



# 00084531: Strengthening Participatory Federalism and Decentralization Project

## Annual Progress Report

January – December 2013

## PROJECT SNAPSHOT

Date:	March – December 2013			
Award ID:	00070684			
Project ID:	00084531			
Project Title:	Strengthening Participatory Federalism and Decentralization Project			
Project Start Date:	March 2013			
Project End Date:	December 2017			
Implementing Partner:	UNDP			
Responsible Parties:	Ministry of Inter-provincial Coordination, Council of Common Interest Secretariat, Inter-provincial Coordination and Local Govt. Departments, Civil Society Organizations, Forum of Federations, Universities			
Project Budget (all years):	\$15,685,751/-			
Core Resources:	\$1,500,000/-			
Non-Core Resources:				
Government contribution:				
Donor 1				
Donor 2				
Project Brief Description and Outputs: Strengthening Participatory Federalism and Decentralization (SPFD) is a multi-year, multi-tier, multi-sector and multi-actor project launched by UNDP - Pakistan against the backdrop of the 18th Constitutional Amendment (2010). The SPFD reads the 18th Amendment with governance, development and public policy lens and identifies strategic areas of intervention to facilitate transition management of democratic devolution at federal, provincial and local levels. The core objective of the Project is to develop policy support mechanisms and create institutional pathways leading to effective service delivery at the grassroots level.				
Overall Project Quality Rating (mark on the scale of 1 to 5 as per the following criteria):				
Exemplary (5) *****	<b>High (4)</b> ****	Satisfactory (3) ***	Poor (2) **	Inadequate (1) *
All outputs are rated High or Exemplary	<b>All outputs are rated Satisfactory or higher, and at least two criteria are rated High or Exemplary</b>	One output may be rated Poor, and all other criteria are rated Satisfactory or higher	Two outputs are rated Poor, and all other criteria are rated Satisfactory or higher	One output is rated Inadequate, or more than two criteria are rated Poor
Budget 2013	\$660,800			
Expenditure 2013	\$578,803			
Delivery %	87.6%			

## Table of Contents

1. Introduction.....	4
2. Situation Analysis.....	4
3. Project Performance and results .....	6
3.1 Contribution towards Country Programme Outcome.....	6
3.2 Progress towards Project Results/Outputs .....	7
4. Lessons Learnt .....	16
5. The way forward/ key Priorities for 2014.....	16
Annex: AWP based Reporting Matrix .....	18

## 1. Introduction

The 1973 Constitution of Islamic Republic of Pakistan consists of 12 Parts, 27 Chapters, 280 Articles and five Schedules. The 18th Amendment has reviewed 102 Articles. Additionally, 11 recommendations were also enunciated, which falls within the executive authority of the Government. The historic 18th Constitutional Amendment was passed unanimously by the National Assembly on April 8th, 2010 and by the Senate of Pakistan on April 15th, 2010. Subsequently, the Amendment was signed into law by the President of Pakistan on April 19th, 2010.

The 18th Amendment has not only revived but also re-oriented radically the democratic and federalist fundamentals of the State of Pakistan. The Amendment is believed to have brought about a set of comprehensive structural changes to guide and redefine the nature of governance in Pakistan. By restoring balance between the Federation and Provinces, the 18th Amendment has emerged as a landmark piece of legislation that could lead to a paradigm shift in Pakistan's mode of governance and constitutional architecture.

The Amendment, effected through cross-cutting political support, has unleashed the need for changes in the governance and development realms -- changes that are broad in scope, complex in detail and game-changing in their implications. The Amendment will have a profound impact on the way the country is governed and its economy is managed. The Amendment has massive implications on the overall allocation of subjects between the Federation and the Provinces, entailing a structural shift in the roles and responsibilities at the provincial level.

On the basis of gaps, deficits and needs noted in the process of implementation and transition management of the 18th Constitutional Amendment, UNDP-Pakistan has launched a dedicated project on "Strengthening Participatory Federalism and Decentralization (SPFD) in 2013. The project aims to inform, facilitate, support and optimize the process of policy formulation and implementation of transition-management at federal, provincial and grassroots levels. By bridging, essentially, the knowledge gap, SPFD intends assisting federal, provincial and local governments for developing, improving and operationalizing the systems, instruments, processes and mechanisms for improved policy formulation and implementation of decentralized service delivery in social sectors.

## 2. Situation Analysis

The general elections in May 2011 saw Pakistan Muslim League-Nawaz forming the Federal government. Even though the transition from one civilian to another civilian government has been seamless, there are certain elements in the new government that have been calling for the rollback of the 18<sup>th</sup> Constitutional Amendment. The proponents of the rollback have targeted the failure of provincial governments in improving service delivery, access to social services and management of devolved subjects as some of the reasons for the rollback.

However, it will be extremely difficult for the Federal government to even attempt such a massive reform considering that there will be significant opposition from other political parties. The opposition parties have already pushed the Federal Government to establish a Standing Committee in Senate to check for the implementation of 18<sup>th</sup> Constitutional Amendment and a three-member committee under the Prime Minister has been formulated to look at the implementation issues of the 18<sup>th</sup> Amendment.

The issue of elections and establishment of local governments is another key challenge confronting the provincial governments. Balochistan conducted their local government elections in December 2013; however, the remaining provincial governments are yet to conduct them. The provincial governments have been under immense pressure from the Supreme Court of Pakistan to conduct these elections. But with the change in the Chief Justice of Pakistan in December, it remains to be seen whether this pressure will continue on the provincial governments. The provincial governments have cited the issue of delimitation and public consultations as reasons for delaying the elections but it remains to be seen when these elections will be conducted in 2014. In case local government elections are not held, it could seriously impact the implementation of the third output of the Project.

### 3. Project Performance and results

#### 3.1 Contribution towards Country Programme Outcome<sup>1</sup>

CPAP Outcome: Strengthened decentralized governance			
Indicator(s):	Baseline:	Target(s):	Achievement(s):
1. Number of legislative reforms and capacity-building initiatives implemented that facilitate implementation of the 18th Constitutional Amendment	18th Amendment passed in 2010 and provinces to pass necessary legislation and reorganization to complete the process	Capacity assessment and reorganization of selected provincial departments supported; Research and advocacy for administrative and fiscal decentralization to local governments.	<ol style="list-style-type: none"> <li>1. Re-affirming commitment of all political parties on the ownership of the 18<sup>th</sup> Constitutional Amendment to enhance its implementation and prevent rollback</li> <li>2. Trainings on transition and devolution management conducted of provincial bureaucracy to build their capacities in effectively managing devolved subjects</li> <li>3. Increased awareness about the impact and consequences of 18<sup>th</sup> Constitutional Amendment amongst key stakeholders</li> <li>4. Assisting provincial government (Balochistan) in effectively utilizing the spaces and opportunities available for maximizing returns of the 18<sup>th</sup> Amendment through the establishment of the Chief Minister Policy Reform Unit</li> </ol>

<sup>1</sup> Outcomes describe the intended changes in development conditions that result from the interventions of governments and other stakeholders, including international development agencies such as UNDP. They are medium-term development results created through the delivery of outputs and the contributions of various partners and non-partners. Outcomes provide a clear vision of what has changed or will change globally or in a particular region, country or community within a period of time. They normally relate to changes in institutional performance or behavior among individuals or groups. Outcomes cannot normally be achieved by only one agency and are not under the direct control of a project manager.

Description of output level high/outcome level results achieved in 2013:

Strengthening Participatory Federalism and Decentralization Project has worked with key stakeholders to assist both the Federal and Provincial Governments in operationalizing the frameworks and forums available to them for benefitting from the dividends of the 18<sup>th</sup> Constitutional Amendment. The Project partnered with the Secretariat of the Council of Common Interests to not only build their capacity but to raise awareness about their role at the provincial levels in order to enhance its effective utilization. The Balochistan government was supported by SPFD Project with the sole purpose of assisting them in using the spaces available to them after the 18<sup>th</sup> Amendment effectively. The establishment of the Chief Minister's Policy Reform Unit in Quetta is with that purpose in mind and is assisting provincial government departments in making the necessary policies, frameworks and structures.

The drive towards the establishment of local government in provinces saw the SPFD Project supporting district consultations in Khyber Pakhtunkhwa on the new proposed law. The consultations provided local grass root stakeholders with an opportunity to raise their voice and provide their feedback on the law. This unique exercise resulted in local leaders feedback incorporated in the local government law. Civil society organizations, academia, and citizens were engaged by the Project through a variety of mediums (Conferences, Fellowships, Research Grants, Events) to raise awareness about the 18<sup>th</sup> Amendment, conduct policy advocacy for operationalizing of Right to Information Laws, and encourage research on issues of federalism and devolution in Pakistan.

Means of Verification

- Annual Progress Report
- Conference Report
- Local Government Consultations Report
- Right to Information Briefing Paper

### 3.2 Progress towards Project Results/Outputs<sup>2</sup>

Project Output I:

Secretariat of Council of Common Interests is capacitated for effective management of shared responsibilities

Indicator(s):	Baseline:	Target(s):	Achievement(s):
1) Capacity of IPC at federal and provincial department is enhanced	1) Weak capacity of CCI secretariat and some IPC Departments 2) Lack of	1. Hosting International Conference on	1. International Conference on Participatory Federalism and Decentralization: From Framework to Functionality is successfully conducted in

<sup>2</sup> Outputs are short-term development results produced by project and non-project activities. They must be achieved with the resources provided and within the time-frame specified (usually less than five years).

	<p>institutional knowledge and capacity of newly assigned functions/subjects to various government departments and hence weak ability of these departments to report on international commitments</p>	<p>Federalism &amp; IGR 2. Training IPC &amp; CCI Secretariat Staff in IGR &amp; IT Skills</p>	<p>Islamabad from 25-27 September, 2013. 2. Training of 90 IPC Ministry Staff in basic IT Skills is conducted in Islamabad 3. Training of 40 inter-departmental focal persons on transition management and 18<sup>th</sup> Amendment is conducted in Balochistan</p>
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Description of output level results achieved in 2013:

**International Conference on Participatory Federalism and Decentralization: From Framework to Functionality:** SPFD Project, Ministry of Inter-Provincial Coordination, the Forum of Federations, the Higher Education Commission, and the Inter-University Consortium on the Promotion of Social Sciences jointly organized an International Conference “Participatory Federalism and Decentralization: From Framework to Functionality” in September, 2013. The conference focused on developing and sharing knowledge base on participatory federalism, inter-governmental relations, decentralization, local government and inclusive governance with focus on the 18th Constitutional Amendment. It provided an interface between research community and policy forums including political parties and civil bureaucracy at federal and provincial levels for informed and effective transition management of devolution. The conference also had parallel sessions dedicated to unbundling of key constitutional provisions including Right to Information (Article 19-A), Right to Fair Trial (Article 10A), Right to Education (Article 25A), and Joint-Resource Sharing of Natural Resources (Article 172).

**Strengthening the Secretariat of the Council of Common Interests:** The Ministry of Inter-Provincial Coordination is currently serving as the Secretariat of the CCI. SPFD Project conducted basic IT skills development training of 90 Ministry of IPC Staff. The purpose of the IT training was to guide the IPC Staff in using IT equipment to ensure better documentation of CCI decisions/summaries and provide them with a basic skill set that will be required next year in using Devolution Management Information System (DMIS). It is also pertinent to note that with the support of the Brazilian government a series of video conference calls will be held in the early part of 2014 to share their experiences of managing a Federation and ensuring effective Inter-Governmental Relations. The interaction will provide the CCI Secretariat Staff with much-needed training and guidance on how to effectively manage the CCI forum and coordinate with the provinces.

**Training of Inter-Departmental Focal Persons in Balochistan:** SPFD Project in collaboration with the Chief Ministers Policy Reform Unit conducted training of the 40 inter-departmental focal persons on devolution and transition management in Balochistan. This was the first-of-its-



<p>kind training in the province which provided the provincial bureaucracy with an opportunity to not only discuss the challenges and issues confronting them in implementation of the 18<sup>th</sup> Constitutional Amendment but also gave them an opportunity to interact with leading experts on the subject. The resource persons for the training included Chief Minister Balochistan, Senator Raza Rabbani, former Secretary of IPC Division and Implementation Commission, current Senior Joint Secretary of IPC and Secretary IPC Balochistan. The two-day training was instrumental in making the provincial government realize their responsibilities under the 18<sup>th</sup> Amendment and avenues available to them to maximize returns from it.</p>				
<p>Overall Output Status (mark the output on the scale of 1 to 5 as per the following criteria):</p>				
<p>Exemplary (5) *****</p>	<p>High (4) ****</p>	<p>Satisfactory (3) ***</p>	<p>Poor (2) **</p>	<p>Inadequate (1) *</p>
<p>The project is expected to over-achieve targeted outputs and/or expected levels of quality, and there is evidence that outputs are contributing to targeted outcomes</p>	<p>The project is expected to over-achieve targeted outputs and/or expected levels of quality</p>	<p>The project is expected to achieve targeted outputs with expected levels of quality</p>	<p>The project is expected to partially achieve targeted outputs, with less than expected levels of quality</p>	<p>Project outputs will likely not be achieved and/or are not likely to be effective in supporting the achievement of targeted outcomes</p>
<p>Means of Verification :</p> <ul style="list-style-type: none"> <li>• Report of the International Conference</li> <li>• IT Trainings Manual</li> <li>• Transition Management: Lessons Learned in Balochistan Report</li> </ul>				

<p>Project Output II: Business processes of provincial governments for managing devolved subjects are streamlined</p>			
<p>Indicator(s): 1) Development of Amended Rules of Business to streamline departmental responsibilities 2) Establishment of CMPRU</p>	<p>Baseline: (1) Provincial departments dealing with devolved subjects are tackling with additional workloads and progress on legal, administrative, policy and fiscal domains remain slow. (2) Knowledge base and skill set of government officials at mid to</p>	<p>Target(s): • Conduct Initial Assessment of SIGOB • Conduct Review of Rules of Business • Develop technical summaries for submission to CCI</p>	<p>Achievement(s): 1. Chief Minister's Policy Reform Unit has been established in Balochistan with all the key staff hired. 2. Two summaries have been submitted to CCI Secretariat from Balochistan for resolution of outstanding issues 3. CMPRU is assisting the provincial government in organizing the Balochistan Development Forum, Review of Rules of Business and developing the five-year Core Programme</p>

	senior levels needs to be enhanced given the new constitutional framework		
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Description of output level results achieved in 2013:

**Balochistan Chief Ministers Policy Reform Unit:** The Government of Balochistan and SPFD Project have signed an agreement to establish the CM Policy Reform Unit. The Unit will be focused on providing technical assistance, generating requisite analyses and facilitating policy research to develop the post-18th Amendment policy and institutional frameworks for effective transition management. The unit will also be responsible for studying the legislative, institutional and fiscal spaces provided to Balochistan by the constitutional reforms. Dr. Kaiser Bengali, who served as a member of the 7th NFC Award, is currently heading the unit and is assisted by Dr. Ishaque Baloch, Vice President National Party, as the Policy Coordinator. CMPRU is currently assisting the provincial government in organizing the Balochistan Development Forum, developing the five-year core programme, reviewing rules of business and conducting trainings of provincial bureaucrats on transition management.

Overall Output Status (mark the output on the scale of 1 to 5 as per the following criteria):

Exemplary (5) *****	High (4) ****	Satisfactory (3) ***	Poor (2) **	Inadequate (1) *
The project is expected to over-achieve targeted outputs and/or expected levels of quality, and there is evidence that outputs are contributing to targeted outcomes	The project is expected to over-achieve targeted outputs and/or expected levels of quality	<b>The project is expected to achieve targeted outputs with expected levels of quality</b>	The project is expected to partially achieve targeted outputs, with less than expected levels of quality	Project outputs will likely not be achieved and/or are not likely to be effective in supporting the achievement of targeted outcomes

Means of Verification

- Notification issued by Government of Balochistan to establish CMPRU
- CMPRU established in office space provided by Planning & Development Department

Project Output III:

Participatory development planning at three tiers of local government is integrated

Indicator(s): (1) Local government laws in all provinces are in line with constitutional principles, and have a strong element of citizens' engagement.	Baseline: (1) All provinces have drafted their LG Laws. (2) Citizens' demand for local government and citizens'	Target(s): 1. Conduct District Consultations in KP on the new law, 2. Govt.	Achievement(s): 1. District Consultations on the new local government law were conducted in 4 regions of Khyber Pakhtunkhwa with all key stakeholders at the grassroots level 2. Minister for Local Govt. and
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Targets:	feedback on key social services is well documented through 2011-2012 Social Audit of Local Governance and Delivery of Public Services.	agreement on establishment of LG Support Unit in KP	Secretary of Local Govt. Department in KP have agreed to set up a Support Unit. 3. Consultation on the Federal Capital Local Government Law was conducted in Islamabad to highlight its issues and challenges in implementation.
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Description of output level results achieved in 2013:

**District Consultations on Local Government Law in Khyber Pakhtunkhwa:** SPFD Project in collaboration with Akhtar Hameed Khan Resource Center organized a series of district consultations on the new Local Government law in Khyber Pakhtunkhwa. The purpose of the consultations was to engage political parties, civil society organizations, public opinion makers, and academia in discussing the new government law and suggest specific recommendations to the provincial government. The consultations were conducted in Dera Ismail Khan, Abbottabad, Swat and Peshawar. Some of the key discussion points included election at the Village and Neighbourhood Council level should be on party basis, District Finance Commission should be constituted to decentralize the fiscal distribution of revenue, and a formula-based fiscal transfer mechanism ought to be established for the division of Provincial Consolidated Fund between the province and the local governments with the inclusion of new variables of conflict and disaster vulnerability and inverse density.

Overall Output Status (mark the output on the scale of 1 to 5 as per the following criteria):

Exemplary (5) *****	High (4) ****	Satisfactory (3) ***	Poor (2) **	Inadequate (1) *
The project is expected to over-achieve targeted outputs and/or expected levels of quality, and there is evidence that outputs are contributing to targeted outcomes	<b>The project is expected to over-achieve targeted outputs and/or expected levels of quality</b>	The project is expected to achieve targeted outputs with expected levels of quality	The project is expected to partially achieve targeted outputs, with less than expected levels of quality	Project outputs will likely not be achieved and/or are not likely to be effective in supporting the achievement of targeted outcomes

Means of Verification

- Report on District Consultations conducted in Khyber Pakhtunkhwa

Project Output IV:

Multi-stakeholder forums on policy audit, transparency and accountability at federal, provincial and local governments levels are established and activated

Indicator(s):	Baseline:	Target(s):	Achievement(s):
<p>(1) Right to Information laws are formulated at federal and provincial levels</p> <p>(2) Strengthen platforms for women and youth to participate and advocate on public policy issues</p> <p>(3) Enhance Academic Research on Devolution, Federalism and Decentralization</p> <p>Targets:</p>	<p>Baseline:</p> <p>(1) 18th Amendment has granted citizens' constitutional right to information.</p> <p>(2) Right to Information laws have not yet been passed by any of the provinces.</p> <p>(3) CSOs and media have not internalized the impact of this new constitutional right to information.</p>	<p>1) Constitutional literacy materials are designed</p> <p>2) Operational Manual on CCI &amp; Local Govt. is developed</p> <p>3) 12 fellowships awarded to public university students</p>	<p>1) Successfully hosted a Conference on Operationalization of Article 172(3)</p> <p>2) Developed and published an Operational Manual on Council of Common Interests for Government Functionaries</p> <p>3) Conducted stakeholder consultations on Right to Information laws at Federal and Provincial Levels</p> <p>4) 12 fellowships on federalism have been awarded to public university students</p> <p>5) Conducted a Political Parties Dialogue on Federalism to re-affirm commitment to 18<sup>th</sup> Amendment</p>
<p>Description of output level results achieved in 2013:</p> <p><b>Operationalization of Article 19-A (Right to Information):</b> SPFD Project has been actively advocating with the provincial governments in drafting and operationalizing the Right to Information (RTI) Laws. SPFD Project has organized provincial and Federal consultations on the Right to Information Laws. The Stakeholder's Consultation on Article 19 – A in Islamabad was conducted in collaboration with the Center for Civic Education on 31st October at Marriott Hotel, Islamabad. The consultation had presentations from the Provincial and Federal Information Secretaries on the current status of the RTI Law. As a follow up to this event, stakeholder consultations will be conducted in each provincial capital in January &amp; February 2014 to advocate with the provincial government on operationalizing the RTI Law.</p> <p><b>HEC – UNDP Fellowship on Federalism:</b> SPFD Project in collaboration with the Higher Education of Pakistan has launched the HEC-UNDP Fellowships on Federalism for the Academic year 2013-14. Twelve fellowships have been awarded to final year MPhil students who want to conduct their research on (i) Federalism &amp; Inter-Governmental Relations in Pakistan, (ii) 18th Constitutional Amendment, (iii) Fiscal Federalism and (iv) Decentralization &amp; Local Govt. in Pakistani HEC recognized Universities/Degree Awarding Institutes.</p>			

**Policy Dialogue Future of Federalism and Democratic Devolution in Pakistan:** A Policy Dialogue with Political Parties on the “Future of Federalism and Democratic Devolution in Pakistan” was organized in August by Centre for Civic Education Pakistan (CCEP) and Strengthening Participatory Federalism & Decentralization Project in Islamabad. The dialogue was held in order to understand the standpoints of political parties at the driving seat and to explore the areas of policy convergence on federalism and devolved governance. The participants at the dialogue had a consensus that any attempt to reverse any provision of the 18th Constitutional Amendment would be resisted by all political parties representing the interests of smaller provinces, minorities and marginalized communities. It was also suggested that a parliamentary committee or commission with representation from all political parties should be established preferably under the chairmanship of Raza Rabbani to have oversight and watchdog role for the compliance of the 18th Amendment in letter and spirit.

**Operationalization of Article 172 (3):** The issue of resource sharing and control over natural resources has been a long-standing source of conflict and contest between the federal and the provincial governments. Prior to the 18th Amendment, the federal government exercised control over these natural resources and was responsible for its institutional, regulatory, legislative and operational arrangements. The addition of Article 172(3) in the Constitution through the 18th Amendment has changed the locus standi of the regulatory, institutional and legislative frameworks for sharing of natural resources. Under the new clause, the federal and the provincial governments would ‘jointly and equally’ share mineral, oil and natural gas resources located within the provinces or in adjacent territorial waters.

The passage of the 18th Amendment, however, has changed little in terms of the regulatory, institutional and management arrangements of natural resources. The two-day Conference on ‘Operationalizing the joint and equal ownership of Oil and Gas Resources’ provided all the relevant stakeholders a forum to discuss the issues, challenges and opportunities brought forth by Article 172 (3). The Conference sessions looked at exploring legal interpretations, institutional implications, repercussions on policy and frameworks, managerial control and financial questions of revenue sharing of natural resources. The discussions of the Conference have led to both the Sindh and Balochistan governments to initiate work on developing their roadmaps for effective implementation of Article 172(3) leading to joint and equal ownership of minerals, oil and gas.

**Course on Federalism:** The 18th Constitutional Amendment was nothing short of a legislative revolution, and the most significant move towards the consolidation of democratic federalism in Pakistan’s history. Yet, there is a lack of public awareness about this historical constitutional development and few understand what federalism and decentralization mean for Pakistan. Even more alarming is how the core concepts of federalism and decentralization are sparsely taught

at the University level in the disciplines of Political Science, Pakistan Studies, Public Administration and Law. Where they are taught, courses are generally tailored around the historical narrative of grievances and lack comparative knowledge about other federally organized countries. In order to address these deficits and explore possibilities for teaching contemporary constitutional federalism, the SPFD Project collaborated with the Centre for Civic Education to organize a five day course for academia on Federalism. Twenty young scholars and faculty members from various public & private universities from all four provinces of Pakistan and Islamabad participated in the course, bringing with them a diverse set of opinions and experiences to allow for enriching, meaningful interactions and exchange of ideas. The course on Pakistani Federalism and Decentralization is part of SPFD Project aim at providing support for the implementation of the 18th Amendment by informing, facilitating, and optimizing the process of transition management at federal, provincial and grassroots levels. It focussed on the concepts, issues and policy options for federalism and decentralization in Pakistan with suggested methodology for embedding these concepts in existing university courses or introducing new courses on the subject at host universities. Renowned academics, policy practitioners and subject specialists including Dr. Syed Jaffar Ahmed, Dr. Muhammad Waseem, Dr. Pervez Tahir, Dr. Saeed Shafqat, Ms. Asma Faiz, Mr. Amjad Bhatti, Mr. Shahzad Iqbal, Mr. Zafarullah Khan and Mr. Ahmed Mahmood Zahid formed the faculty for this course. Participants dissected the issues highlighted by the faculty in interactive sessions.

**Operational Manual of Council of Common Interests:** SPFD Project partnered with the Center of Civic Education to develop an Operational Manual of Council of Common Interests. The Operational Manual is essentially a guide for all government functionaries to enhance their understanding on the roles, responsibilities, jurisdiction and workings of the CCI. The Operational Manual is part of the training manual that is being prepared by the Project to conduct trainings of Inter-departmental focal persons and Inter-Provincial Coordination departments to improve their understanding of the role of the CCI. It will enable these provincial government representatives to utilize and access the CCI forum more effectively in the long-run.

Overall Output Status (mark the output on the scale of 1 to 5 as per the following criteria):

Exemplary (5) *****	High (4) ****	Satisfactory (3) ***	Poor (2) **	Inadequate (1) *
The project is expected to over-achieve targeted outputs and/or expected levels of quality, and there is evidence that outputs are contributing to targeted outcomes	The project is expected to over-achieve targeted outputs and/or expected levels of quality	The project is expected to achieve targeted outputs with expected levels of quality	The project is expected to partially achieve targeted outputs, with less than expected levels of quality	Project outputs will likely not be achieved and/or are not likely to be effective in supporting the achievement of targeted outcomes

Means of Verification

- Stakeholder Consultations
- Political Policy Dialogue
- Operational Manual on CCI
- Digital Reader on Federalism

- Conference Report of Article 172(3)

## 4. Lessons Learnt

Strengthening Participatory Federalism and Decentralization Project was in its initiation phase in 2013. There are no project evaluations planned under the completion of the first phase of the project in 2015. However, the implementation of project activities did yield certain key lessons learnt for the project:

- Partnerships with Public Universities require greater handholding and support from the Project to ensure that the events/activities planned are completed as desired.
- All political parties need to be engaged with in achievement of project activities otherwise there is a risk of irking a specific political party that could jeopardize future project activities.
- Engagement with stakeholders at the grassroots level is essential for complete ownership of project activities.
- A follow-up of all trainings conducted is essential to evaluate and understand the impact of all such activities conducted. It is difficult to ascertain their impact at the completion of the training unless the staff trained has had a chance to use those learned skills.

## 5. The way forward/ key Priorities for 2014

In 2013, Strengthening Participatory Federalism and Decentralization Project focused on establishing key partnerships, re-engineering and designing the five-year programme, and conducting strategic events/activities to ensure the effective launch of the Project. The focus for 2014 is going to be on building on these key partnerships especially with government counterparts, civil society organizations and academia to support the implementation of project activities across Pakistan. The key priorities for 2014 would include:

- With the local government elections being conducted in the provinces in 2014, the focus of the project would shift towards supporting the provincial governments in training the newly-elected local government functionaries to enable them to perform their duties effectively.
- Capacity Building through training of inter-departmental staff (including Inter-Provincial Coordination departments) will continue to be a priority area for the SPFD Project. The purpose of such trainings is to help the provincial governments in realizing the true gains of devolution.
- The effective functioning of the Chief Minister's Policy Reform Unit in Balochistan will be another key priority of the Project. CMPRU has nine key deliverables that need to be achieved in 2014 and SPFD Project will ensure that these deliverables are achieved.



- Finally, Constitutional Literacy, academic research and policy advocacy on issues of federalism and decentralization will continue to be mainstreamed in all project activities.

## Annex: AWP based Reporting Matrix

<b>EXPECTED OUTPUTS</b> <i>And baseline, associated indicators and annual targets</i>	<b>PLANNED ACTIVITIES (as per AWP)</b>	<b>Activity Status</b> <i>Completed, Ongoing, Delayed, Cancelled</i>	<b>AWP Budget (\$)</b>	<b>Expenditure (\$)</b>	<b>% Delivery</b>
<b>Secretariat of Council of Common Interests is capacitated for effective management of shared responsibilities</b> Baseline: 1) Weak capacity of CCI secretariat and some IPC Departments 2) Lack of institutional knowledge and capacity of newly assigned functions/subjects to various government departments and hence weak ability of these departments to report on international commitments  Indicators: 1) Capacity of IPC at federal and provincial department is enhanced  Targets: 1. Hosting International Conference on Federalism & IGR 2. Training IPC & CCI Secretariat Staff in IGR & IT Skills	1. Activity: International Conference on Participatory Federalism and Decentralization	Completed	138,000	116,568	84.5%
	2. Activity: Training & Capacity Building of IPC	Completed	35,000	19,798	56.6%

<p><b>Business processes of provincial governments for managing devolved subjects are streamlined</b>                  Baseline:                  (1) Provincial departments dealing with devolved subjects are tackling with additional workloads and progress on legal, administrative, policy and fiscal domains remain slow.                  (2) Knowledge base and skill set of government officials at mid to senior levels need to be enhanced given the new constitutional framework</p> <p>Indicators:                  1) Development of Amended Rules of Business to streamline departmental responsibilities                  2) Establishment of CMPRU</p> <p>Targets:                  • Conduct Initial Assessment of SIGOB                  • Conduct Review of Rules of Business                  • Develop technical summaries for submission to CCI</p>	<p>1. Activity: Balochistan Chief Minister's Policy Reform Unit is set up and functional</p>	<p>Completed</p>	<p>52,000</p>	<p>33,878</p>	<p>65.2%</p>
<p><b>Promoting representative and participative Local government</b></p>	<p>1. Activity: Establishment of Local Govt. Support Unit in Khyber Pakhtunkhwa</p>	<p>Delayed</p>	<p>5,000</p>	<p>0</p>	<p>0</p>

<p><b>structures to enhance public service delivery</b>                  Baseline (1) All provinces have drafted their LG Laws.                  (2) Citizens' demand for local government and citizens' feedback on key social services is well documented through 2011-2012 Social Audit of Local Governance and Delivery of Public Services.</p> <p>Indicators: (1) Local government laws in all provinces are in line with constitutional principles, and have a strong element of citizens' engagement.                  Targets: 1. Conduct District Consultations in KP on the new law, 2. Govt. agreement on establishment of LG Support Unit in KP</p>	<p>2. Activity: Public Consultations on Draft Law in Khyber Pakhtunkhwa</p>	<p>Completed</p>	<p>21,000</p>	<p>17,217</p>	<p>82%</p>
<p><b>Enhancing social accountability and public awareness on federalism and decentralization</b>                  Baseline:                  (1) 18th Amendment has granted citizens' constitutional right to information.                  (2) Right to Information laws have not yet been passed by any of the</p>	<p>1. Activity: Constitutional Literacy Campaign</p>	<p>Completed</p>	<p>30,000</p>	<p>32,380</p>	<p>107.9%</p>
	<p>2. Activity: UNDP Fellowship on Federalism</p>	<p>Completed</p>	<p>26,500</p>	<p>25,948</p>	<p>97.9%</p>
	<p>3. Activity: Engagement with Centre for Civic Education (Faculty Course, Operational Manual, Policy Dialogue, RTI, Citizens Wire)</p>	<p>Completed</p>	<p>75,000</p>	<p>72,406</p>	<p>96.54%</p>
	<p>4. Activity: Stakeholder Consultations on RTI</p>	<p>Ongoing</p>	<p>35,000</p>	<p>21,241</p>	<p>60.7%</p>

<p>provinces.                  (3) CSOs and media have not internalized the impact of this new constitutional right to information.                  Indicators:                  (1) Right to Information laws are formulated at federal and provincial levels                  (2) Strengthen platforms for women and youth to participate and advocate on public policy issues                  (3) Enhance Academic Research on Devolution, Federalism and Decentralization                  Targets:                  1) Constitutional literacy materials are designed                  2) Operational Manual on CCI &amp; Local Govt. is developed                  3) 12 fellowships awarded to public university students</p>	<p>5. Activity: Journalists Training on Governance/Development Reporting</p>	<p>Delayed</p>	<p>7,000</p>	<p>0</p>	<p>0</p>
<p>TOTAL</p>			<p>\$424,500</p>	<p>\$339,436</p>	<p>80%</p>