

**PROGRAM DOCUMENTApril 2013**

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| **Program Title***:* | Liberia Decentralization Support Program (LDSP) |
| **National Implementing Partners:** | Ministry of Internal Affairs (MIA) &  Governance Commission (GC) |
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| **Time Frame***:* | **2014-2017** |
| **Total Program Cost:** | **7,150,000 USD** |

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| **Brief Description:**  The Liberia Decentralization Support Program (LDSP), a successor to the Liberia Decentralization and Local Development (LDLD) program and the County Support Team (CST) Program, presents the strategy, resource and results framework,and operational modalities for a five-year program of support to the decentralization of political, administrative, and fiscal governance in Liberia. The program is fully aligned with Liberia’s National Policy on Decentralization and Local Governance andthe Liberia Decentralization Implementation Plan (LDIP) and it is one of the priority areas in the Agenda for Transformation, pillar 4 on governance. The Government of Liberiaestablishes a modality for coordinated donor support to the decentralization reforms during the project cycle (2013-2017).  In support of Goal 1 of the Government of Liberia’s Agenda for Transformation, this program will deliver the following four outcomes:   * Outcome 1: Citizens (men and women) and stakeholders are aware of and participate in decentralization reforms; * Outcome 2: Legal and regulatory framework for decentralizationis in place; * Outcome 3: Liberian institutions are capacitated to lead and implement decentralization reforms; and * Outcome 4: **Service delivery and accountability of local governmentsare improved.** |

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**AfT Pillar Goal:** **AfT Pillar GoalIV: Governance and Public Sector Modernization:**

In partnership with citizens, create transparent, accountable and responsive public institutions that contribute to economic and social development as well as inclusive and participatory governance systems

**Program Duration:** **July 2014 – December 2017**

**Total Program Budget: 7,150,000 USD US$**

**Current Indicative Contributions from Partners:**

* EU 6,500,000 US$
* UNDP 1,200,000 US$
* **Total** 7,**150,000 US$**
* **Indicative Parallel funds**
  + **Government of Liberia USD 5,000.000**
  + SIDA USD 10,000,000
* **Funding Gap (4,832,000US$)\***

***\*The funding Gap is expected to be filled from GOL commitment to the decentralization program.***

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# 1. Situational Analysis

## 1.1 General background

Though still emerging from over two decades of instability, Liberia is experiencing growing political stability and macro -economic progress.[[1]](#footnote-2)Annual average growth in gross domestic product (GDP) was 6.9 per cent between 2006 and 2010, decelerating due to the global economic and financial crisis in 2009 but forecasted to rebound to around 7 to 10 per cent in the period 2012-2017. This growth record has been underpinned by sound monetary and fiscal policies that have kept inflation in single digits, a US$4.7 billion debt write-off upon reaching the highly indebted poor countries (HIPC) completion point in 2010, large inflows of official development assistance (US$513 million in 2009), growing foreign direct investment, especially in extractive industries (with total commitments of US$16 billion since 2006 and an inflow of US$453 million in 2010), and rising foreign reserves. With encouraging prospects for sustainable economic growth and social development, the Government of Liberia (GoL) has initiated appropriate policies and reform agendas including civil service reform, public sector financial management, and policy and planning for gender equality and peace building and reconciliation.

Nevertheless, the country still faces a steep climb up from the development setbacks[[2]](#footnote-3) created by almost uninterrupted conflict during the period 1989-2003 and a highly centralized system of governance, which has hampered popular participation and local development initiatives, especially in the provision of public goods and services. This has contributed to the need for greater accountability and transparency in the management of public affairs and led to an historical gap between economic growth and development. The GoL is committed to ensuring greater participation by the Liberian people in their own developmental processes for equitable distribution of the nation’s resources so as to promote shared governance and strengthen local development.

Accordingly, in January 2012 the Government of Liberia launched the National Policy on Decentralization and Local Governance aimed at systematically providing guidance to the process of decentralizing power, authority, functions and responsibilities from the central government to local governments. This landmark policy demonstrates this administration’s commitment to bring government closer to the people through a decentralized, gender-sensitive, participatory and accountable system of local governance. The policy provides that administrative institutions in the counties be revised, restructured and harmonized to implement a responsible and responsive system of local governance and public administration and to ensure accountable, efficient and transparent management of local resources. The policy further provides for the establishment of administrative departments as part of local government in each county. Liberians will be empowered at all levels to actively participate in the political, social and economic transformation of the country.

Decentralization is central to the ongoing peace building and reconciliation, governance reforms, and poverty reduction program of Liberia. According to the Agenda for Transformation (Poverty Reduction Strategy (PRS2), the Government of Liberia is “committed to delivering to the Liberian people an improved system of governance that is more localized and more responsive to the needs and aspirations of all citizens throughout the country. The PRS2 focuses on three key investments, which build on the gains of the first PRS and address the socio-political dimensions of growth and development. These areas were highlighted by the President in her inaugural speech when she noted the three main priorities for Liberia in the future: a) infrastructure development, including the rehabilitation and construction of roads, ports, public buildings and hydro-electric facilities; b) investing in people, particularly programs targeting unemployed youth, health, education, creation of social safety nets and national reconciliation; and c) investing in institutions, with special emphasis on the reform of security-related organizations and public and private sector development.

This document presents the Government of Liberia’s program in support of the National Decentralization Policy and Implementation Plan, defining the interventions between 2013 and 2017. It presents the objectives, key results, strategy,and resources requiredto lay the foundations for political, fiscal and administrative decentralization in the country.The program identifies the expected outcomes, key risks facing decentralizationand the delivery of programoutputs and activities, and defines the appropriate mitigation and program management measures to ensure success.

## 1.2 Objectives of Decentralization

The National Policy on Decentralization and Local Governance,[[3]](#footnote-4) launched in January 2012, represents a sweeping change in the governance structure of Liberia. It plans to establish a local government structure in each of the existing 15 counties and in communities granted city charters, with democratically elected councils and an executive branch with an administrative structure. The policy also envisages a deep devolution of functions and resources to these newly constituted local governments (see Box 1).The superintendent will have the responsibility to propose a county budget and a development plan that needs to be approved by the County Council (CC);some appointments in the administrative structure of the county (according to Civil Service Agency regulations) will be made by the superintendent and confirmed by the CC, as will the levying of all local taxes, rates, duties, fees and fines.

On the devolution of expenditure responsibilities as well as on revenue assignments, the Decentralization Policy needs to be more specific in scope. The document lists a series of areas that are to be reserved to the exclusive competence of national government (see Box 1). In principle, therefore, all other functions, including the provision of services in the human development sectors, are open to decentralization. As for tax revenues, the document explicitly mentions property tax levied on real estate property as a tax base for the county level. It also assigns to the counties all licenses and fees collected on local business. All possible sources of funding for the counties will be determined by the National Legislature in a revenue sharing arrangement to be defined and revised as the process of devolution of functions proceeds and deepens. Shared resources allocated to counties will be based on “a clear and transparent formula taking into account adherence to good governance practices and standards.”

The Decentralization Policy also envisages the need for a restructuring of the proliferation of territorial administrative units existing at the moment in Liberia. This restructuring is currently being analyzed and will be implemented under the proposed program.

Implementing the new system will inevitably take time. The Decentralization Policy itself envisages a ten-year window for full implementation, with the first three years dedicated to constitutional reform, restructuring and empowerment of local government structures and capacity building at the local level; full devolution of powers, including fiscal decentralization, is expected to occur in the remaining seven years.

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| |  | | --- | | **Box 1. The Proposed Features of Local Government in Liberia** | | **Elected officials**  - County Superintendents  - County Councils(CCs):  - two representative per district,  - two women representatives county wide  -two youth representatives county wide  - two representatives from the cities  - two representatives from the townships  - two elders from the National Traditional Council of Chiefs and Elders  - District Commissioners  **-** City Mayors  **-** Township Commissioners  - City and township councils  - Paramount Chiefs  - Clan Chiefs  - General Town Chiefs | | **Administrative structures**  - County chief executive officer (Superintendent);  - County administrative officer and heads of county administrative departments;  - County district commissioners;  - County departments to cover the following functions: - District administrative office to include:  - Finance - revenue, expenditure, budget; - Planning and development officer;  - Administration and personnel; - Health officer;  - Public works and utilities; - Educational officer;  - Health and social welfare; - Agriculture officer.  - Agriculture, natural resources and commerce;  - Education, information and sports. | | **Powers**  **-** Superintendent supervises administration, prepares annual county development plan and budget, appoints all head of county administrative agencies with the consent of the county council;  - CC approves the budget and county development plan, levies local taxes, rates, duties, fees, licensing and operating permits to local business, approves some appointments of administrative staff by the superintendent, and enacts local ordinances;  **-** District commissioner is responsible for the implementation of county policies, assisted by a voluntary advisory board at the district level. | | **Reporting**  Superintendents report to the CC and annually to the President, through the MIA. | | **Functions**  The policy also lists those areas that are to remain at the National Level, which include:  Justice; Auditing; Elections; Foreign Affairs; Immigration; Industrial licensing and intellectual property; Money, Bank and insurance; National defense; Natural Calamities; National health, education and water policies. | | **Resources**  - Property tax levied on all real estate property; licenses and fees on local business;  - Grants/tax shares as established in a revenue sharing agreement. | | *Source: Draft Local Government Act, 2013* | |

## 1.3 Major achievements

It is widely recognized in Liberia that these above objectives require a long-term vision and a whole process of government reform. As a result of the recommendations emanating from the policy development process, a 5-year Liberia Decentralization Implementation Plan (LDIP) has been developed to launch the decentralization agenda based upon the prevailing post-war situation of Liberia, and is hence capable of entrenching a decentralized governance system and democratization in the country.

Based on preliminary work, however, the decentralization process is already underway and has made some significant progress, as follows:

* GoL approved and launched the National Policy on Decentralization and Local Governance, formulated and validated following extensive nationwide public consultations, debates and dialogue;
* A draft Local Government Act is being finalized for submission to the Legislature;
* A 10-year strategic framework to implement the decentralization policy and a detailed 5-year (2013 to 2017) implementation plan have been formulated following extensive nation-wide consultations;
* County Development Offices and County Statistics & Information Offices are operational in all 15 Counties, providing critical capacity for local level data collection and management, enhanced planning and monitoring, and providing support to local coordination functions, such as the County Development Steering Committee.
* A network of over 300 staff (20% females)distributed in the 15 counties, gathering data to track national and local development progress, including Poverty Reduction Strategy (PRS I) and County Development Agendas (CDAs);
* Construction and renovation of 14 out of 15 administration buildings housing County Administrations;
* Sector deconcentration plans completed for major line ministries with significant progress made by the ministries of Health, Education and Agriculture;
* Implementation of a 2-year capacity development plan for the Ministry of Internal Affairs leading to setting up of technical divisions for decentralization implementation, training and capacity development, community driven development, internal auditing, and monitoring and evaluation;
* County staff received basic training in Public Financial Management supported by manuals, and County and District leadership underwent training in leadership skills;
* The county governments and communities have had access to over US$ 40 million for local development over the last five years, underscoring the GoL’s commitment to promote decentralization under various development funds such as County Development Fund, Local Development Fund and Social Development Fund;
* Participatory planning and budgeting piloted in 9 counties/districts under the Local Development Fund and district planning guidelines formulated; and
* Several county, district and sub-district structures such as the County Council (being modified to mirror the County Council in the Decentralization Policy), County Development Steering Committee, Project Management Committee, District Development Committee, and Project Management Team are in place to strengthen decentralization and local development.

## 1.4 Opportunities and Challenges

The process of decentralization is likely to be facilitated by several positive trends and opportunities, but many challenges will have to be addressed and overcome before decentralization can become a reality.

* 1. **Opportunities:**
* **The high level of political commitment, a strong policy framework and ongoing governance reforms** – The launching of the National Policy on Decentralization and Local Governance by the President and the ongoing public sector, finance and civil service reforms provide an exceptional opportunity for Liberia to consolidate and deepen the decentralization process. Decentralization features prominently as a component of Liberia’s PRS2 and Vision 2030.
* **Capitalizing on broad consensus for decentralization** – Widespread citizens support exists for the decentralization policy, resulting from a highly participatory process through which it was formulated, drafted and validated.
* **Building on an existing foundation** – Several government initiatives to operationalize decentralization include improved infrastructure for county and some of the district government administrations, sector deconcentration, fiscal decentralization in terms of various funds for local development, transfer of recurrent budget to county administrations, emerging participatory planning, public financial management capacity at local level through the piloting of a local investment fund, local economic development for service delivery, and a decentralized monitoring of PRS deliverables.
* **International resources and technical expertise** - Financial and technical support is provided by several donors and international partners committed to promote decentralization including the EU, Sweden, World Bank, USAID, United Nations Development Program (UNDP), the United Nations Capital Development Fund (UNCDF) and Open Society Initiative for West Africa (OSIWA).
  1. **Challenges**:
* **Overcoming the limited viability of current local governments** – The current distribution of districts and sub-district administrative structures and cities is nonviable and unsustainable. It will be necessary to significantly reduce the number of administrative structures, which will be challenging, as many different technical, financial and social concerns must be reconciled.
* **Building the requisite human and financial resources and administrative capacity at the local level** requires substantial investment in institutional strengthening, systems and procedures, training and infrastructure consistent with the 10 Year National Capacity Development Strategy. As centralized functions are progressively transferred to the local governments, careful oversight is needed to ensure that corresponding finances and staff are also transferred and inter-sectorial consistency is maintained. In particular, making local government service financially and professionally attractive and ensuring that basic services are available to relocated civil servants will be necessary for county, district and municipal government administrations to function properly.
* **Conducting democratic elections for local government leadership** – Organizing and monitoring the elections required to fill local government positions will necessitate substantial organizational, financial and human resources.
* **Inadequate participation of citizens in local community development decisions** due to the absence of formal functioning mechanisms for such participation. Empowering CSOs to improve their capacities to monitor and communicate decentralization concepts at the grass root level will be critical for their engagement and “watch-dog functions” of government interventions. In addition, local development can be accelerated by organizing, mobilizing and capacitating citizens to participate in voluntary community development initiatives.
* **Lack of appropriate fiscal framework for the emerging local governments** – systems for intergovernmental fiscal transfers have to be established almost from scratch. The work required for coordination among sector ministries and the Ministry of Finance will be very substantive – both in terms of technical analysis but also in terms of consensus building and transformation of mindsets. Additional work will be required for establishment of local revenue sources, financial management systems and ultimately credit facilities for the most capable local governments. Ministry of Finance has initiated some reform elements.

## 1.5 Lessons Learned from Previous Support to Decentralization

The program strategy draws from past experience both in Liberia and globally. This includes UNDP’s lessons on supporting governance in fragile states recently captured in the Governance for Peace framework.[[4]](#footnote-5) This framework recognizes UNDP’s extensive experience in fragile and conflict affected settings, and defines UNDP’s role in fragile environments as a **service provider and source of technical assistance working with both state and society with the objective of reinforcing the social contract**.

CST and LDLD

The program draws on particular lessons from the County Support Team (CST) and the Liberia Decentralization and Local Development (LDLD) programs that were implemented by UNDP and UNCDF with support from Sweden and the EU as a support to the Government of Liberia’s broader development efforts such as decentralization and capacity development of national and sub-national administration for service delivery.

Specifically, CST and LDLD provided strategic policy advice, legal framework, systems and procedures for local governance by:

(1) Supporting GoL to establish Liberia’s decentralization policy and its legal framework;

(2) Elaborating and strengthening procedures, processes and systems for effective planning and public expenditure management at the county, district and sub-district levels;

(3) Launching and supporting county/district development fund, which established a generic framework for planning and managing inter-governmental budgetary transfers;

(4) building capacity of local administration through the construction/rehabilitation of temporary County/District Administrative Buildings to restore state authorities and administration (a) increasing administrative, technical and institutional capacity of sub-national administration to deliver essential and basic services, (b) supporting the new emerging decentralized structure at county and district level, and (c) promoting enhanced financial viability, accountability and management; and

(5) Strengthening county information management, monitoring and data management capacity: (a) supporting establishment and functioning of County Statistics and Information Offices (CSIOs) and County Development Offices (CDOs), and (b) consolidating and strengthening capacity of the County Administration to monitor and report on protection incidents and PRS/CDA deliverables.

CST and LDLD led to considerable improvement in the context in which national and sub-national administration functions improved performance and delivery of essential services, state authorities and administration restored, functional county and district administrative buildings where county and line Ministry activities are pushed forward and coordinated, improved county information management and Decentralization Agenda. However, donor and partners had expressed concerns about overlaps in the work of both CST and LDLD and the need for synergy and co-ordination between the two programs. The issue was initially addressed by UNDP through Joint Annual Work Plans (AWP), which compiled and consolidated activities of both programs under one AWP.

Lessons learned over the years in the implementation of both programs/projects are as follows: (a) limited capacity (human and instructional) at sub-national level (b) huge number of sub-national structures and the need for rationalization (c) some overlaps in the activities of CST and LDLD (d) program design continued to focus on early recovery interventions rather than longer-term resulted oriented interventions.

An evaluation was also recommended to assess the activities, achievements, lessons learned and way forward.

The combined evaluation of CST, LDLD and National Information Management Centre (NIMAC) programs was successfully completed in March 2012 and came out with recommendations for a holistic program that would harmonize UNDP’s support to Government’s decentralization agenda whilst eliminating duplication of activities and optimizing resource allocation. The engagement with Government on this front was very successful, leading to the formulation of concept note on support to decentralization.

## 1.6 Alignment with National Priorities

Within Liberia’s diverse contexts, contributing development partners make every effort to align support to the needs and priorities of national partners; hence the programmatic interventions here have been derived from an analysis of how the development partners can support the key national planning frameworks including the Vision 2030 (PRS2), Liberia Rising - Agenda for Transformation, Roadmap for Peacebuilding, National Healing and Reconciliation) and New Deal. In particular, this program aligns with Pillar IV on Governance and Public Institutions, and is designed to support implementation of Sector Goals I and II.

Further this program aligns with the following key policy documents and draft GoL plans for support to decentralization in Liberia:

* The Agenda for Transformation;
* The National Policy on Decentralization and Local Governance;
* Liberia Decentralization Implementation Plan;
* Deconcentration Implementation Strategy;
* The preliminary plans from Ministry of Finance for fiscal decentralization;
* Draft Public Sector Modernization Program;
* The National Environmental Policy;
* The National Gender Policy; and
* New Deal.

The Liberia Decentralization Implementation Plan (LDIP) is the GoL’s overall guiding document for implementation of the decentralization policy and the current program presented herein is fully aligned with that GoL document.

The LDIP articulates the GoL’s overall vision and major implementation strategies for moving toward accountable and democratic local governance and rapid, inclusive and sustainable economic growth and development.

The decentralization implementation plan is itself derived from years of preparatory nationwide discussions and dialogues. First, beginning in 2007, several regional and national consultations were held which led to the production of the Decentralization Policy by the GoL through the Governance Commission (GC) in January 2011. In addition, the GC commissioned a number of studies that illuminated and clarified various aspects of decentralization within the Liberian context. The drafting of the decentralization implementation plan has paid particular attention to the National Policy on Decentralization and Local Governance, the various studies commissioned on decentralization in Liberia, stakeholders’ consultations on decentralization, the sector deconcentration plans developed under the guidance of the GC, and the examination of decentralization implementation plans from various African countries. The plan thus takes into consideration the interrelationship between political institutions and administrative agencies at the national, regional and local levels, the resource management needs and challenges, and the central governance concerns of transparency and accountability.

The plan has undergone extensive consultations with and refinement by stakeholders and is pending approval by the Cabinet. The LDIP is intended to be a comprehensive plan for GoL implementation of the Decentralization Policy. However, it is realized that it focuses primarily on the implementation responsibilities of GC and MIA. Other key stakeholders, such as sector ministries (Education, Health and Agriculture, etc.) are expected to implement their own sector-specific strategies with guidance from the GC and MIA. In addition, Ministry of Finance (MoF) is in the process of developing a comprehensive approach to fiscal decentralization. The IMF/SIDA Public Financial Management Reform Program supports the Ministry of Finance. The proposed LDSP seeks to align with the expected MoF Fiscal Decentralization activities, while simultaneously supporting GC and MIA to play their respective roles within this area.

# 2. Objective, Principles and Cross-Cutting Issues

## 2.1 Objective(s)

The long-term objective of governance decentralization in Liberia is defined in the Agenda for Transformation Pillar IV: ***In partnership with citizens, create transparent, accountable and responsive public institutions that contribute to economic and social development as well as inclusive and participatory governance systems.***

This program will facilitate the achievement of this objective through support to Nation-Building and Decentralization as described in Pillar IV Sub-Goal A: *Engage with citizens to ensure equitable, peaceful, transparent and inclusive democratic institutions and enhanced political governance at national and local levels.* As a means to accomplishing this goal, decentralization seeks to bring planning and decision-making closer to the people by devolving political, administrative, and fiscal powers to local governments.

Specific subsidiary objectives related to the transfer of authority and responsibilities from national to local governments in Liberia include the following:

* Enhance sensitivity, responsiveness and capabilities of local governments and make them accountable to local people;
* Accelerate effective and efficient service delivery and poverty alleviation by developing and strengthening local level planning, monitoring and management capacity and providing access to national and local resources through fiscal decentralization;
* Increase equitable distribution of the nation’s resources so as to ensure a more wholesome process of development and democratic governance; and
* Enhance participatory decision-making to engender peace-building and reconciliation

## 2.2. Principles

This Program will be implemented according to the following operational principles, in line with the New Deal:

*National Ownership*: While external assistance is often necessary to safeguard human life and dignity during a crisis, recovery is an endogenous process of transformation. This program is to be implemented by MIA and GC in collaboration with other line ministries and agencies most significantly Civil Service Agency among others. The GoL will lead this effort along with the support of development partners to strengthen local capacities to design and implement nationally-led change processes and governance reforms. To ensure that support can be effective, this program will:

* Clearly assess existing capacities to ensure local systems are not overwhelmed and ownership is not undermined;
* Ensure that short-term initiatives do not undermine long-term capacity development requirements;
* Be attentive to the legitimacy, authority, and capacity of local institutions and their adaptability to reform before investing significantly; and
* Strengthen the capacity of non-state actors to hold state institutions accountable and enhance responsiveness.

*Accountability*: Accountability is a crucial element for effective governance. To this end, the national implementing partners (MIA and GC) are committed to:

* Be accountable and demonstrate that the work has been conducted in compliance with legal regulations and agreed principles, rules and standards;
* Report fairly and accurately on performance and results according to mandated roles and agreed principles, as per LDIP/LDSP documents, annual work plans and budgets.

The development partners are committed to:

* Provide predictable funding according to the agreements made with GoL in support of the Liberia Decentralization Implementation Plan 2013-2017 and annual plans and budgets to be agreed upon between the parties.

*Transparency*: Transparency is widely accepted as the most important tool to combat corruption and lack of accountability.[[5]](#footnote-6) This program will, besides promoting systems for transparency and accountability, also promote ethics and integrity to clarify what is expected from professionals (civil servants) and set-up of monitoring mechanisms to ensure they adhere to their commitments and are sanctioned if they break public trust. Institutional support will be provided to improve administrative procedures in service and contacts with citizens are essential for improved transparency and efficiency. At operational level access to information on citizens’ rights and duties in relation to services is important as well as ensuring the inclusion of a broad set of stakeholders in decision-making. This program has a specific output (4.4) linked exclusively to anti-corruption measures underscoring the importance of this crosscutting issue as essential for outcome success.

The national implementing partners will:

* Make program information (LDIP/LDSP documents, annual plans and budgets, annual result reports, evaluations) available and accessible to civil society organizations, print and broadcast media, private sector and citizens (women, men, youth) at county, district and community levels;
* Within LDIP/LDSP opportunities and forums for information and communication are going to be developed e.g., periodic meetings will be held with citizens.

*Sustainability*: Decentralization that brings about improved and inclusive public service provision and local development more generally needs to be sustainable in institutional, social, financial and environmental terms. To ensure that the decentralization program promotes sustainable change, it will require:

* That local government is participatory, transparent, accountable, and delivers services and development to all citizens in an efficient and effective manner. In this way the citizen–state relationship can be rebuilt and strengthened for the long term.
* Local government needs to have the revenue and expenditure assignments that permit it to address the needs and demands that local citizens and communities place upon it.
* Local government needs to have the capacity to address and shape the environmental impact of local development if the local habitat is to sustain the local communities and their improved development in years to come.

*Conflict-Sensitivity:* Programs that are not designed and implemented in a conflict-sensitive manner, leading to diminishing impact of the interventions, can in some cases contribute to tension and instability on the ground.  Narrowly targeted and centralized investments in core state institutions and functions can unintentionally intensify fragility by aggravating identity-based fault lines and structural risks. Against this background, the LDSP will ensure that interventions:

* Are based on a solid conflict and contextual analysis, identifying the underlying factors of crisis and fragility in a given context;
* Address to the largest extent possible the identified drivers of crisis and fragility;
* Are effectively prioritized and sequenced in order to maximize impact and sustainability; and
* Are closely monitored to be able to take corrective measures early on to avoid potential negative impact.

## 2.3 Crosscutting issues

Crosscutting issues dealt with in the program strategy are identified in the LDIP as central issues for successful decentralization.[[6]](#footnote-7) To ensure that crosscutting issues are integrated in a consistent and meaningful manner a mainstreaming strategy is proposed.

1. **Peace building**

Reconciliation and conflict mediation are central for all activities undertaken in Liberia. Whilst the situation in Liberia today is peaceful, the history of insecurity impacts present activities and how objectives should be achieved. Decentralization is widely seen as a perquisite to avoiding future conflicts; however, the process in itself has the potential to fuel new conflicts, particularly if it does not offer tangible results that the population can relate to and benefit directly from. UNMIL has been a stabilizing force for security and stability in Liberia since 2003 and will be present until 2015, when it is expected to withdraw from Liberia. With the drawdown or reconfiguration of UNMIL, the program recognizes the need to address unresolved tensions in Liberia through a UN Country Team-driven approach that works to build peace throughout all of its activities at national and local level, emphasizing the importance of national leadership and capabilities.

The program will work to foster peace building at an institutional level by ensuring that program outputs are sensitive to and supportive of the Government of Liberia’s stated commitments to national reconciliation (Roadmap to Peacebuilding, National Healing and Reconciliation), constitutional review and reform, boundary harmonization and political decentralization. At the programmatic level, the program will work to ensure that peace building outcomes are achieved by ensuring that decentralized governance targets efforts to rebuild the contract between marginalized communities and the state by, for example, enabling inclusive political, legislative and regulatory reform, providing resources for local level peace building activities, and facilitating consensus between communities on county priorities.

1. **Gender[[7]](#footnote-8) and Youth[[8]](#footnote-9)**

Liberia has signed two conventions as regards gender equality, the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW) and the Maputo Protocol.[[9]](#footnote-10) In addition, the Liberian National Action Plan (LNAP-2009-2013) on Implementation of the UNSCR 1325[[10]](#footnote-11) was adopted 2009[[11]](#footnote-12)and the National Gender Policy (NGP) was developed (2009) which is coordinated and in part implemented by the Ministry of Gender and Development (MoGD).[[12]](#footnote-13)

The National Youth Policy (NYP) was written in 2005; however, the Federation of Liberian Youth is debating a revised policy 2012-17.[[13]](#footnote-14) Children and young people are vulnerable in general, but with particular regard to decentralization they are discriminated in access to power, services and possibilities for work and education. Young boys and girls were deeply affected by the war: an estimated 11,353 children were registered among combatants (today’s youth) and the average age of more than 100,000 combatants was 25.3 years. Their roles extended beyond fighting as young people were used as porters, bush-wives, and recruiters.[[14]](#footnote-15)

In Liberia, gender and youth programming has been strongly associated with direct interventions to address expressions of gender inequalities (e.g., providing support to victims of S/GBV, youth employment, discrimination in access to services, etc.). As Liberia rises and transitions from relief and conflict prevention to long-term social development, initiatives designed to address gender and youth will need to expand their focus to (i) work on the causes of inequalities, such as norms and expectations with respect to the roles and responsibilities of women, men, boys and girls in society, and (ii) analyze the effects of inequalities and how they impact societal development (e.g. socio-economic parameters). The LDSP will support Liberian policy intentions to increase gender and youth equality.

At the institutional level, this program will act as a driving force for organizational excellence by building the capacity of institutions to use and rely on the experience and knowledge of both men and women. This program will address discriminatory behavior and attitudes in recruitment, promotions and salaries; it will also aim to provide a conducive and safe working environment, a greater understanding of gender and youth equality in management, and practical tools such as gender planning. This strategy will promote activities with selected agencies in relation to recruitment and retention of staff, taking both women and men’s needs into account in budgetary decision-making.

Equal participation in public decision-making is particularly emphasized in the decentralization policy and is being further developed in the Local Government Act (LGA). In line with the Liberian National Gender Policy, the Decentralization Policy seeks to ensure that a gender perspective informs all aspects of the decentralization process. As a first step to facilitating women’s participation in local government, the policy requires that two seats in all County Legislative Assemblies (County Councils) be set aside exclusively for women”.[[15]](#footnote-16) Quotas and support for making these efforts effective is not part of this program as such; however, the GoL, through the Governance Commission and in coordination with UN-Women, is undertaking a study to integrate a gender perspective in the process of national decentralization in Liberia.[[16]](#footnote-17)

Due to the nature of cross-cutting issues as well as the proposal to do mainstreaming baselines and subsequent strategies, some of the same activities will be mentioned under different outcomes.

1. **Social Inclusion**

Social exclusion refers to processes in which individuals and entire communities of people are systematically blocked from rights, opportunities and resources. Social inclusion refers to policy efforts designed to ensure that all people are able to participate in society regardless of their background or specific characteristics, which may include: race, language, culture, gender, disability, social status, age, and other factors.[[17]](#footnote-18)Discrimination on the basis of gender, age, ethnicity and HIV/AIDS deprives a majority of the population equal possibilities for institutional inclusion, access to services on equal terms and equal participation in society. Specifically, women and youth are currently under-represented on the concerned County-level decision making bodies with particular reference to the CDF and SDF management committees and the County Council more generally.

There is a risk that the lack of broad inclusiveness of the population and CSOs will transcend into the decentralization process.[[18]](#footnote-19)Therefore, at institutional and operational levels there is a need to ensure non-discriminatory procedures for recruitment and promotion, equal opportunities irrespective of ethnicity, and equality in service provision. This program will (i) train staff to see the benefits of inclusiveness and diversity,(ii) build the capacity of marginalized groups to increase their participation in local government, and (iii)use qualitative focus groups to measure the inclusiveness of the decentralization process. Quantitative indicators disaggregated by sex and age will be used throughout the program.

# 3. Implementation Strategy

As the Government has noted, Liberia is still a fragile, post-conflict nation, which is making a determined effort to transition from recovery and reconstruction to inclusive growth and sustainable human development. The extended conflict in Liberia, which led to the economic and social destruction of the country over a 14-year period up till the Comprehensive Peace Agreement of 2003, is recognized as having two root causes. The first was the systematic marginalization and exclusion of significant proportions of the population from the political process. The second was an economic crisis that emerged through the 1970s and 1980s leading to increasing impoverishment.

Preventing re-occurrence of the conditions that led to conflict consequently requires a two pronged approach: political reform and economic development. Furthermore, both the political and the economic strands need to be fully inclusive in terms of geographical and social scope, enabling greater “voice” and space for participation by the citizens of Liberia in political processes and economic development. Decentralization of power, decision-making and government authority will improve governance over time, increase transparency of government processes, enhance accountability and ultimately result in better delivery of services and the fulfillment of the Government’s responsibilities “to serve the Liberian people, promote democracy and reduce poverty.”

Based upon consultation at the national, county, district and chiefdom levels, there is a consensus that decentralization will contribute first and foremost to a “country-led and country-owned transition out of fragility.”[[19]](#footnote-20) As a means to accomplish this, the GoL and its development partners have agreed that a coordinated funding arrangement will provide easy management of financial resources, allowing a more flexible and government-led implementation process. The program will:

* Serve as a mechanism for donor coordination and harmonization in support of decentralization reforms;
* Support GoL leadership of the reform process but at the same time seek to involve a broad range of stakeholders including civil society;
* Work nationwide and where necessary seek to “pilot” innovative approaches;
* Aim for a flexible and responsive approach to the reform process; and
* Work in a gender sensitive and inclusive manner.

This program views decentralization as a transversal process that imposes itself as the principal focus of governance reform, the designated motor for the coherency of governance and, finally, an important vehicle for collaboration between GoL and its national and international development partners. This program goes beyond sector policy and successful pilots at national and county levels. The program will provide support across the five priority areas identified by the LDIP, channeling support through the coordination bodies established by the GoL at national and local government levels. The program will provide support as required to ***all levels of coordination***.

At the national level, the project will ensure a critical mass of technical expertise through its support to the Liberia Decentralization Implementation Program Board and the National Decentralization Secretariat (NDS) of the Ministry of Internal Affairs. In each county, the project will support the office of the superintendent and the district commissioner to lead the coordination and implementation of decentralization.

The actual implementation of decentralization will be applied ***incrementally*** based on assessment of the capacity to perform the functions granted to local institutions. The reform process will have three distinct phases:

1. **January 2013-December2014**: Establish foundation for future devolved local governments. This period will be characterized by intense work focusing on (i) communicating change,(ii) supporting the required legal reforms (including Constitutional amendments) that will allow for establishment of the elected local governments, and (iii) restructuring of sub-national units to bring them to sustainable levels.
2. **January 2015-December 2015**: Comprehensive local elections takes place for county superintendents, district commissioners, city mayors, township commissioners, and paramount, clan and general town chiefs. Following the consolidation of the legal and regulatory framework for decentralization, the program will prepare for democratic local government by implementing the capacity building program for county level of government, implementing a structured action plan linking different pillars of decentralization; and monitoring and supporting new local leadership.
3. **January 2016-December 2017**: Once the elected local governments are in place, it will be possible to proceed with “real” devolution: the practical transfer of powers, functions and resources to local governments and a more intense period of capacity building of both staff and elected leaders at all levels. The program will transition from a focus on capacity development initiatives from county level to district level leading up to the October 2017 national elections.



Local communities must be allowed to “bite what they can comfortably chew.” The Central Government must not be seen as dumping untimely power, functions, responsibilities and resources on local communities. The initial steps of reform will entail deconcentration of relevant sector ministries (e.g., health, education, etc.) whereas later stages of reform will see a more significant devolution of powers. Devolution will be planned, gradual and based on incremental transfer.

The reform process will require substantive changes at both local and central levels. The program will facilitate this change process with particular emphasis on the role of MIA and local government structures. However, recognizing that sector ministries also will require substantive changes over time in order to work effectively within a decentralized framework, the program will facilitate interaction with the general Public Sector Reform and sector-specific reform programs.

# 4. Funding Strategy

For Liberia’s decentralization program, two broad funding arrangements are worth distinguishing from the onset. The first arrangement relates to the modalities that will be put in place to fund the operational and development activities of local government structures. Projecting the cost of this aspect of the program requires a clearer understanding of the roles of local government structures, which the LGA and the Deconcentration Plan seek to address. With limited knowledge of these roles at present, it is not possible at this stage of the process to estimate the cost. Therefore, modalities may only be discussed in broad terms, deferring the actual cost and revenue sources for the near future. Key components of these funding sources will be inter-governmental fiscal transfers, local revenues, development partner/donor or NGO support, local borrowing, and public- private partnership arrangements.

The second aspect of the program deals with funding for the establishment and consolidation of a decentralized governance system in Liberia. This aspect covers the activities that will be undertaken by the GoL and its partners in establishing local government institutions and systems, building the capacities of these institutions, and communicating the ideals of decentralized governance to the people of Liberia. The LDIP program cost and financing framework will focus largely on this aspect. The current budget for the first phase of the decentralization program is estimated at US$28,832,000.00 million, which is expected to be funded by both GoL and development partner’s contributions. This programme agreement will contribute approximately USD 7,000,000 of UNDP/EC multi-partner as a funding window to the wider basket which will include wider partnerships.

As the budget indicates, LDIP represents a substantial investment in the local governance system of the government of Liberia. The objective is to achieve cost effectiveness in the administration of sub-national units, greater provision of social services, and promotion of local economic development. This objective can largely be achieved through restructuring and/or reduction of political sub-divisions, rightsizing and capacity development of staff for improved performance, strengthening of systems and institutions, and enhanced accountability to citizens through local elections and participation.

As the strategic intervention for this program is to strengthen and run local governments, program management costs are expected to reduce with time as local civil servants take over the roles of contracted consultants. With improved skills and increase compensation resulting from rightsizing and increased local revenues, these civil servants should be motivated to sustain the implementation of decentralization.

# 5. Program Outcomes

The Decentralization Policy articulates the broader policy objectives of reform that can be summarized as the establishment of:

* Accountable, inclusive and democratic local governments through a process of devolution; and
* Effective, efficient and sustainable systems for improved local service delivery.

The intended long-term program goal/outcome is to – in partnership with the citizens of Liberia – create transparent, accountable and responsive public institutions that contribute to economic and social development, as well as inclusive and participatory governance systems.

**The outcome indicators and targets for the LDSP’s long-term goal/outcome are as follows:**

Indicators

Citizens in all counties will:

1. have an increased role and participation in the governance of their localities;
2. have an increased role and participation in public service delivery decisions;
3. perceive their local governments to be responsive to their needs and accountable to them;
4. have participatory and accountable mechanisms and processes in place for their (women and men by broad age-groups) involvement in local level planning, budgeting, allocation of resources as well as local level accountability; and

Targets:

• Functional performance of local governments according to agreed performance indicators (scoring system to be developed during the first year of the program) established;

• Public perception of local governments service delivery and performance as measured by citizens score cards (score cards to be developed during the first year of the program);

• Public perception of corruption in local governments (as measured by surveys completed annually by GC);

* All counties, cities and townships have developed and put in place formal mechanisms and processes for participatory and accountable citizens’ (women and men by broad age-groups) involvement in local level planning, budgeting, allocation of resources as well as local level accountability; and
* People’s perception on level and degree of shared nationhood and national identity among Liberians has enhanced (score cards to be developed during the first year of the program).

**The specific outcomes supported by the LDSP correspond to the five LDIP components and key outcomes as summarized below:**

| **Outcome** | **Outcome Indicators/Targets** |
| --- | --- |
| Outcome 1: **Citizens (men and women) and stakeholders are aware of and participate in decentralization reforms** | * Constitutional articles relevant for decentralization (Arts. 54 and 56) are amended by national referendum; |
| Outcome 2: **Legal and regulatory framework for decentralization is in place** | * Local Government Act(s) is enacted (by 2015); * Mandates of sector ministries and agencies legislated in alignment with decentralization policy (2016); and |
| Outcome 3: **Liberian institutions are capacitated to lead and implement decentralization reforms** | * Percentage of staff in position at LG level in accordance with required structure (disaggregated by age, sex and qualifications) (60% of staff in position by 2017); * Functional performance of local governments according to agreed performance indicators (scoring system to be developed); and * Number of functions of ministries and agencies deconcentrated to counties (all 13 MACs by 2017). |
| Outcome 4:  **Service delivery and accountability of local governments are improved** | * Public perception of local governments service delivery and performance as measured by citizens score cards (score cards to be developed b 2015); * Public perception of corruption in local governments (as measured by surveys completed annually by GC); and * Number of audited recommendations acted upon according to government regulations and funds recovered (100% audited recommendations acted upon by responsible parties). |

# Outcome 1: Citizens (men and women) and stakeholders awareness and participation in decentralization reforms

This outcome will focus on enhancing knowledge and understanding of decentralization policy and implementation policy among the wide spectrum of the Liberian population. This will entail working with specific stakeholder groups and defining strategic engagements methodologies for each stakeholder group to ensure maximum dialogue and engagement.

Four outputs will be pursued in support of this outcome:

Output 1.1: The general public (men and women) of Liberia understand the benefits of shared governance, their duties and responsibilities as well as their rights to services;

Output 1.2: Enhanced Legislative understanding for policy enactment and effective oversight of decentralization program;

Output 1.3: Enhanced understanding of political parties of decentralization with shared vision on decentralization and local governance;

Output 1.4: Leadership and senior civil service of MACs sensitized to align respective sector deconcentration activities with the national decentralization policy.

## Output 1.1:The general public (men and women) of Liberia understand the benefits of shared governance, their duties and responsibilities as well as their rights to services

The implementation of decentralization must be demand-driven, reflecting the perceptions, expectations and aspirations of citizens and various segments of the society on the benefits, opportunities and challenges of decentralization. An effective and extensive communications program will help ensure local buy-in of the decentralization policy and the implementation plan. A deep understanding of the decentralized governance system, the processes involved and the evolution from deconcentration to devolution is essential for its effective functioning. This will require a mix of media outreach, town hall meetings, audio-visual displays and engaging community elders, traditional authorities, youth and women groups, NGOs and CBOs, minorities and other disadvantaged groups and faith-based organizations at local and central level.

## Output 1.2: Enhanced Legislative understanding for policy enactment and effective oversight of decentralization program

The Governance Commission and the Ministry of Internal Affairs will work closely with the Legislature of Liberia to support its members to review, debate and/or enact the decentralization draft bills and rules proposed by the Executive. Currently, the capacity of the Legislature to review legislation effectively with broad participation is a challenge. The LDSP will support awareness-raising seminars for members to build understanding of key principles of decentralization.

## Output 1.3: Enhanced understanding of political parties of decentralization with shared vision on decentralization and local governance

Political parties play a key role in Liberian politics and governance, noting the impact that political parties can and often do have on Liberian politics, it is essential to work with political parties to encourage their support for the GoL’s decentralization program.. To this end, this program will support the GC in working with political parties possibly through the nascent Inter-Party Consultation Committee (IPCC) to strengthen the IPCC’s capacity to convene political parties leaders to come together to discuss key aspects of the decentralization agenda, including convening of awareness raising seminars on decentralization.

## Output 1.4: Leadership and senior civil service of MACs sensitized to align respective sector deconcentration activities with the Decentralization Policy.

It is important to build a common understanding of decentralization reforms among senior public servants in order to diffuse resistance to decentralization efforts. Some work to sensitize civil servants on the main elements of the decentralization reforms and the intended benefits with regard to improved local service delivery and socio-economic development will be undertaken. Stakeholders will be sensitized on the role and responsibilities of Central Government institutions for devolved services.

# Outcome 2: Legal and Regulatory Framework for Decentralization is place

The approved Decentralization Policy of 2012 confirms the government and people desire to move from over a century of centralized administration to a more devolved level of governance. The current legal and regulatory framework to enable this transition needs to be elaborated and enacted. As such outputs under this outcome will ensure the development of an enabling legal and regulatory environment for devolution of administrative functions from central government to the counties.

Four outputs will be pursued in support of this outcome:

Output 2.1: GC ensures coordinated public sector reforms, evidence based policy development and formulation of legal framework for decentralization;

Output 2.2: Mandates and functions of ministries, agencies, commissions and state-owned enterprises reviewed to align with decentralization program;

Output 2.3: Public sector and Civil Service reforms aligned with the Decentralization Policy and all signed international conventions that ensure equal access to civil service; and

Output 2.4: Critera established for districts, municipalities, chiefdoms and clans to rationalize and restructure them to ensure economic viability and sustainability.

## Output 2.1: Governance Commission ensures coordinated public sector reforms, evidence based policy development and formulation of legal framework for decentralization

The Decentralization Policy emphasizes that Liberia shall remain a unitary state with a system of local government and administration, and that the county will be the principal focus of the devolution of power and authority. A number of functions shall be exclusively reserved and exercised by the central government for the protection of national sovereignty. The policy also provides a framework for the local government structure and emphasizes that citizens of each county shall have the power to elect their Superintendents, District Commissioners, Members of the County Council, Paramount Chiefs, Clan Chiefs and Mayors and members of city councils granted city charters. Currently, the Liberian Constitution provides for election of paramount chiefs and clan chiefs; however, the election of superintendents, administrative district commissioners, city mayors and members of county councils likely require a constitutional amendment. The programme will collaborate with the Constitutional Review Committee to define, formulate and advocate for necessary constitutional amendments. Additionally greater clarity is required to define the roles and responsibilities of local government actors in relation to each other.

In addition, under the current legal framework, there is no provision for the sharing of revenues between the central and local governments and no permission is granted to local governments to collect taxes and fees to support local administrative and development activities. Therefore, a legal framework defining the establishment, mandates and functions, powers, restrictions, and reporting relationships of central and local governments will become key to the successful implementation of decentralization. In order to be effective, such legal framework will need to be consistent with the established policy guidelines and avoid or guide against any potential overlaps and duplications. The rules and regulations must clearly define the administration, conduct, planning and financial management of local governments. This output will ensure the creation of the needed legal and regulatory framework that will guide and facilitate the decentralization implementation process.

## Output 2.2: Mandates and functions of ministries, agencies, commissions and state-owned enterprises reviewed to align with decentralization program

Decentralization reforms require not only changes in local government structures, but also an overhaul of the central government ministries as well as some agencies, commissions and state owned enterprises. The LDSP will support GC and MIA to guide wider Public Sector reorganization in a manner that will ensure that reorganized ministries, etc. are “decentralization compliant.” It is realized that the planned Public Sector Modernization Program (led by the Civil Service Agency and GC and supported by Sweden, World Bank and possibly other donors and with expected timeframe 2013-2017) will be the main vehicle for general reorganization and modernization of the public sector. LDSP will therefore mainly support GC and MIA in providing relevant inputs to the general re-organization process envisaged under the PSM Program.

## Output 2.3: Public Sector civilservice reforms aligned with decentralization policy and all signed international conventions that ensure equal access to civil service

The Decentralization Policy foresees significant devolution of Human Resource Management (HRM) to the local governments, while simultaneously strengthening principles for good HRM such as performance orientation, merit-based recruitment among others. This programme will support MIA and GC to engage in dialogue with CSA ( through the PFM programme) and other relevant stakeholders to harmonize civil service laws and regulations with the objectives of decentralized human resource management as outlined in the Decentralization Policy.

## Output 2.4: Criteria established for districts, municipalities, chiefdoms and clans to rationalize and restructure them to ensure economic viability and sustainability

A serious challenge to introducing decentralized governance for improved service delivery and poverty reduction in Liberia is the existence of a multitude of local administrative structures and the sparse distribution of population. Many of the district and sub-district administrative structures are too small to be viable and to sustain a basic level of service delivery. Even under fiscal decentralization, most of their revenue will be spent on administration, leaving little for development. This output will support the definition of criteria for local government structures.

# Outcome 3:Liberian institutions are capacitated to lead and implement decentralization reforms

Decentralization is a medium to long term strategy for Liberia. Key drivers of this process must be re-engineered and capacitated to drive a sustainable process of national change. This outcome will be supported through three outputs:

Output 3.1: Institutional and human capacity of MIA built to co-ordinate, lead and support the implementation of the Liberia Decentralization Implementation Plan;

Output 3.2: Institutional and human capacity of county, city and district administrations including traditional authorities strengthened to implement decentralization; and

Output 3.3 ICT Infrastructure and working environment of county administrations improved.

## Output 3.1: Institutional and human capacity of MIA built to co-ordinate, lead and support the implementation of the Decentralization Implementation Plan

As part of support to the roll-out of the Decentralization Implementation Programme a National Decentralization Secretariat (NDS) is to be established at MIA. They will require an effective and efficient capacity building process consistent with the 10-Year Liberia National Capacity Development Strategy done in collaboration with training services providing institutions such as the Liberia Institute for Public Administration (LIPA), the University of Liberia and research institutions.

MIA will need to strengthen its general role in support of decentralization and its support functions to the future local governments. It is realized that the Ministry is likely to undergo significant transformation, which also is reflected in the current plans for transforming it into a Ministry of Local Government. This output will contribute to change management process at MIA at both central and county levels.

## Output 3.2: Institutional and human capacity of county, city and district administrations including traditional authorities strengthened to implement decentralization

The need for capacity development at local government level is extensive. A detailed and prioritized plan for capacity development is still to be developed and implemented.

## Output 3.3: ICT infrastructure and working environment of county administrations improved

Local governments require basic investments in infrastructure including office space, ICT, utilities and services in order to fulfill the new responsibilities delegated to them under decentralization. Development partners’ funding will not be made available for major infrastructure upgrading. However, the LDSP will work with the local state actors to: 1) analyze appropriate solutions for building and rehabilitate infrastructure, and supply some basic office and ICT equipment and systems.

# Outcome 4: Service delivery and accountability of local governments are improved

Service delivery and citizen’s participation are key expected outcomes of the decentralization agenda. This outcome will support the designing of adequate systems and processes for citizen’s participation; and controls to ensure efficient and accountable service delivery at local level.

Specific outputs to be achieved are as follows:

|  |
| --- |
| Output 4.1: Capacity for participatory planning, budgeting and managing development funds with in focus on strengthened at local level to be progressively responsive for gender equity and conflict sensitivity; promotion of rights of women, youth, the elderly, and people living with disabilities and HIV/AIDS and the needs of weaker segments of society;  Output 4.2: Anti-corruption measures (systems and enforcement mechanisms) established and functional at county, city, district and community levels;  Output 4.3: Capacity established at GC for monitoring and evaluation of shared governance under the decentralization implementation program and other ongoing public sector, civil service and PFM reforms;  Output 4.4 Capacity for concurrent monitoring and evaluation of decentralization implementation established at MIA and the county government level;  Output 4.5 Capacity of public, citizens’ groups and civil society organizations strengthened to undertake participatory and performance monitoring, and to carry out watch-dog functions; and  Output 4.6 Program Management and Implementation. |

## Output 4.1: Capacity for participatory planning, budgeting and managing development funds with focus on strengthened at local level to be progressively responsive for gender equity and conflict sensitivity; promotion of rights of women, youth, the elderly, and people living with disabilities and HIV/AIDS and the needs of weaker segments of society

The top-down planning process and development interventions followed by the GoL have contributed to significant gender disparity, social exclusion and inequalities in Liberia. Though Liberia has signed major international conventions on gender equality and the National Gender Policy developed in 2009 advocates for women’s participation in public decision-making, serious challenges remain in meeting gender equity, human rights, and protection of youth, women and vulnerable and physically challenged persons, such as people living with HIV/AIDS.

The bottom-up approach to the formulation of district, municipal and county development plans and budgets following a participatory process is expected to reverse the past trends and promote a gender-responsive, rights-based and inclusive development. The Decentralization Policy has a strong focus on social inclusion with the objective of bringing more women to the forefront of the emerging decentralization process. The implementation of the Policy provides a window of opportunity to operationalize these rights-based policies and conventions for long-term state building and to address gender concerns such as SGBV, discrimination, and/or unequal access to services and opportunities (i.e., norms and expectations with respect to the roles and responsibilities of women, men, boys and girls in society).

This decentralization implementation plan recognizes gender equality as a driver for participatory governance and decision-making at local levels. Gender equality will be facilitated and strengthened by the knowledge and experience sharing of both men and women in local development decision-making. Non-discriminatory behavior and attitudes in recruitment, promotion and compensation; a conducive and safe working environment; and an understanding of practical tools, such as gender responsive planning and budgeting, are central to the successful implementation of the decentralization policy. The LDIP/LDSP also includes a perspective to see beyond gender, and include youth, disabled and others in decision-making.

The community driven participatory planning and budgeting will lay the foundation for a need-based and demand-driven planning and formulation of development programs for districts, cities and counties progressively, including all available development resources and harmonizing the implementation procedures to promote local ownership and leadership of development and ensure sustainability.

## Output 4.2: Anti-corruption measures (systems and enforcement mechanisms) established and functional at county, city, district and community levels

Systems and enforcement mechanisms for public administration and development programs have been generally weak at the national level, and more so for sub-national structures. The Liberia Anti-Corruption Commission started functioning since 2009; however, the institutional capacity to address corruption and compliance issues at local levels is yet to be established. This program will liaise with anti-corruption agencies and civil society organizations to develop strategies at the local level to counter corruption at all levels of local government and progressively develop reporting and enforcement procedures.

## Output 4.3: Capacity established at GC for monitoring and evaluation of shared governance under the decentralization implementation program and other ongoing public sector, civil service, PFM reforms

Liberia’s public sector monitoring and evaluation practices have been weak, although MACs have planning and development departments mandated to perform monitoring and evaluation functions under the public sector reforms. The GC is mandated to monitor the implementation of public sector reforms and performance of government on an annual basis. In order to assess the quality of local governance, indicators amenable for measuring major governance factors at local levels are to be developed and scientific field surveys and studies need to be conducted to gather citizens’ perceptions on major governance factors and collect relevant data to capture progress made, emerging opportunities and local governance challenges as they relate to participation, social inclusion, stability and security, and quality of and access to service delivery. This output will support the develop of the methodology and at least on survey at local level.

## Output 4.4 Capacity for concurrent monitoring and evaluation of decentralization implementation established at MIA and the county government level

The Ministry of Planning & Economic Affairs attempted to establish a nationwide monitoring and evaluation system to track the progress and performance of various developments funds implemented by the county administrations including the county development, social development and local development funds. The institutional mechanisms and procedures to actively engage local governments for monitoring and evaluation of local development initiatives need to be strengthened. MIA has a huge task to organize regular monitoring of the project implementation to record the progress as against the annual targets and report the same to the LDPB for guidance and directions.

## Output 4.5 Capacity of the public, citizens’ groups and civil society organizations strengthened to undertake participatory and performance monitoring, and to carry out watch-dog functions.

Looking at the experiences from the first phase and the monitoring activities of other organizations that feed into the PRS II monitoring (mainly LISGIS and sector ministries), the program will support civil society and community monitoring of decentralization with a focus on service delivery woring with ey line ministries such as Education for example.

## Output 4.6 Program management and implementation

Certain arrangements will be put in place by the program board to ensure effective management and implementation, including: creation of an annual work plan, quarterly and annual progress reports, and mid-term and terminal external evaluation reports.

These arrangements will provide for planned and orderly flow of information and feedback on the progress of the program, allowing for corrective interventions where necessary.

# 6. Summary Budget

The LDSP will provide programmatic support to the LDIP. The estimated total LDIP budget is summarized below. It is realized that there currently is a funding gap between the resources that currently (as of April 2013) are indicated as contributions from Development Partners and GoL and the estimated LDIP budget.

MIA will develop detailed prioritized annual plans for approval by the Program Board,

**Table 2: Summary LDSP Budget (Thousands US$)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Outcome | Total | 2014 | 2015 | 2016 | 2017 |
| 1: Citizens (men and women) and stakeholder awareness and participation in decentralization reforms |  |  |  |  |  |
| 2: Legal and regulatory framework for decentralization |  |  |  |  |  |
| 3: Institutional and human resource capacity |  |  |  |  |  |
| 4. Improved service delivery and accountability of local governments |  |  |  |  |  |
| Total |  |  |  |  |  |
|  |  |  |  |  |  |
| Percentage | 100 | 27 | 22 | 17 | 12 |

# 7. Partnerships

The LDSP takes a unified program-based approach, drawing on the technical expertise, activities and experience of Government, UN, and other development partners (EU, USAID and Sweden) and actors in Liberia to deliver a coordinated and effective decentralization program.

MIA, GC, UNDP and UNCDF have successfully collaborated in the past few years to support policy framework and overall capacity development of national and sub-national administration in support of the successfully implementation of decentralization and local development agenda in Liberia.

The proposed program will, however, continue to work very closely with the following partners in areas directly related to the achievement of decentralization outcomes:

* The Ministry of Finance (MoF) and the International Monetary Fund (IMF), supported by the EU and Sweden, to facilitate fiscal decentralization, especially through local financial management including tax and revenue management. MoF plans are well under way to decentralize Treasury functions, creating County Treasuries in all the 15 counties in support of Fiscal Decentralization;.
* The Civil Service Agency and Governance Commission, with support from the World Bank, Sweden and USAID, in the area of the Public Sector Modernization Program to ensure that the public sector reforms support and are aligned with the decentralization program and to provide the capacity it needs;
* The Ministry of Gender and UN Women, in relation to the Government of Liberia’s National Gender Policy, and implementation of Security Council 1325,to ensure that decentralization supports the mainstreaming of gender equality into governance, in policy and its implementation, and to ensure that decentralization delivers equitable and inclusive local service provision;.
* The Ministry of Planning and Economic Affairs (MoPEA) with its support to the national capacity building agenda in the context of the 10 year National Capacity Building strategy.

In the past, county level collaboration between the Government of Liberia and the United Nations Mission in Liberia (UNMIL) has been very effective. UNMIL Civil Affairs Officers have supported County Administration including the County Development Office as well as building capacity of county administrations so that they can take over responsibility for development. With the transition of UNMIL anticipated over the coming years, and the phased shift from Direct Implementation Modality (DIM) to National Implementation Modality (NIM), this arrangement will be modified. The decentralization program will support MIA efforts at national and local level to work with UNMIL, in particular to support UNMIL’s planning for an exit from Liberia and its support for national capacity building, as well as working with UNMIL in monitoring progress on establishing national systems and progressing decentralization.

At the county level, the LDSP will work with UNMIL and other partners, to maximize use of UNMIL’s capacities for reporting, mentoring and monitoring. In particular, the LDSP and UNMIL will work to develop county specific transition plans to support a well-managed and smooth transition at county and district levels. As the UN’s specialized peacekeeping presence undergoes transition, UNDP will work closely with all partners to assist in the transfer of security and other responsibilities.

# 8. Management and Staffing Arrangements

1. **National Coordination Arrangements**

The GoL’s Decentralization Implementation Plan is based upon four levels of coordination:

* Cabinet – approves major actions;
* The Liberia Decentralization Program Board (LDPB) – the steering body for the decentralization implementation process;
* Decentralization Support Units – offices or teams within each decentralization sector agency with responsibility for coordinating its decentralization program; and
* MIA–responsible for the implementation of the LDIP and coordinating effectively the implementation activities of all institutions engaged in the decentralization process. The National Decentralization Secretariat (NDS) will be set up within the MIA and have responsibility for coordinating the technical, administrative and logistical support to the program.

**The President and Cabinet -** The Liberia Decentralization Implementation Plan is a government reform undertaking initiated by the President of Liberia as part of the Public Sector Modernization Program. As such LDIP is focused on the Executive Branch of the government, under the direct supervision of the President. Therefore, the highest authority for the approval, coordination and monitoring of this program rests with the President, who carries out these responsibilities with the assistance of the cabinet. Because LDIP involves several government agencies and deals with issues that cut across the work of the entire government, cabinet oversight and monitoring will facilitate high-level information sharing, ownership and buy-in, which will be a key to success. Therefore, LDIP periodic updates, annual reports and special presentations will be provided to the President and the cabinet.

**Decentralization Support Units -** Each decentralization sector agency that is represented on the IMCD will set up an office or a team within its operations with responsibility for coordinating its decentralization program. The office or team is to be called the Decentralization Support Unit and its head or team leader shall represent the agency on the Inter-Ministerial Technical Committee on Decentralization (IMTCD), which will meet monthly to ensure that the decentralization process is executed harmoniously in all of the sector ministries. All recommendations from this forum will be submitted to the Program Board and to the NDS to ensure that they are implemented.

DSUs in the ministries and counties will be strengthened and empowered to follow up decentralization of services in the various sector ministries and the counties. They will ensure that the decisions of the board and cabinet are implemented and will work in collaboration with the NDIS to ensure that the implementation of the LDIP is coordinated.

**Ministry of Internal Affairs** - To effectively coordinate the activities of all institutions acting in the decentralization process, the MIA will be responsible for the implementation of the LDIP. It will work in collaboration with the Governance Commission to perform this responsibility. To facilitate the successful accomplishment of its mandate, it will be necessary that the MIA establish the appropriate structures.

In order to strongly position the MIA in fulfilling this role, the organizational structure below will constitute its decentralization operational set-up.

**Structure of the Ministry of Internal Affairs to Support Decentralization Implementation**

Office of the Minister

Dept. of Operations

**(Local Develop ment)**

Dept. of Research &Dev. Planning

**(NDS)**

Dept. of Administration

(**Training/**

**Capacity Dev.**)

Dept. of Urban Affairs

**(Urban planning)**

Internal Audit and Oversight

Concurrent Monitoring and Evaluation

Profiling and realignment of Central and LG staff

Management of Personnel Information System

Human resources development for decentralization

Secretariat to NDPB

Support to DSUs/MACs

Coordination/technical support to LGs for decentralization

National identification cards

Harmonization of CDF, SDF, LDF and other local development funds

Formulation of develop-ment plans

Supervision of construction& renovations of government buildings

Urban planning

Boundary harmonization

Rationalization of sub-national units

Demarcation of cities and townships

City statutes

MINISTRY OF INTERNAL AFFAIRS

Coordination and Support to Decentralization Implementation

E-governance for Decentralization

*National Decentralization Secretariat (NDS)*

To ensure effective compliance and quality assurance of LDSP (LDIP) the National Decentralization Secretariat (NDS) will be located in MIA to provide technical support to coordinate, facilitate and support the capacity building, implementation, monitoring and evaluation of LDSP (LDIP). NDS will be directly set up at the MIA under the supervision of the Deputy Minister for Research and Development Planning. Its functions, however, shall be guided directly by the Chairperson of Program Board. As such, it will function as the Secretariat to the board and be responsible for organizing regular and extra-ordinary meetings and program review retreats.

NDS will coordinate the implementation of the LDSP (LDIP) and work with other decentralization implementing agencies. The NDS will be responsible for ensuring the results specified in the program document are produced to the required standard of quality and within the specified constraints of time and cost.In focusing on detailed agreed upon priorities, the NDS will coordinate with other relevant bodies to define tasks to be undertaken, monitor and evaluate the LDSP (LDIP), and collect, analyze, interpret and present regular data to all stakeholders.

*The NDS Coordinator*

An NDS Coordinator will be recruited to direct and manage the Secretariat. In matters of a technical nature, the Coordinator shall consult with the Deputy Minister of Internal Affairs for Research and Development Planning. In addition to the general role of the NDS, the NDS Coordinator shall have the following specific responsibilities:

* Liaise with line ministries and agencies, donors, and development partners in planning their sector decentralization processes. He/she shall also be responsible for monitoring and evaluation of the sector decentralization process nationwide;
* Provide day-to-day management of the NDS;
* Communicate M&E results to all actors in the decentralization process;
* Facilitate building of a communication network for the exchange of information within the decentralization process;
* Ensure that the NDS offices are adequately supported to facilitate its function;
* Serve as liaison officer for soliciting, acquiring, and managing technical support from donors and other agencies and short-term consultants; and
* Serve as Secretary to the National Decentralization Program Board (NDPB).

**Decentralized Coordination Arrangements**

**County Decentralization Coordination Committee**

A County Decentralization Coordination Committee (CDCC) will be created and chaired by the Superintendent. A County Decentralization Coordinator shall be recruited and trained to assist the Superintendent in managing the program at the county level. The membership of the CDCC will be composed of heads of relevant line ministries and agencies in the counties.

The CDCC will:

* work in close collaboration with the NDS and the program board to ensure the effective and efficient implementation of the LDIP;
* liaise with donors and development partners regarding local development initiatives and other technical support at the county level;
* work to improve development operations, transparent systems, procedures and practices at both the county and district levels.

The county level programs will also acquire and manage the relevant documentations on decentralization and coordinate, monitor and guide the implementation process. The CDCC will successfully advocate for efficient and effective implementation of the LDIP in all relevant sectors at the county and district levels.

The county level programs will continue to stimulate the interest of the local populations to assure quality and transparent communication and information plans at the lowest levels. These groups will facilitate the preparation of a sequential plan for the sector devolution of functions by relevant MACs to the local governments. However, the LDIP will become successful to the extent to which the local governments take over the functions devolved to them, and with the efficiency and effectiveness with which the local governments perform their assigned roles and responsibilities.

**Mechanisms for Citizen Participation**

Citizen participation is key to ensuring effective decentralization. The LDSP will encourage broad inclusion in the decentralization process through citizen participation mechanisms including, but not limited to, the following:

* Town Hall Meetings;
* Community Score Cards; and
* Community Service Monitoring

The program recognizes gender equality as a necessity for participatory governance and decision-making at local levels and is aimed at fostering social inclusion throughout implementation of the GoL’s decentralization efforts.

1. **Program Board**

A National Decentralization Program Board (NDPB or “Program Board”) will be established to direct and guide implementation of the program. As the highest authority of the program responsible for providing policy guidance, direction and decisions, the Program Board will comprise of the following membership:

Government of Liberia:

* MIA, Chair
* Governance Commission, Co-Chair
* Ministry of Finance (MoF), Co-Chair
* Ministry of Planning and Economic Affairs (MoPEA)
* Ministries of Education, Health, Agriculture and Public Works
* Liberia Institute of Public Administration (LIPA)
* Civil Service Agency (CSA)

Development Partners:

* European Union (EU)
* Sweden
* UNDP
* UNMIL

Other partners will be invited to the Program Board as required, with a particular focus on international partners supporting aspects critical to decentralization, UN-Women, World Bank, USAID and IMF.

The program board will be responsible for ensuring the strategic orientation of the project, approve its work plan, ensure the overall supervision of accomplished results, monitor the program’s coherence with other activities of other partners working to support local administration and resolve any major challenge which might impede on obtaining the expected results.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| National Decentralization Program Board | | | | | | | | | | |
| Government of Liberia | | | | | | | | Development Partners | | |
| Ministries and Agencies  Ministry of Planning &Economic Affairs  Ministry of Education  Ministry of Health  Ministry of Agriculture  Ministry of Public Works  Liberia Institute of Public Administration (LIPA)  Civil Service Agency (CSA) | | | Governance Commission  (Co-Chair) | | Ministry of  Internal Affairs  (Chair) | Ministry of Finance  (Co-Chair) | | European Union (EU)  Sweden  UNDP  UNMIL | | |
|  |  | National Decentralization Secretaria | | | | | | |  |  |
|  |  |  | | National Program Director (50%) | | |  | |  |  |
|  |  |  | | International Technical Advisor | | |  | |  |  |
|  |  |  | | National Technical Advisor, Public outreach and civil society | | |  | |  |  |
|  |  |  | | National Technical Advisor, Gender and social inclusion | | |  | |  |  |
|  |  |  | | National Technical Advisor, Capacity development &training | | |  | |  |  |
|  |  |  | | National Technical Advisor, Political decentralization | | |  | |  |  |
|  |  |  | | National M&E/Reporting Specialist | | |  | |  |  |
|  |  |  | | National Communication specialist | | |  | |  |  |
|  |  |  | | National ICT Specialist | | |  | |  |  |
|  |  |  | | National Sector Decentralization  Specialists (3) | | |  | |  |  |
|  |  |  | | Decentralization Implementation Coordinators (15 counties) | | |  | |  |  |
|  |  |  | | Admin/Finance Assistant (100%) | | |  | |  |  |
|  |  |  | | Project Assistant (100%) | | |  | |  |  |
|  |  |  | | Drivers (2) | | |  | |  |  |

# 9. Fund Management Arrangements

This is a GoL program, using a coordinated fund managed approach. The GoL will clearly express its commitment to this program under the Medium Term Expenditure Framework (MFEF) process, which is a three-year budgeting regime. The management of funds commitment under the MFEF will follow the government’s revenue laws.

The government and its development partners have agreed that a coordinated funding arrangement will provide easy management of financial resources, allowing more time to be devoted to the implementation itself. The government encourages and welcomes the decisions of partners that have agreed to contribute to the program budget.

**Basket Fund:** The consolidated LDSP is programmes at 28,000,000 USD. This programme provides a USD 7,000,000 contribution to the wider programme basket, to be amended if additional contributions are received. This programme document will provide a distinct funding window for contributions received and managed by the UNDP. Though overall programme results are jointly owned by the basket, specific contributions by through this window will be highlighted in annual work plans defining specific interventions at activity level and annual reports defining contributions of these interventions to overall results.

**Annual Work Plan and Budget Preparation**: A consolidated and detailed annual work plan and budget will be prepared by the NDS based upon the annual work plans and budgets prepared by the implementing partners in accordance with the program’s procedures, and covering the mutually agreed components of the program, for endorsement by the Program Board. This AWP will detail activities and interventions to be undertaken under each output, required inputs and budgetary allocations at the activity level.

**Accounting:** The implementing partners (MIA and GC) will account for the income received to fund the joint program in accordance with the financial regulations and rules of the Government of Liberia and the UNDP.

**Monitoring and Evaluation:** There will be a midterm, and end of program evaluation of the program with the participation of all signatories to the program document and contributing development partners. The monitoring and evaluation will produce an annual progress and results report consistent with the resources and results framework. The report will be discussed at the annual Program Board meeting.

**Audit:** This contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP.”

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# 10. Monitoring and Evaluation

The Program Board will oversee the monitoring and evaluation of the Program. The main objectives of the program’s M&E framework are:

1. To gain an improved understanding of the activities, including their long-term impact, their contribution to state building and peace building, as well as of the context in which the activities are implemented and their interaction processes;
2. To measure progress towards achieving planned outputs and outcomes, based on the indicators and targets laid out in the results and resources framework;
3. To regularly review and update the risk log;
4. To ensure the highest standards of accountability and proper use of funds; and
5. To factor in lessons learned from ongoing initiatives into future programming/allocation decisions to increase the positive impacts of the program on state building and peace building in the target country.

The program will actively pursue cutting edge and innovative approaches to assessment and measurement, including participatory dialogue and perception surveying. In order to do so effectively, the program will ensure an external assessment of the work is completed at the mid-term of the program term. Accordingly, a portion of the program’s budget is allocated specifically to dedicated M&E capacity within the NDS. The program will likewise place a major emphasis on developing the capacities of national partners in the area of M&E – an essential aspect of ensuring accountability and sustainability.

In recognition of the systemic challenges associated with evaluating governance programming at country level, the global program has presented qualitative baselines in several outcomes. The set of baseline and outcome indicators will be reviewed during the first year of operation, and the program will present more detailed and robust indicators in the second year. The proposed program will also expand assessments and collection of baseline data. As several international actors face the same challenge regarding outcome-level M&E, the Global Program will seek to facilitate coordinated work with all actors in developing indicators for M&E which can be tailored to the particular context and ensure the ownership and capacity building of national authorities in this regard.

## 10.1 Monitoring Interventions

In light of the above-mentioned program management arrangements, the following monitoring benchmarks will apply to the program.

| **M&E Benchmarks/Timeline** | **2013** | | | | **2014** | | | | **2015** | | | | **2013** | | | | **2014** | | | | **2016** | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Q1 | Q1 | Q2 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| An ***Issue Log*** will be updated to facilitate tracking and resolution of potential problems or requests for change. | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X |
| A ***Risk Log*** will be regularly updated by reviewing the external environment that may affect the program implementation. | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X |
| A ***Program Lessons Learned Log*** will be activated and regularly updated to ensure on-going learning and adoption within the organization, and to facilitate the preparation of the Lessons Learned Report at the end of the Program. |  |  | X |  | X |  | X |  | X |  | X |  | X |  | X |  | X | X |  | X |  | X |  | X |
| A ***Quality Log*** will record progress towards the completion of activities. |  |  |  |  |  | X |  |  |  | X |  | X |  |  |  | X |  |  | X |  |  |  | X |  |
| ***An annual program review*** will be conducted by the PEB during the fourth quarter of each year to assess the performance of the program. The review will involve key program stakeholders (i.e. national partners, donors, UN agencies, specialized organizations) and will focus on achievements, challenges and validation of annual work plans. |  |  |  |  |  |  | X |  |  |  | X |  | X |  |  |  | X |  |  | X |  |  |  | X |
| ***Updates and briefings*** will be provided on a rolling and regular basis to donor partners throughout the program life-cycle, including half-year strategic review and progress evaluation sessions. | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X |
| ***An external mid-term review*** will be conducted to review the successes and challenges of the program’s implementation. |  |  |  |  |  |  |  |  |  |  | X |  |  |  |  |  |  |  |  |  |  |  |  | X |

## 10.2 Evaluations and Reviews

* The Project Board will conduct an annual program review during the fourth quarter of each year to assess the performance of the program. The review will involve key program stakeholders (i.e. national partners, donors, UN agencies, specialized organizations) and will focus on achievements, challenges and validation of annual work plans.
* Updates and briefings will be provided on a rolling and regular basis to donor partners throughout the program life-cycle, including half-year strategic review and progress evaluation sessions.
* An external review will be conducted to measure success of the program at the end of 2015.

# 11. Risks, Assumptions and Preconditions

## 11.1 General observations[[20]](#footnote-21)

Semi-autonomous local governments with clearly defined resources and responsibilities and a committed local civil service enable a country to deliver public services locally in a more inclusive, efficient, accountable and sustainable manner. However, decentralization can also introduce the possibility of dissent and division, while the emphasis on local participation and priority setting can slow down the implementation of key development initiatives that are held to be strategic and beneficial to local communities. Decentralization may also “decentralize corruption” and be dominated by local elites’ interests to the detriment of poor, socially excluded and marginalized groups.

Three broad categories of major risks can be identified:

* Those stemming from political and bureaucratic resistance to change and decentralization – particular, but not exclusively, at national levels;
* Those related to program implementation including incorrect sequencing of reform measures within the sector and across sectors, failure to establish the appropriate capacities in local governments, and failure to provide the requisite fiscal and human resources;
* Those rooted in the national and policy environment for the decentralization reform agenda, only some of which can be mitigated against.

Political and bureaucratic resistance: GoL, in collaboration with its partners, has taken positive strides toward ensuring political will, commitment and participation in development activities and dialogues at all levels. GoL has endorsed the “Delivery as One” agenda bringing together all the key stakeholders at all levels in support of effective, coordinated and coherent development in Liberia. The ongoing County Development Coordination mechanisms through County Development Steering Committee Meetings will continue to promote participation and commitment on the part of the sub-national administration. The Decentralization Policy has been endorsed by the Legislature and its implementation is well underway. There is growing cooperation and coordination among various actors working on governance reforms and a formal system to harmonize sector decentralization with the ongoing public sector reforms is in place.

Program implementation: Decentralization is a time consuming and costly undertaking. Inappropriate sequencing, ad hoc and partial implementation, weak institutional structures and capacities, among other things, may result in just the opposite of the intended benefits of inclusive, efficient, accountable and effective governance. The mitigation measures include formulating a National Decentralization Implementation Plan that is strategic and holistic in approach, promotes a rational sequencing in implementation, and possesses a strong monitoring and reporting requirement.

The ability to develop and retain critical human skills and expertise in Liberia continues to be of major concern. UNDP in collaboration with government (MIA and MPEA) has developed a 10 year capacity building plan which incorporates elements of MIA’s 2 year capacity building plan to address short term, medium term and long-term capacity development challenges. The proposed project through the capacity building component will continue to deliver intensive trainings and Training of Trainers (TOTs) based on training needs and priorities from the 10 year National Capacity Building Plan.

National environment: The MIA and GC have had extensive consultation throughout Liberia creating citizenry awareness and broad-based support for decentralization. This is expected to be reflected in the results of the forthcoming referendum. In addition, the GoL has put in place a Constitution Review Committee (CRC) with a remit to propose constitutional amendments to be endorsed and passed by the House of Representatives.

With respect to the broader political environment, the GoL in collaboration with UN, donors and other development partners recognize that consolidation of peace is a cornerstone of national development and crucial for ensuring that the nation never returns to war. Government in collaboration with its development partners have put in place measures to ameliorate conflict and peace building in Liberia.

The Peace Building Commission has been launched in Liberia which focuses on three key components: Security Sector, Rule of Law and Access to justice- to promote access to justice and security at regional and county level in preparation for UNMIL transition. Justice and Security Hub have been established in Gbanga to address security and access to justice at sub-national level; National Reconciliation- enhancing social cohesion and youth empowerment. Decentralized government that engages the citizenry and brings government services to all communities, the socially excluded and marginalized in particular, is seen as a key and significant development to further this process.

A summary of potential risks is summarized in the table below and mitigation measures suggested.

**Table 4: Risks and Mitigation measures**

|  |  |  |
| --- | --- | --- |
| Risk | Level | Mitigation Measure |
| There is a strong risk associated with a limited political will and commitment to move from policy to implementation. As the program is being implemented, the risk of opposition towards actual and practical devolution will increase in key areas affecting the overall program roll out | Medium to High | The comprehensive Liberia Local Government Act under formulation would minimize risk.  Continuous dialogue with GoL to reaffirm commitment throughout the process (key line ministries, MIA, Presidency, etc.)  Communication between key stakeholders and information dissemination on the decentralization process to primary target group, as well as better information to local level administration of the work plan and activities.  Support to CSO advocacy efforts, for advocacy, monitoring and watch-dog functions.  Decentralization annual work plans prepared and shared with all stakeholders (CSO, local administration, line-ministries), targets and timeframes clearly communicate including public meetings at local levels. |
| Poor capacity in the implementing partners, poor financial management performance, failure to meet donor standards for national implementation could result in funds being frozen or denied | High | While maintaining the principle of strong government ownership, it is important that sound financial management – maintenance of financial records, national and international procurement standards adopted and maintained, and satisfactory internal and external audits - is maintained to secure the integrity of the program and the continuing support of donors. |
| Cross-cutting issues risk not being incorporated strategically in the decentralization process. Tendencies to view gender, vulnerable groups, etc. as add-ons and unnecessary additional costs. In a highly competitive environment for funds the risk furthermore increases that cross-cutting issues will compete for the same scares funds.  Gender in particular is seen as a women’s issue most likely due to the previous strong focus on women’s lack of access to justice as part of the emergency crisis efforts. | High | A stronger incorporation/integration of cross-cutting areas of interest into the main components of the program formulation will increase likeliness that cross-cutting issues are taken seriously.  Trainings with selected key implementing government institutions and local administration actors on a continuous basis about what these issues are, how they can play a strategic role in e.g. institutional capacity building, such as staff retention, savings, improved access to quality staff and more informed decision making will ensure a better understanding and implementation.  There is a need to work with gender equality from rights and efficiency perspectives. International lessons and experiences will provide valuable insights.  Invite and include MGD (state, gender focal points at line ministries, and UN Gender advisors (UNMIL, UNDP, UN-Women) in the process |
| Devolution of powers and resources might result in “decentralization of corruption”  As regards:  - Financial malpractice  - Staffing  - Service delivery | High | The Program will support: 1) establishment of rules, systems and procedures for local administrations 2) design and implementation of works plan where anticorruption strategies are clearly embedded 3) targeted training on anticorruption measures and good administrative practices 4) set-up of whistle blower function 5) Development of clear HR management practices at central and local level 6) M and E system that measure who benefits from what services. |
| Decentralization could introduce the possibility of dissent and division and the emphasis on local participation and priority setting can occasionally slow down the implementation of some top-down development initiatives that are strategic and generally considered beneficial. | High | Adherence to the decentralization policy which clearly states that local governments should fully comply with national laws and policies and that all strategic mandates and functions rest with the national government and only development functions amenable for local level implementation are transferred to local governments. |
| The 2014 Referendum and the mid-term elections might lead to changes in positions regarding potentially difficult reforms. | High | Broad based stakeholder engagement will be undertaken to include non-state actors. Furthermore particular attention will be paid to build the capacity of technical staff.  The CTA of the LDSP will attend the UN Constitutional Review Working Group (CRWG) to facilitate information sharing and coordination of activities. |
| Decentralization is a time consuming and costly undertaking. Inappropriate sequencing, ad-hoc and partial implementation, weak institutional structures and capacity, among other things, may result in just the opposite of the intended benefits of shared, accountable and participatory governance. | Medium | Formulation of a national decentralization implementation plan strategically and holistically with rational sequencing and embedding conditions to succeed with a strong monitoring component and benefiting from international best practices and lessons learned |
| Over-staffing of administrative functions and civil service where assignment of functions has not been undertaken rationally | Medium | Dovetail implementation of decentralization with ongoing public sector reforms (mandate and functions reviews, Civil Service Reforms, PFM Reforms etc.) |
| Re-occurrence of civil strife, possibly resulting in a major economic, social and political setback and an ability to re-establish the presence and work of local government in remoter/affected areas. | Low | The political situation is constantly monitored and the political dialogue is open to analyze constructive diplomatic solutions in case of potential crisis, in order to avoid escalation. The President of the Republic, several times reaffirmed her strong commitment to maintain the stability of the country to the benefit of the social and economic recovery achieved so far. |

## 11.2 Assumptions and Preconditions

1. Liberia will remain stable and peaceful and continue on its present trajectory away from conflict and civil war.
2. The Government of Liberia remains committed to decentralization reform, to improve governance and prudent economic and public financial management and to implement the decentralization reform agenda.
3. The constitutional referendum is held, establishing the basis for holding local elections in 2015.
4. That the civic and political situation of the country will thereafter remain stable to allow a decentralized governance system to be firmly embedded in the minds of the population and in the institutional framework of the country.
5. That capacity of the central and local government will be adequately built and sustained during and after the decentralization program including qualified staff being recruited or assigned to support the decentralization process at central and local levels.
6. MIA secures its financial management capacity to perform at national and international accepted levels and that procurement services are maintained as transparent and fully compliant with nationally approved rules and regulations.
7. Interest and actions vested in cross-cutting issues as defined by the Government of Liberia (gender equity, Human Rights, youth and women, vulnerable and physically challenged persons, people living with HIV/AIDS, social inclusion, anti-corruption, peace building, conflict sensitivity and environment),
8. The GoL will provide adequate financing for county/districts offices functioning.
9. That government will continue to be successful in using dialogue with donors as a strategy for obtaining high donors cooperation for resource mobilization for the decentralization process.
10. That the role of paramount and other chiefs with respect to local government is aligned with the functions and roles of local councils in ways that are acceptable to the needs of decentralized government and the citizens and communities that they serve and not contrary to their traditional and cultural norms of governance.

1. Government of Liberia, draftAgenda for Transformation, 2012; National MDG Report, 2010; Global Human Development Report, UNDP, 2011. [↑](#footnote-ref-2)
2. With a human development index (HDI) value of 0.329 in 2011, Liberia ranked 182 out of 187 countries, reflecting a lack of progress in human development over the long term. Three quarters of the population of 3.48 million is below 35 years of age and most are either unemployed or “vulnerably employed” (78.8per cent). [↑](#footnote-ref-3)
3. It will be henceforth referred to in this document as “the Decentralization Policy” or “the Policy”. [↑](#footnote-ref-4)
4. UNDP(2012) Governance for Peace: Securing the Social Contract [↑](#footnote-ref-5)
5. Liberia is ranked 91/183 on the Transparency International index. According to public opinion polls on corruption people in Liberia see corruption to be particular severe within police (ranked 4.1 out of 5) education (3.8), parliament (3.8), judiciary (3.7), and public officials (3.6), all institutions that are central for the decentralization process in different ways. The poll also shows that 1/2 of the interviewed believe the corruption is increasing, 1/4 that it is decreasing and the last 1/4 that it is unchanged the last five years. [↑](#footnote-ref-6)
6. “Gender equity, human rights, protection of youth and women interests, protecting the vulnerable and physically challenged, people living with HIV/AIDS, social inclusion, anti-corruption enforcement, capacity building, peace-building and conflict sensitivity and the environment and climate are key issues that must be addressed with a decentralized governance system”, from LDIP 2013-17 (document in progress). [↑](#footnote-ref-7)
7. “Gender refers to what it means to be a woman or a man, a girl or a boy, in a given context. Gender is socially constructed and changes and varies over time, culture and geographical location. Gender consequently impacts on the identity, the role ascribed, the possibilities and limitations for what is possible to be or do as a woman or a man, a girl or a boy. Gender is cross-cut by other social variables such as ethnicity, age, class, disability, and religion” Sida (2009): Gender Equality in Practice. [↑](#footnote-ref-8)
8. According to the Liberian Youth Charter, people are considered youth from 15-35 years of age and people under 35 years constitute 70% of Liberia’s population. [↑](#footnote-ref-9)
9. The Protocol was adopted in Maputo on 11 July 2003. Entry into force on 25 November 2005. The Protocal is also known as the Maputo Protocol. It was ratified by Liberia 14 of December 2007. [↑](#footnote-ref-10)
10. Adopted by the Security Council at its 4213th meeting, on 31 October 2000. [↑](#footnote-ref-11)
11. The plan builds on four pillars: 1. Protection of women and children from S/GBV, 2. Prevention of S/GBV, 3. Promotion of women's human rights and 4. their participation in peace processes, as stipulated by the resolution. [↑](#footnote-ref-12)
12. Policy in Brief – The National Gender Policy. [↑](#footnote-ref-13)
13. Liberia’s population is young, with approximately 52.7% of the population under the age of 20 years. The relatively young population, combined with factors such as high rates of teenage pregnancy (32%) and low levels of contraceptive prevalence (11% overall; 7% in rural areas) contribute to Liberia’s high total fertility rate of 5.9 children per woman. WHO: http://www.aho.afro.who.int/profiles\_information/index.php/Liberia:Introduction\_to\_Country\_Context [↑](#footnote-ref-14)
14. Search for Common Ground (2012): Youth to youth: Measuring Youth engagement. [↑](#footnote-ref-15)
15. From the Policy (approved January 2012): 2.1 County Legislative Branch: The county legislative branch shall be called the County Legislative Assembly (CLA). The County Legislative Assembly shall comprise of one (1) representative elected by the citizens of each county administrative district; and the paramount chief of each chiefdom within the county. To ensure gender equity, two positions of members-at-large shall be set-aside exclusively for women. Only female candidates shall be elected to fill these positions**.** They shall exercise the same prerogatives and enjoy the same privileges as other members of the CLA. [↑](#footnote-ref-16)
16. The GC is currently undertaking a substantive review and analysis of gaps and opportunities in ensuring that the process of national decentralization is gender-responsive, and harnesses the full potential of women. To effectively implement this objective, the Governance Commission, in collaboration with the Ministry of Gender and Development, will hire a team of two consultants (one international and one national) to undertake a study, the results of which will facilitate development of a framework for integrating a gender-perspective in local governance in Liberia [↑](#footnote-ref-17)
17. CIDH (http://www.cidh.es/en/social-inclusion.html) [↑](#footnote-ref-18)
18. USAID (2012): “An assessment of decentralization and local governance in Liberia” [↑](#footnote-ref-19)
19. *New Deal for Engagement in Fragile States:*http://www.g7plus.org/storage/New%20Deal%20English.pdf, November 2011. [↑](#footnote-ref-20)
20. Risks are the probability that an event or action may adversely affect the achievement of a project objectives or activities. Risks are composed of factors internal and external to the project. Assumptions are here defined as external factors that have the potential to influence (or even determine) the success of a project but lie outside the control of the project managers. [↑](#footnote-ref-21)