporting; (b) monitoring, valuation and reporting; (c) use and control of non-extendable reporting; (d) UNDP Country Office support. In line with the UN Audit Board requirements for submitting the final audit reports by 30 April, the auditors will carry out field visits during February/March. Detailed instructions on audit will be circulated by UNDP separately and on signature.

7. Monitoring & Evaluation

A monitoring and evaluation system will be established to track the project's progress at national and state levels. It will also help identify lessons and good practices with potential for policy advocacy and replication/scaling up in other states/regions. The monitoring tools used will promote learning (including identification of factors that impede the achievement of outputs). Such learning will be used to adapt strategies accordingly and avoid repeating mistakes from the past. ICTs will be used to provide easily accessible information to various stakeholders.

MoPR and State Government Departments will have the overall responsibility of monitoring their respective AWP, in line with the roles and responsibilities described above and through regular monitoring visits and quarterly review meetings by the NPSC and SPSCs. The Project Manager will be responsible for overall coordination and management of project activities through periodic field visits, interactions with state level project teams/partners and desk reviews. S/he will also prepare and submit periodic progress reports to the NPSC and SPSCs. Monitoring will be an on-going process and mid-course corrections will be made if required.

An annual project review will be conducted during the 4th quarter of each year to assess the performance of the project and the extent to which progress is being made towards outputs, and ensure that these remain aligned to relevant outcomes. Based on the status of project progress, the Project Manager will prepare an Annual Work Plan for the subsequent year which will be discussed and approved at the annual review meeting. In addition, UNDP will commission a mid-term project review and annual management and financial audit during the project period. In the last year, the annual review will be the final evaluation of the project and this will involve all key project stakeholders.

A variety of formal and informal monitoring tools and mechanisms should be used by the Project Management Team and IPs. This would include field visits as well as reports in standard UNDP formats and as per UNDP's web-based project management system (ATLAS). At the State level, a Project Advisory Group will provide strategic direction and guidance to project so as to ensure that the project objectives are met. Within the annual cycle, the Project Manager in consultation with the NPD, State Nodal Officers and UNDP will ensure quarterly review and reporting.

8. Exit Strategy

A comprehensive exit strategy will be formulated for the gradual withdrawal of UNDP support. This strategy will be formulated by the end of 2010 in discussion with project stakeholders to decide the form of continuation of the project. Based on the anticipated needs after 2012, stakeholders, especially responsible parties, will decide how they will proceed to maintain the established functions. Adequate mechanisms and systems will be established for a steady and smooth transition to institutionalize key learnings in the state/national governments, PRIs, community based organizations, platforms/networks and identified institutions.

This may include additional capacity development of stakeholders to undertake these functions. Further plans may also be developed by national and state governments to move onto next steps, including establishing post-project monitoring/handholding mechanisms. Dissemination workshops will be organised to share project lessons and to identify elements to be taken up on a sustained basis by national and state governments.

As part of the exit strategy, efforts will be made to ensure that institutions supported under the project are empowered to play important roles in post-project institutional mechanisms. These organisations will also be integrated with or linked to wider state and national level networks/organisations for continued post-project support and sustainability. The exit strategy will also allow UNDP and the Implementing Partner(s) to withdraw

from the project in the case of risks (anticipated or unanticipated) that prevent the achievement of project deliverables.

The Project Manager will define the process for the formal handover of project assets/equipment, documents and files to the Implementing Partners and/or responsible parties as per UNDP guidelines and NPSC/SPSC decision. A mechanism for post-project maintenance of assets will also be established.

9. Legal Context

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together the instrument envisaged in the Supplemental Provisions to the Project Document, attached hereto (Annexure IV). Consistent with Supplemental Provisions, the responsibility for safety and security of the IP and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner. The implementing partner 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 implementing partner's security, and the full implementation of the security plan.

UNDP reserves 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 implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP 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 hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

10. Budget

Expected Output	Key Activities and Deliverables	Budget Description		
		Budget	Description	Amount
Strengthened capacity development strategies	Detailed State specific TNAs	72100	Contractual Services - Companies	150,000
	Design of National Framework Curriculum and Manual (incl. delivery modes, methods, pedagogy and M& E system)	72100	Contractual Services - Companies	200,000
	Support to States for CD Strategy (incl. State Curriculum and Manual / Handbook) ³⁴ (312,000 USD / State)	72100	Contractual Services - Companies	2,184,000
	Staff for SIRD Support Teams ³⁵	71500	National UN Volunteers	630,000
	Office equipment for States project coordinators and SIRD Support Teams	72800	IT Equipment	70,000
Subtotal				3,234,000
Policy, research and network support	Policy advocacy and research support to MoPR	72100	Contractual Services - Companies	400,000
	Communication by UNDP	72400	Communication	50,000
	Support to EWR networks	72100	Contractual Services - Companies	100,000
	Support to other networks (e.g. network of training institutions)	72100	Contractual Services - Companies	50,000
Subtotal				600,000
Advocacy and sharing of good practices	National and State level workshops	72100	Contractual Services - Companies	140,000
	Contribution to Solution Exchange	72100	Contract Services - Local	150,000
	Knowledge products (e.g. ToT kits, studies, etc.)	74200	AV and Printing Production Costs	150,000
	Exposure visits of elected representatives, public officials and law makers	71600	Travel	80,000
Subtotal				520,000
Community empowerment and mobilisation	Mobilisation and training to accompany pilots in select Gram Panchayats	72100	Contractual Services - Companies	280,000
Subtotal				280,000

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³⁴ Funds will be used by the States for developing and piloting the CD Strategy through ATIs and SIRDs as well as other State level activities (e.g. handholding support through Pachayat Resource Centres). States may also decide to partner with NGOs and resource institutions.

³⁵ Three NUNVs per UNDAF State (3x7=21). Annual salaries are 7500 USD per NUNV from 2009 onwards. This comes to 157.500 USD per year.

Project monitoring, evaluation and capacity development	Project Manager (1)	71400	Contractual Services - Individual	200,000
	Project support staff (2 NUNVs)	71500	National UN Volunteers	67,500
	Project Coordinators at implementing State Departments ³⁶	71400	Contractual Services - Individual	261,000
	UNDP State Coordinators in 4 UNDAF States (contribution)	72100	Contract Services - Local	62,000
	Monitoring travel cost	71600	Travel	100,000
	Office Communication	72400	Communication and AV Equipment	12,500
	Miscellaneous	74500	Miscellaneous Operating Expenses	50,000
	Audit	74100	Miscellaneous Professional Services	25,000
	Implementation Support Services	75100	Reimbursement Cost	50,000
	Evaluation (mid-term and final evaluation)	71400	Contractual Services - Individual	38,000
Subtotal				866,000
GRAND TOTAL				5,500,000

³⁶ One Project Coordinator per UNDAF State (7). Annual salaries are 9000 USD from November 2008. This comes 63.000 per year from 2009 onwards and 9000 (6 x 1500 USD) in 2008 (for 6 States as Orissa will enter the project in 2009).

Annex 1

National Capacity Building Framework

Chapter 2 – Content

The NCBF entails three parts:

- 1) Building the right mindset for implementation of Panchayati Raj and learning the basic functions:**
 - a) Foundation Course:
 - b) Functional Course:
Internal housekeeping, including an understanding of accounts, Social Audit, Right to Information, Panchayat revenues
 - c) Functional Literacy Course:
Give those who need to an exposure to functional literacy

- 2) Basic skill building for planning and implementation**
 - a) Sectorally focussed training programme:
Coverage of core functions of Panchayats aimed at improving capacities to deliver services and development programmes
 - b) Computer Training:
Training in basic computer skills and selected software for Panchayat level training

- 3) Consolidation through interaction and networking**
 - a) Gram Sabha level campaigns (Awareness Creation)
 - b) Panchayati Raj TV channel and radio programmes (Awareness Creation)
 - c) Panchayati Raj newsletter (Awareness Creation)
 - d) Formation of networks of Panchayat elected representatives (Experience Sharing)
 - e) Yearly Refresher Course (Experience Sharing)
 - f) Visits to identified 'beacon' Panchayats (On the Site Training)
 - g) Intermediate Panchayat level Resource Centers (Daily Assistance to Support Panchayat Level Planning and Implementation)
 - h) Helplines (Daily Assistance to Support Panchayat Level Planning and Implementation)
 - i) Certificate Courses (More Intensive and Academic Study)

(v. BRGF Guidelines: 60pp)

Annex 2

Potential Implementing Partners

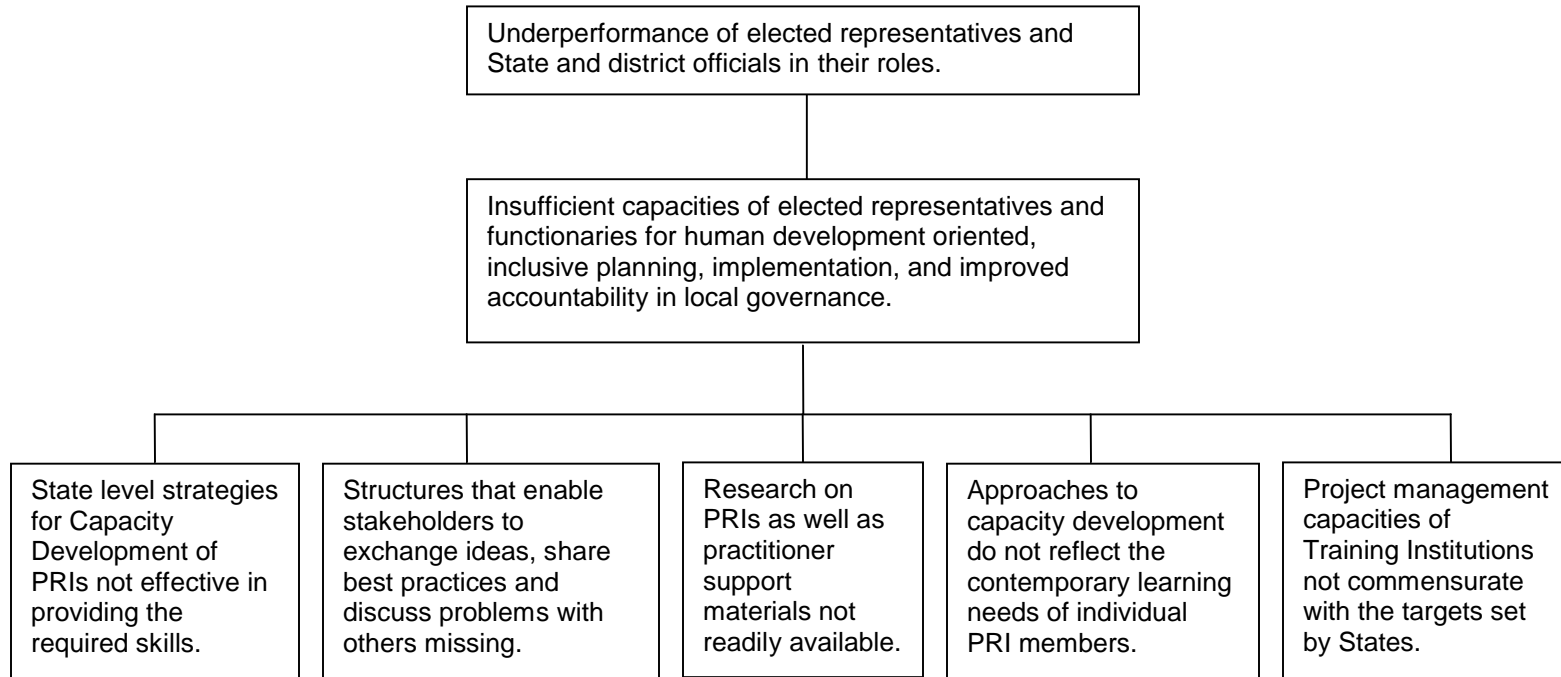
S.No.	State	Department	Training Institution	
			State Institute of Rural Development	Administrative Training Institute
1	Bihar	Department of Panchayati Raj	Bihar Institute of Public Administration & Rural Development	
2	Chhattisgarh	Department of Panchayat and Rural Development	State Institute of Rural Development	Chhattisgarh Administrative Academy
3	Jharkhand	Department of Panchayati Raj	State Institute of Rural Development	Dr. Shri Krishna Institute of Public Administration
4	Madhya Pradesh	Department of Panchayat and Rural Development	MG State Institute of Rural Development	R.C.V.P Noronha Academy of Administration
5	Orissa	Department of Panchayati Raj	State Institute of Rural Development	Gopabandhu Academy of Administration
6	Rajasthan	Department of Panchayati Raj	IGPRS & Gramin Vikas Sansthan	HCM Rajasthan Institute of Public Administration
7	Uttar Pradesh	Department of Panchayati Raj	DDU-State Institute of Rural Development	UP Academy of Administration and Management

Annex 3: Acronyms

A2I	Access to Information Project
ADB	Asian Development Bank
ASCI	Administrative Staff College of India
ATI	Administrative Training Institute
AV	Audio/Video
AWP	Annual Work Plan
BRGF	Backward Regions Grant Fund
BIPARD	Bihar Institute of Public Administration & Rural Development
CD	Capacity Development
CDLG	Capacity Development for Local Governance Project
CGG	Center for Good Governance
CPAP	Country Programme Action Plan
CPD	Country Programme Document
DEA	Department of Economic Affairs
DFID	Department for International Development (UK)
DG	Director General
DoPT	Department of Personnel and Training
DP	District Planning
DPC	District Planning Committee
ETC	Panchayat Extension Centres
EWR	Elected Women Representatives
FACE	Fund Authorization and Certificate of Expenditures
GoI	Government of India
GP	Gram Panchayat
ICT	Information and Communication Technology
IGNOU	Indira Gandhi National Open University
INR	Indian Rupees
ISS	Implementation Support Services
M&E	Monitoring and Evaluation
MDG	Millennium Development Goal
MoPR	Ministry of Panchayati Raj
MoRD	Ministry of Rural Development
MoU	Memorandum of Understanding
NCBF	National Capacity Building Framework
NGO	Non-governmental Organisation
NIRD	National Institute for Rural Development
NPD	National Project Director
NPSC	National Project Steering Committee
NUNV	National United Nations Volunteer
PAG	Project Advisory Group
PMB	Programme Management Board
PMEYSA	Panchayat Mahila Evam Yuva Shakti Abhiyan
PRC	Panchayat Resource Centre
PR & RD	Panchayati Raj and Rural Development
PSC	Project Steering Committee
QWP	Quarterly Work Plan
RTI	Right to Information
RGSY	Rashtriya Gram Swaraj Yojana
SC	Scheduled Cast
SIRD	State Institute for Rural Development
SPSC	State Project Steering Committee
ST	Scheduled Tribe
TNA	Training Needs Assessment
ToT	Training of Trainers
ULB	Urban Local Body
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNV	United Nations Volunteer

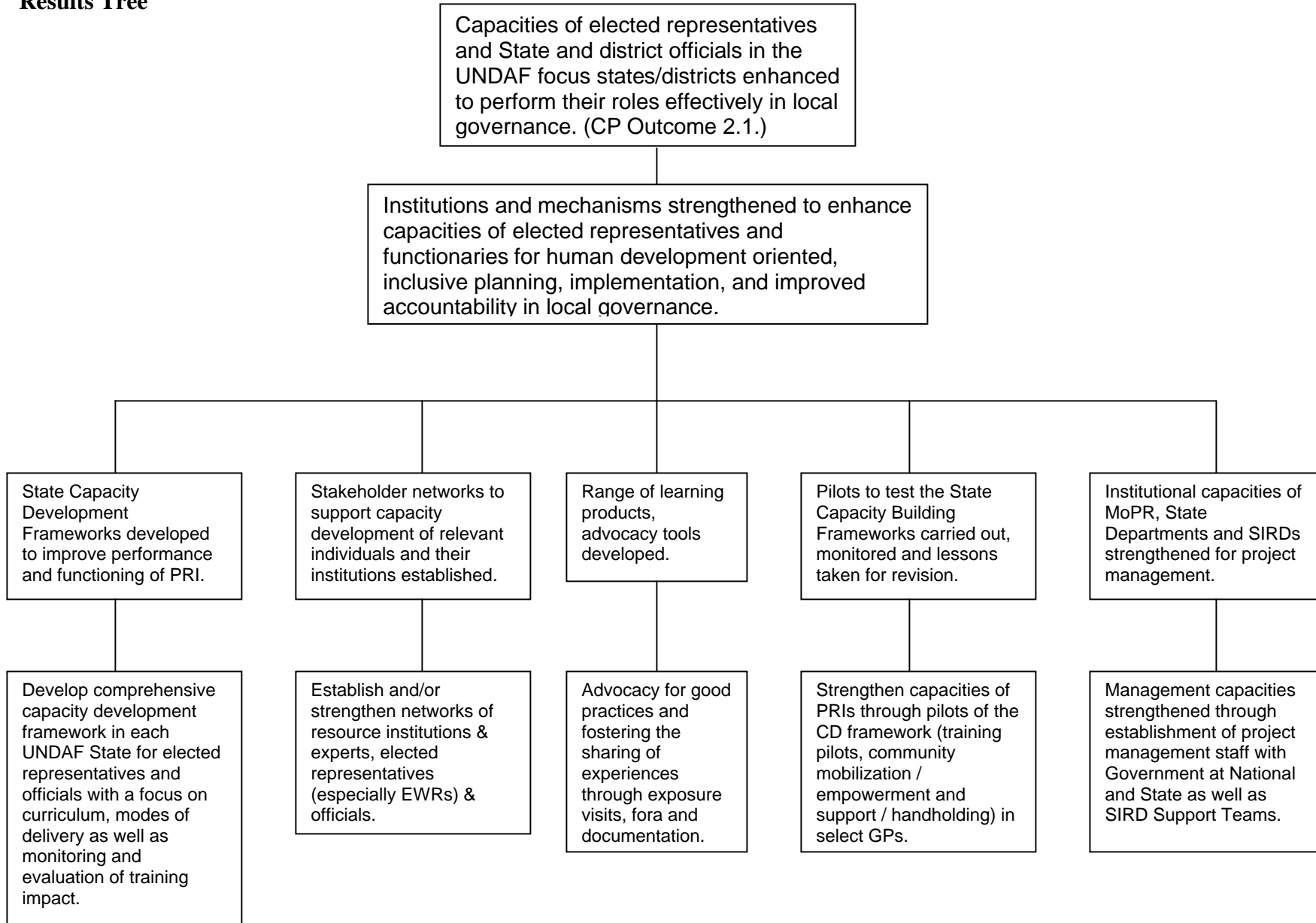
Annex 4

Problem Tree



Annex 5

Results Tree



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