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UNDP Country Office Skopje

Minutes of Meeting – Local Project Appraisal Committee

Meeting date: 23 November 2018

Project Title: Building Municipal Capacities for Project Implementation

1. Attendance

Name	Title
LPAC Chair	
Narine Sahakyan	Resident Representative
LPAC Members	
Emil Angelov	Program Analyst, Democratic Governance Unit
Urim Kasapi	Program Analyst, Social Inclusion Unit
Dimitar Sekovski	Program Analyst/Project Manager, Energy and Environment Unit
Jasmina Belcovska Tasevska	Innovation and Monitoring & Evaluation Associate
Sandra Ismanovski	Communication Officer
Zoran Samardziev	Operations Manager
Biljana Cvetanovska Gugoska	Project Manager, Democratic Governance Unit
Ilmiasan Dauti	Project Manager, Democratic Governance Unit

2. Project Proposal presented by:

Emil Angelov, Program Analyst, Democratic Governance Unit

3. General introduction

Mrs. Sahakyan opened the meeting and went over the nature of the meeting acknowledging creative contributions from program staff, as well as contributions by operations staff to maintaining compliance. Current format of the LPAC includes only UNDP Programme, Operations and project staff but it might be reconsidered in the future on order to provide an opportunity to include beneficiaries and/or partners in the LPAC meetings.

4. Building Municipal Capacities for Project Implementation

The project addresses the need of national institutions and municipalities to strengthen their capacity to prioritize, formulate and implement development projects, in order to extract tangible benefits from funds available to municipalities from the central government, the European Union (EU) and international financial institutions and other donors. The challenges the project will focus on are: lack of reliable and comparable municipal-level statistical data; ill-equipped and inadequately structured municipal administration to plan,



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design and implement development policies; and lack of up-to-date urban plans and technical documentation to seize development opportunities.

The Project Outputs are:

Output 1: Creation of a clear and simple index of municipal development. This index will serve as an instrument of local development policy by helping authorities at all levels plan and distribute development funds to promote balanced socio-economic growth and facilitate the monitoring of development progress. The index will also contribute to an enrichment of regional development policy, by helping to refine the current methodology for measuring regional disparities in development and to understand and address disparities between and within the country's eight planning regions;

Output 2: Functional analysis of the local governance system to enhance development capacity. The analysis will pinpoint structural changes that could help municipalities to do better job on local development initiatives and capture the new opportunities that will arise during the EU accession process. To take a systemic approach, this component will also include a functional analysis of the Ministry of Local Self-Government (MLSG); and

Output 3: Establishment of a "technical documentation fund" for local development projects. The Fund would provide the financial resources that less-developed municipalities need in order to undertake necessary preparatory work (including urbanization plans) for development projects that are eligible for EU, state or donor funding, either through direct grants or low-interest loans. This fund would focus its efforts on the municipalities that are least equipped to perform these functions on their own, with support provided through all phases: project design, prioritization, application and implementation.

The Project shall be implemented through Direct Implementation Modality (DIM), whereby UNDP takes on the role of Implementing Partner. In this modality UNDP assumes overall management responsibility and accountability for project implementation.

The UNDP Country Office will be responsible for developing and managing the project, as well as ensuring that the project results are delivered as planned and that the project resources are used efficiently and effectively.

Letter of Request for Support in creating a Municipal Development Index has already been received from the MLSG.

A Project Board (PB) will be established as the main body responsible for providing overall direction and guidance to the project. It will consist of representatives from the MLSG, the SIDA, the ZELS, Ministry of Information Society and Administration (MISA) and the UNDP Country Office. The PB shall be responsible for making management decisions by consensus when guidance is required from the Project Manager, including approval of project work plans and revisions. To ensure UNDP's ultimate accountability PB decisions shall be made in accordance with standards that ensure management for development results, best value for money, fairness, integrity, transparency and effective competition. In case a consensus cannot be reached within the Board, the final decision shall rest with the UNDP Resident Representative. The Project Board shall endorse the Annual Work Plans (AWP), review and endorse quarterly project plans when required, and authorize any major deviation from the agreed quarterly plans.

5. SUMMARY OF LPAC MEMBER COMMENTS / REVIEW OF THE QA ASSESSMENT

- The project is fully supported by the PAC members, subject to revision as per the comments given at the LPAC meeting to be integrated in the final project document.



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- Suggested to use the Quality-of-Life www.kvaz.mk platform, developed under Improving Municipal Governance project, as baseline for the development of the MDI, in order to save valuable time, avoid duplication of efforts, and secure synergy within UNDP projects and actions;
- Suggested to focus on the potential for enhancing benefit from similar cross-cutting coops, due to the comprehensive impact of project results;
- Suggested to prioritize the activities under the Technical Development Fund component on financing basic needs infrastructure, and then focus on more advanced project ideas where basic needs are secured.

A detailed comments log is annexed to the minutes.

6. Final LPAC recommendation:

Based on the review of the project documents shared prior to the meeting, and in line with the Project QA Assessment Report, the LPAC members found the project of sufficient quality to continue as planned and recommend its approval. The comments raised by the LPAC members will be duly addressed in the project document prior to their final approval and signature.

Prepared by: Marijan Djima, Project Assistant, UNDP Democratic Governance Unit

Cleared by: Emil Angelov, Programme Analyst, UNDP Democratic Governance Unit

LPAC minutes are approved by:
Chairperson of the meeting
Narine Sahakyan
Resident Representative

A handwritten signature in blue ink, appearing to read 'Narine Sahakyan', written over a horizontal line.



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Annex 1: Comments Log to the draft Project Document for the UNDP Project *Building Municipal Capacities for Project Implementation*

Comments from LPAC members	Response by Project Proposal Presenters
<p>1. The Quality-of-Life www.kvaz.mk platform developed under Improving Municipal Governance project is recommended as baseline for the development of the MDI in order to save valuable time, avoid duplication of efforts, and secure synergy within UNDP projects and actions. <i>(by Biljana Cvetanovska Gugoska)</i></p>	<p>Noted.</p>
<p>2. Should documentation for social inclusion infrastructure be financed, repurposing existing facilities should be approached with due care – as existing facilities had in most cases been developed outside of standards and requirements, any redevelopment may gravely affect the surrounding infrastructure. <i>(by Urim Kasapi)</i></p>	<p>Noted.</p>
<p>3. Following up on the cross-cutting issue, are there any other projects that the current proposal plans on linking up with and establishing joint benefit? <i>(by Ilmiasan Dauti)</i></p>	<p>Yes, the plan is to link this project with the ongoing activities for the project RELOAD led jointly by UNDP and EUD in order to achieve more efficient results. In addition, there is a plan to link this project with 'Empowering municipal councils', supplied by SDC and executed by UNDP. Coordination of delivery is planned to be aligned.</p>
<p>4. Why is every component of the Multiyear Workplan void of baselines? <i>(by Zoran Samardziev)</i></p>	<p>Baselines for this project's components are designed to be directly connected to the results from project research and analysis activities and shall hence be specified during the project's early stages, but not earlier. This is intentionally so – in order for the specific results targeted under each project component to be valid and contributing they must rely on specific measurable evidence of actual conditions. For that purpose, they must be acquired through valid methodologies, each as appropriate to the individual components. Those methodologies set the framework for the research and analysis activities under the project.</p>
<p>5. Gender and transparency are key for the Donor (<i>n.b. – Sida</i>). What</p>	<p>All project components, assessments and mapping exercises will include gender aspects by researching and analyzing disaggregated</p>



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<p>are the specific benefits in terms of the gender component? <i>(by Narine Sahakyan)</i></p>	<p>statistics, to identify the distinct needs and priorities for men and women. Within the first component, the Municipal Development Index will include gender-related indicators in line with the EU Gender Equality index, as well as the already existing methodology for preparation of Quality of Life reports.</p> <p>Furthermore, while conducting the functional analysis of municipalities, the project will closely rely on the requirements prescribed with the Law on Equal Opportunities between Men and Women and the Law on Local Self Government Units, thus enhancing gender equality at the local level. Additionally, to ensure that the technical documentation fund operates in a gender-sensitive fashion, the project will devote special attention to ensure that gender sensitive pre-assessment, impact assessment and monitoring and evaluation instruments are put into place.</p> <p>Gender mainstreaming will be effectively considered in all aspects of the implementation of the project including the development of the specific Terms of Reference for each of the foreseen services.</p>
<p>6. Has the project's environmental "footprint" been taken into consideration, and what shall be done to secure environmental sustainability of project results? <i>(by Dimitar Sekovski)</i></p>	<p>The overall context of the foreseen actions, the increased capacity to assume the obligations of the prospective EU membership at local level, includes addressing the capacity of local governance units to implement the EU legislation in the fields of environmental protection and climate change.</p> <p>This is deemed especially important and has been specifically carefully considered for the Technical Documentation Fund – namely, the intention is to design the TDF in such a way so as to promote those project ideas (studies, action plans and concrete investment projects) that would contribute to implementing the above mentioned environmental and climate-related legislation and policies, whereas sustainability of the projects will be one of the strongest issues to be taken into consideration.</p>

