

**United Nations Development Programme
Federal Government of Nigeria (FGN)
Project Initiation Phase
for
"Strengthening Nigeria's Local Governance and Local
Development Programme"**

Brief Description

Strengthening Nigeria's Local Governance and Local Development programme, aims to ensure that participatory development approach(es) are adopted at sub-national levels (Urban and rural LGAs) for effective local level development. The programme seeks to ensure a seamless connection between National and State policies and visions with development at sub-national levels, by ensuring that visions and policies are translated to desirable local level outcomes. It would, thus, empower sub-national levels of society to ensure that local people participate in, and benefit from, their own governance institutions and development services. A Local Project Advisory Committee (LPAC) met on 30th January, 2013 and approved the main project document, which provides for a National Execution Modality to be coordinated by the Department of States and Local Government Affairs within the Office of the Secretary to the Government of the Federation.

In February 2013, the Federal Government of Nigeria re-created a Ministry of Special Duties and Inter-Governmental Affairs that is expected to subsume this department. This request for initiation phase is anchored on the need to allow for the Federal Government of Nigeria to complete the bureaucratic processes leading to the full transfer of the department to the new ministry, ensure the availability of adequate capacity to provide leadership for the project and allow all partners (States, Local Governments and the private sector) sign agreements to concretise their financial commitments to the project. Similarly, This initiation phase would allow for undertaking preliminary project implementation activities in readiness for project commencement in 2014.

Project Title:	Strengthening Nigeria's Local Governance and Local development Programme.
Executing Agency:	UNDP.
Implementing Agency:	UNDP.
Beneficiaries:	Federal, State and Local Government Ministries, Departments and Agencies (MDAs)
Project Initiation Phase(PIP):	April – December, 2013.
PIP Budget:	US\$380,000 (UNDP).
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Agreed by Government:

Barrister Fidelis Ntufam Ugbo (Esq), Executive Secretary, National Planning Commission.

Agreed by UNDP:

Ms Ade Mamonyane Lekoetje, Resident Representative, a.i.

17/5/2013

Agreed by Cooperating Partner:

Alhaji Wakil Adamu, Director, States and Local Government Affairs, Federal Ministry of Special Duties and Inter-Governmental Affairs.

PART I: Situation Analysis

1.1 Local Level Administration and Decentralisation in Nigeria.

The history of local government and decentralization in Nigeria is one long episode of trial and error, especially in a bid to reconcile peoples' participation in governance with the need for an efficient delivery of essential services. Although successive administrations (military and civilian) have shown some commitment to the development of local communities through local institutions, these efforts have been unable to galvanise and guarantee the much needed national development. Some of these efforts included:

- The 1976 Local Government Reforms;
- The Ahmed Talib Committee on Pension
- The Oyeyipo Committee and
- The Dasuki Committee report (1984).
- The Etsu Nupe Report (2003)
- Draft White Paper on the Etsu Nupe Report (2004)

In the draft white paper (2004), Government accepted the recommendations of the Etsu Nupe report. Principally:

- The recognition of Local Government as the autonomous third tier of government in Nigeria.
- The abolition of the State-Local Government Joint Account.
- Direct remittance to each Local Government Council of its own share of the Federation Account.

These and other landmark recommendations were not implemented because it required amendment of relevant sections of the 1999 Constitution.

1.2. The 1999 Constitution and Local Government Administration.

There are some contradictions in the 1999 constitution of the Federal Republic of Nigeria in relation to local government administration. Section 7(1) states that "The system of local government by democratically elected local government councils is under this constitution guaranteed; and accordingly, the government of every state shall subject to section 8 of this constitution, ensure their existence under a Law which provides for the establishment, structure, composition, finance and functions of such councils". Yet, section 7 (6a) submits that "the National Assembly shall make provisions for statutory allocation of public revenue to Local Government councils in the federation. But the confusion is extended further by section 7 (6b) which states that "the House of Assembly of a state shall make provisions for statutory allocation of public revenue to local government councils within the state".

This confusion also resurfaced in section 162 (6) where it established the State Joint Local Government Account for the purpose of payment of "all allocations to the Local Government councils of the State from the Federal account and from the Government of the State". In Section 162(7) it directs State Government to pay to Local Government councils its total revenue on the terms prescribed by the National Assembly. At the same time it gives the same power and functions to the State House of Assembly in section 162(8)

Furthermore, section 8 (subsections 5 and 6) saddles the National Assembly with some functions before creation of a local government can become legal. The implication of all the identified contradictions and ambiguities is that it is difficult to locate constitutionally the locus of power on local government creation. The unresolved contradictions, confusion and ambiguity created in the 1999 constitution have been tools in the hands of politicians to cripple the Local Government system in Nigeria.

1.3. Challenges of effective Local level development.

All the above issues culminated into the following summary of hindrances to effective local level development in Nigeria:

- (a) Absence of an effective national monitoring and supervision of local level development

- (b) Constitutional Ambiguity.
- (c) Inconsistency in LGA Reforms:
- (d) Bifurcation of Urban Centres:
- (e) Little or no consideration for the National Urban Development Policy and incomplete implementation of the National Urban and Regional Planning Act (1992):
- (f) Usurpation of LGA statutory roles:
- (g) Poor Internally Generated Revenue (IGR):
- (h) LGA creation not driven by development priorities:
- (i) Infrequent and/or lack of LGA elections:
- (j) Organisational and Capacity Issues:
- (k) Gender Inequity:
- (l) Inadequate and/or non-existent citizens' participation:
- (m) Lack of transparency, accountability and absence of free flow of information

PART II: On-going Strategies/Programmes.

2.1 Federal Government: The Federal Government of Nigeria and Donor agencies have been undertaking a number of initiatives to address local development issues in the country and these include programmes of the Office of the Senior Special Assistant to the President on the Millennium Development Goals (MDGs) Subsidy Re-Investment and Empowerment Programme (SURE-P) etc.

Consequent upon the growing clamour for true federalism, the National Assembly constituted a Constitution Review Committee and identified 16 areas for which they desire amendments. Four of these areas directly related to local governance and decentralization are:

- Devolution of Powers.
- Local Government.
- Fiscal federalism.
- Mayoral Status for the Federal Capital Territory Administration.

Various interest groups, especially the civil society, have submitted memoranda to the committee. Presently, the UNDP is providing support for a civil society coalition to bring these issues to the front burner, especially through interaction with the parliament and the general public. Similarly, the Federal Government appointed Justice Alfa Belgore constitutional review committee had submitted its report which recommended unfettered autonomy for the Local Government Areas.

2.2. Development Partners.

The World Bank is funding a US\$350million Community and Social Development Programme (CSDP) to sustainably increase access of poor people to improved social and natural resources infrastructure and services. Similarly, amongst other programmes, it is providing support for the third National Fadama Development Project (Fadama-III) as a follow-up to the second National Fadama Development Project. Fadama III Project is funded by the World Bank, the Federal Government of Nigeria, State Governments, Local Government Councils and the various participating Communities.

The ninth stream of the European Union (EU) supported Micro-Projects Programme MPP9, is aimed at reducing poverty in rural and sub-urban communities in the nine Niger Delta States, through the promotion of participatory and gender equitable local development governance, and thereby helping to achieve the Millennium Development Goals.

The DFID works at the state level through five programmes. These are the State Partnership for Responsiveness, Accountability and Capability (SPARC), Education Sector Support Programme in Nigeria (ESSPIN), State Accountability and Voice Initiative (SAVI), Partnership for Transforming Health Systems Phase 2 (PATHS2), and Growth and Employment in States (GEMS). All these state level programmes are cascaded, in varying degrees, to the LGA level.

2.3. UN Agencies.

The International Fund for Agricultural Development (IFAD) operates the Community-Based Natural Resource Management programme in the nine Niger Delta states. The programme seeks to reduce poverty in the region and to improve standards of living of the rural poor focusing on women and youth. UNICEF supports water and sanitation projects as well as education and child welfare programmes in some states, including at the LGA level.

UN-HABITAT partnered with UNDP and the National Bureau of Statistics to undertake an assessment of good urban governance in Nigeria, covering 21 cities, which produced a report showing the status of urban governance. This assessment was based on indicators which reflected the needs of urban communities and the constitutional/legal functions of the LGAs.

UNDP supported state governments in the Niger Delta region to design and establish vocational capacity building infrastructure that will enhance employability of youths in the region. Most importantly, the UNDP implemented a Niger Delta Local Development Programme (ND-LDP) from 2007 – 2012. The broad objective of the programme was to support development of effective, responsive and accountable local governance institutions capable of delivering public infrastructure and services using participatory, transparent and gender sensitive planning, monitoring and evaluation procedures. The project was implemented in four Local Government Areas (Ilaje and Okitipupa; Sagbama and Ogbia) in Ondo and Bayelsa States respectively) and recorded huge impact in service delivery and empowerment of the people. It is also supporting the implementation of a programme on "enhancing citizen's engagement in accelerating the attainment of the MDGs in Nigeria", aimed at deepening community engagement by scaling up citizen action for participatory governance and development as a means of accelerating attainment of MDGs in Nigeria.

PART III: Strategy

The overriding strategy for the project initiation phase is to ensure that all partners are sufficiently sensitized and mobilized in readiness for implementing the basic elements of the strategy for project implementation as detailed below.

3.0. Basic Elements.

Mirroring the UNDP Strategic Plan (2008 – 2013) the project focus would be anchored on the following:

- A shift in focus from local government institutions to local governance processes as the bedrock for local development;
- Recognize and build on the good results achieved from previous interventions;
- Adopt and refine tested assessment methodologies
- Enhance emerging stakeholder partnerships by building on civil society engagement with citizens to promote accountability
- Strengthen and emphasize public private partnerships
- Encouraging the establishment of suitable structures for city-wide governance with appropriate constitutional support.
- Revitalizing national capacity and leadership in providing guidance to states and local governments on local development;
- adopting national execution to encourage the Federal and State governments to be more engaged and enthusiastic;
- self-selection by states and local governments with clearly specified criteria of eligibility, obligations of accession, grants from UNDP and state/LG matching grants.
- Continued support for the on-going constitutional reform process to ensure LGA autonomy;
- Strengthening capacity of sectoral ministries, LGAs and relevant stakeholders;
- Strengthening the involvement of traditional rulers, CSOs, CBO, and FBOs to local level development;
- Increased incorporation of human rights based approach to local level development; and

4.0. Justification for the Initiation Phase and Activities (April – December, 2013).

Subsequent upon a broad stakeholder consultation, a project on "Strengthening Nigeria's Local Governance and Local Development Programme" was designed and in recognition of the importance of a national institution to provide leadership for a sustainable local development initiative in the country, stakeholders agreed on the need for the Department of States and Local Government Affairs, then within the Office of the Secretary to the Government of the Federation (OSGF), to provide such a leadership role. Consequently, the Local Project Advisory Committee (LPAC) on 30th January, 2013, endorsed this arrangement. However, by February 2013, before requisite activities leading to the signing of the project document, the Federal Government of Nigeria re-invigorated a new ministry – Ministry of Special Duties and Inter-Governmental Affairs. This ministry is saddled with, amongst others, responsibility for providing coordination for all interventions at the local level. This development would, thus, require some time for the new ministry to settle down, especially in terms of institutional arrangements and organizational mechanisms for delivering on its mandate. The Initiation Phase would, therefore, ensure that adequate capacity is available for providing leadership for project implementation.

Thus, the present fluid institutional location of the Department of States and Local Government Affairs requires that adequate time be allowed for the completion of the bureaucratic processes, by the Federal Government of Nigeria to ensure a complete transfer of this Department to the new Ministry. This also provides an opportunity for beginning the process of a gradual strengthening of the capacity of the Department to perform its key functions, which would undeniably result in improved local level development.

Similarly, an initiation phase would ensure that commitments already made by interested partners are codified in financial contribution agreements to guarantee smooth disbursement of funds to the project.

The key activities under the Initiation Phase will include the following, detailed in the budget and work plan:

- (a) Enhanced capacity for coordination of local development initiatives, including providing leadership for implementing project;
- (b) Establishing database for evidence-based decision making on local development;
- (c) Sensitising Federal MDAs on coordination of intervention at local level;
- (d) Organising various meetings and workshops for project commencement.
- (e) Undertaking micro-assessment of the Ministry of Special Duties and Inter-Governmental Affairs.
- (f) Finalising the Cost Sharing agreements for adequate disbursements.

Part IV: Management Structure.

The Project initiation phase would be managed using the Direct Execution (DEX) modality. Considering the present capacity of the Department of States and Local Government, the DEX modality would be necessary to enhance their capacity to enable them manage the envisaged output and deliverables of the full fledged project at the start of implementation. Relevant States departments would also play key roles at this stage.

The UNDP Country Director would be responsible for all approvals. S/He would also be responsible for:

- (a) Providing the official mechanism for coordination and reporting on project activities;
- (b) Approving all Terms of Reference and engagement of consultants;
- (c) Review progress, monitoring and evaluation;
- (d) Assess overall progress of preparatory activities towards attainment of set goals;
- (e) Ensure integration and coordination of preparatory activities with other related UNDP activities.

Quality assurance and programme support would be the responsibility of the Governance and Peace Building Unit, using existing UNDP guidelines.

Monitoring Framework.

The Monitoring framework would be focused on a continuous assessment of how project inputs relate to outputs. This would be anchored on the need to focus on expected output(s) as captured in the targets and indicators specified for each component and appropriately measured.

In accordance with the programming policies and procedures outlined in the UNDP User Guide, the initiation phase will be monitored through the following:

- On a quarterly basis, a quality assessment shall record progress towards the completion of key outputs.
- a project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the initiation phase
- a Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events

SECTION VII: Budget and Work Plan

VII: Work Plan with indicative activities and budget estimates – APRIL – DECEMBER, 2013.

EXPECTED OUTPUTS <i>And baseline, associated indicators and targets</i>	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME			RESPONSIBLE PARTY	PLANNED BUDGET		
		April – June	July – September	October – December		Funding Source	Budget Description	Amount (USD)
Output 1: Capacity of 50% of Professional Staff enhanced for effective coordination of local development initiatives in Nigeria. Baseline: Existing capacity in this area is weak. Indicators: <ul style="list-style-type: none"> - Number of trainings held; - No of participants at each training. Targets: <ul style="list-style-type: none"> - 50% of Senior and Middle Cadre Officers of the Department. 	<i>Capacity Building of Staff of States and Local Government. Affairs Department in the following areas:</i> (a) <i>Inter-sectoral coordination;</i> (b) <i>Development Planning for Local Governance;</i> (c) <i>Results Based Management;</i> (d) <i>Participatory Methodologies.</i>		X		UNDP/FGN/Consultant		Consultant Fees, DSA for staff and related expenses.	50,000
			X		UNDP/FGN/Consultant		Consultant Fees, DSA for staff and related expenses.	20,000
		X			UNDP/FGN/SGs		Air Tickets, DSA	30,000
Expected budget for Output 1								100,000
Output 2: Evidence-Based Decision Making for Local development. Baseline: Database non-	1. <i>Development of Database Infrastructure (including website)</i>	X	X	X	UNDP/FGN	UNDP	Training, consultancy for web-site design and field visits for data gathering..	50,000

<p>existent, inadequate and obsolete IT equipment.</p> <p>Indicators:</p> <ul style="list-style-type: none"> - Available website for the Ministry of Special Duties and Inter-Governmental Affairs - Activities of Ministry on web-site; - Information on LGA activities published. - IT equipment procured. <p>Targets:</p> <ul style="list-style-type: none"> - 	<p>2. Purchase of IT equipment (Computers, Printers, Photocopiers, etc)</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>UNDP/FGN</p>	<p>UNDP</p>	<p>Consultancies, workshops, trainings, procurement of equipment.</p>	<p>55,000</p>
					<p>UNDP/FGN</p>	<p>UNDP</p>	<p>Procurement, consultant</p>	<p>15,000</p>
Expected budget for Output 2								
<p>Output 3: Project Management.</p> <p>Baseline: Non-existence of operational guidelines and implementation manual, ineffective coordination between</p>	<p>1. Develop Programme Implementation Manual and related Operational Guidelines.</p> <p>2. Sensitisation workshop for Federal MDAs, with service delivery responsibilities, on coordination of intervention at LGA level</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>UNDP/FGN/Consultant</p>	<p>UNDP</p>	<p>Consultancy fees, Review workshop,</p>	<p>50,000</p>
			<p>X</p>	<p>X</p>	<p>UNDP/Federal MDAs</p>	<p>UNDP</p>	<p>Workshop. Consultants' fees</p>	<p>35,000</p>

MDAs.					X	X		3. Various project start-up meeting with States and LGAs	UNDP	Consultancies, meetings, implementation of agreeable PPP schemes.	40,000
Indicators:	- No. of MDAs in attendance at workshop.							5. Support to Ministry of Special Duties and Inter-Governmental Affairs for periodic monitoring activities of LGAs..	UNDP	Field Visits, DSAs, Transport allowance	25,000
	- Implementation Manual and operational guidelines in place.							6. Micro-Assessment of the Ministry of Special Duties and Inter-Governmental Affairs.	UNDP	Consultants	10,000
Expected budget for Output 3											160,000
Expected Programme Total											380,000