

**Independent Outcome Evaluation of UNDP Myanmar's Outcome 1
(Local Governance Programme - 2013-2016)**

FINAL REPORT



Submitted by

Nicolas Garrigue, Team Leader

06 February 2017

Contacts

Nicolas Garrigue

E-mail: nicolas.garrigue@orange.fr

Mobile: (33) 6 99 40 11 86

Marla Zapach

E-mail: marzapach@gmail.com

Mobile: (01) 403 846 6627

U Kyaw Thu

Email: kyawthu.mba4@gmail.com

Mobile: (95) 95041514

ACKNOWLEDGEMENTS

The Outcome Evaluation Team would like to thank the UNDP Myanmar staff, and in particular Christian Hainzl, Pillar 1 Team Leader and his LGP team, and beneficiaries of UNDP programming in government, civil society, media, communities, as well as UNDP development partners and donors, and for sharing their experiences and challenges with us in such useful, frank and clear ways – and for all of their work to support people across Myanmar.

We also wish to show our particular appreciation to the professional and delightful assistance of Ms. Ni Ni Lwin, Area Office Coordinator for the South-East, who superbly organized our field visit to her region, and our interpreters, Dr. U Tin Maung Maung Ohn, Daw Nang Atai Li and Dr. Mya Mya Thet, who have shown great resourcefulness in translating difficult governance-related jargon into Bamar language and helped us benefit to the highest level most from all of the interviews conducted.

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	1
TABLE OF CONTENTS	2
ACRONYMS AND ABBREVIATIONS	3
EXECUTIVE SUMMARY	4
1. INTRODUCTION	7
1.1. Rationale and objectives of the outcome evaluation	7
1.2. Evaluation methodology	8
2. THE DEVELOPMENT CHALLENGE	8
2.1. General Overview	8
2.2. The local governance and local development context:	9
2.3. Development assistance to local governance & local development:.....	11
3. UNDP RESPONSE & CHALLENGES	11
3.1. Programme history	11
3.2. Outcome model and results framework.....	12
3.3. Output reviews	14
• Output 1	14
• Output 2	17
• Output 4	19
• Output 5	21
3.4. Challenges met during implementation.....	23
4. CONTRIBUTION TO OUTCOME-LEVEL RESULTS	25
4.1. Relevance	25
4.2. Effectiveness	28
4.3. Efficiency	41
4.4. Sustainability	47
4.5. Gender and Human-Rights Based Approach	50
4.6. Conflict sensitivity	53
5. CONCLUSIONS & RECOMMENDATIONS	54
5.1. Conclusions	54
5.2. Recommendations	56
• Recommendations for immediate action	58
• Recommendations for the future LGLD Programme	60
Annex 1: Bibliography	64
Annex 2. Achievements Tracking Table	65
Annex 3: List of Informants	73
Annex 4. Evaluation Matrix	75
Annex 5: Field Visit Itinerary	81
Annex 6 : Main Changes to the LGP RRF	82
Annex 7: Outcome Model (Post-Facto)	82
Annex 8 : Programme Expenditures per Activity Results.....	84
Annex 9 : LGP Staffing Table.....	85
Annex 10 : LGP Funding Sources.....	86
Annex 11: Contextual Threats & Opportunities to Sustainability.....	87

ACRONYMS AND ABBREVIATIONS

ACCU	Association of Asian Confederation of Credit Unions
ARCC	Administrative Reform Coordination Committee
AWP	Annual Work Plan
BCPR	Bureau for Crisis Prevention & Recovery
BDP	Bureau for Development Policy
CDF	Constituency Development Fund
CPAP	Country Programme Action Plan
CPD	Country Programme Document
CSO	Civil Society Organization
CBO	Community-Based Organization
DTA	Deputy Township Administrator
DSC	Development Support Committee (Township or Ward/Village Tract levels)
EAO	Ethnic Armed Organization
ER	Early Recovery
FRD	Financial Regulatory Department
GAD	General Administration Department
GoM	Government of Myanmar
HRBA	Human Rights Based Approach
IDA	Institutional Development Academy
INGO	International Non-Governmental Organization
IPRD	Information and Public Relations Department
JMC	Joint Ceasefire Monitoring Committee
LGLD	Local Governance & Local Development
LGP	Local Governance Programme
MDK	Mae Dow Kabar
MoBA	Ministry of Border Affairs
NSA	Non-State Actor
OEM	Outcome Evaluation Mission
PGMF	Pact Global Microfinance Fund
RRF	Results and Resources Framework
S/R	State / Region
S/RG	State / Regional Government
SRG	Self-Reliance Group
SSE	South-South Exchange
SSID	Small-Scale Industry Department
TA	Township Administration / Administrator (depending on context)
TDF	Township Development Fund
TLG	Township Leadership Group
TPIC	Township Planning & Implementation Committee
UCSB	Union Civil Service Board
UNEG	United Nations Evaluation Group
UNSF	United Nations Strategic Framework
W/VT	Ward / Village Tract
W/VTa	Ward/Village Tract Administrator

EXECUTIVE SUMMARY

1. This independent outcome evaluation mission (OEM) was commissioned by UNDP Myanmar to assess how far its Local Governance Programme (LGP, 2012-2017) has contributed to achieving the Country Program's Outcome 1: *Community-driven development institutions that support local governance in service delivery and inclusive growth, including agricultural development and enhancement of employment opportunities for men and women*. The OEM placed emphasis on assessing the relevance, effectiveness, efficiency, sustainability, gender sensitivity and human-rights based approach, and conflict sensitivity of the programme. The OEM also made forward looking recommendations for future programming opportunities in relation to the new CPD (2018-2021).

2. The OEM gathered evidence used to sustain its findings and recommendations from a desk review of over 60 documents, interviews gathering over 250 representatives from donors, government agencies, civil society, communities, development partners and UNDP staff, and visits to three States & Regions, as well as the Union capital. The OEM did not face any restriction in accessing the data it needed to build an inform assessment of the programme but, unfortunately, none of the individual outputs (or projects) under the LGP has been evaluated yet and therefore the OEM had to allocate a sizeable share of its work to output-level data collection and analysis.

3. The LGP was designed and implemented during a time of momentous change in Myanmar, featuring a triple transition process of state-building, nation-building and economic liberalization that has had great implications for local governance and local development (LGLD) in the country. Subnational institutions were encouraged by government to become people-centered in performing their functions, more space was given to increasingly vocal civil society and media actors for taking part in the management of local affairs and the government showed resolve in alleviating extreme poverty, especially in rural and cease-fire areas. Issues remained tough with the steadiness of policy orientations, the lack of rule of law, the limited outreach of the State in numerous areas, its siloed top-down structure and the high vulnerability of the country to natural and conflict-related risks. Tackling these structural challenges and applying effectively its human and natural resources is key if the country is to create a more equitable foundation for the future of its entire population.

4. The Local Governance Programme, or Pillar 1 of the Country Programme, was designed in 2012 as the successor of one of UNDP's longest and largest community development programme in history, the Human Development Initiative (HDI), that supported for 20 years the livelihoods of 6% of the population. The central idea of the LGP is to work on strengthening local institutions and civil society in a way that promotes sustainable and inclusive local development models and contribute to poverty reduction and social cohesion in Myanmar. After several rounds of modification since it started, the LGP is now organized around 4 outputs (local institutions, voice and participation, financial inclusion and livelihoods for social cohesion), has mobilized 72 m USD for a 5-year implementation span (2013 to 2017) and over its lifetime has been active in 11 States/Regions and 88 Townships. It is co-implemented with UNCDF and has established strategic partnerships with a few relevant government ministries and departments, cooperation with a number of State and Regional Governments, as well as various CSO, media and women's organizations networks.

5. The OEM notes that UNDP faced important challenges which have influenced the LGP performance, in particular the complexity of transitioning from the HDI and establishing strategic partnerships with government institutions unexperienced with international cooperation, the unpredictable and unstable nature of policy's decision in this transition context, the rigid and fragmented local governance landscape that requires localized approaches, Myanmar being a crisis-prone country, whether natural or man-made and the lack of predictable multi-year funding to sustain the programme's long-haul efforts.

6. **Relevance:** the LGP has been broadly relevant throughout to the main causal factors of poor local governance in Myanmar and supportive of government policies in this area. Its relevance to poverty alleviation needs, although practically limited in scope to financial inclusion, is also established. In spite of an initial design that was too optimistic with regards to the absorption capacity of country partners and UNDP's own implementation capacities, the LGP was in general able to adapt to challenges, maintain flexibility and seize emerging opportunities. The OEM notes that more efforts to inform the

programme design with a solid political economy and conflict analysis could have been exerted and that a conceptual framework built around a detailed theory of change would have allowed developing a more integrated approach between outputs and with other pillars and maybe limit the “scattering” of the programme between a large number of activities and locations. Eventually, a good part of the implementation was sketched as the programme went ahead, in a true “learning-by-doing” approach – which has also its advantages in a fluid context like Myanmar over the past five years.

7. Effectiveness: the LGP has provided multi-pronged responsive support to Myanmar in this time of transition and made positive contributions to the lives of hundreds of thousands of people, women and men, in rural communities across the country as well as in government or the broader civil society. UNDP made use of its comparative advantage as a neutral and trusted partner to empower local governance stakeholders in building a more constructive relationship between state and society at the sub-national level. The LGP has contributed to deepening understanding on citizens’ experience of local governance and service delivery and supported important policy decisions and the piloting of innovative approaches for increasing inclusive access to a range of administrative, social and financial services. Its support to integrated township development planning and discretionary funding is promising for achieving further progress in this area. The LGP has also demonstrated the value of inclusive community governance and livelihood support to engineer attitudinal changes necessary for achieving greater social cohesion, in particular among and towards youth and women; the programme has also contributed to raising awareness and capacities for dialogue, conflict sensitivity, social cohesion and peacebuilding. All these results can be considered as building blocks for gradually establishing a more responsive and accountable local governance and local development system in Myanmar.

8. For lack of detailed quantitative data, the OEM cannot make an informed statement on the LGP’s contribution to sustainable poverty reduction but the thoroughness of UNDP and UNCDF partnership in strengthening the financial inclusion sector in Myanmar needs to be commended, while more consideration could have been given to financial inclusion in ethnic States as well where poverty tends to be concentrated. The LGP did not produce significant results on employment and entrepreneurship, after it was decided early on to shed activities initially planned in this area for lack of strong competitive advantage of UNDP and need to focus available resources on issues more central to its core mandate.

9. Effectiveness in contributing to outcome-level change, including at policy level and on targeted geographical areas, has been negatively affected by the absence of an overall conceptual change model for the programme and the lack of an area-based delivery model, which was not considered in the programme document, but would have facilitated more cross-output synergies and better correlation of the various support provided to the supply and demand sides of LGLD. The OEM acknowledges that UNDP also had to respond to government and donor expectations that sometimes worked at cross-purpose with a more integrated implementation model.

10. Efficiency: resource and implementation management is considered satisfactory overall, taking into account the heavy burden of the transition from HDI and the uncertainties inherent to the transition context. With core funding used strategically to leverage donor support, resource mobilization targets were exceeded and UNDP excelled in delivering against annual targets. Programme-based funding has worked at cross-purposes to some extent with the necessity to support long-term change agenda but has allowed UNDP to keep steam into all four outputs throughout implementation, which was critical for higher-level results. More consistent results monitoring and a more streamlined programme governance would have allowed reporting more strategically on achievements and convince donors more efficiently of UNDP’s comparative advantage for all of the work achieved.

11. Sustainability: the genuine national ownership of actions undertaken by the LGP, the strong commitment of local stakeholders, the mobilization of national systems and structures and the tangible capacities built at individual and organizational levels are important signs pointing to the sustainability of results. Yet, UNDP could have identified more systematically sustainability-building measures and in particular sought to enlist a number of national intermediary support organizations, where available during the course of implementation, to assist with the replication of successful approaches and tools. The contribution of LGP results to broader change in the country’s development status is contingent on a gradual yet deep reform of the state machinery and to a genuine peace process. In addition, in a country

as exposed to various natural and human-made risks, sustainability is closely related to resilience and UNDP has not demonstrated a strong emphasis on this critical dimension in the LGP.

12. Gender and Human-Rights Based Approach: the LGP contributed to the realization of increasing access to local governance, services, networking and livelihood opportunities for women, despite considerable challenges faced in terms of cultural and traditional expectations of women's roles and responsibilities in society. By increasing the visibility of women in leadership positions, the LGP helped reduce negative stereotypes and increased women's confidence to develop and own their agendas and engagement plans. Yet, gender awareness and sensitivity are still at a nascent stage in Myanmar and remain a challenge to overcome; hence the good effort begun through the LGP should continue in future programmes and evolve also into the policy level in order to address the "concrete" ceiling limiting a real breakthrough in women's participation in local governance, whether as elected official, senior administration staff or citizen. Through supporting greater participation, inclusion and accountability in local development planning, local decision-making and service delivery, UNDP has supported the government in fulfilling its duty-bearer role. Attempts were made to target the most vulnerable in terms of poverty alleviation but assessment and analysis of vulnerability was not consistent enough across the programme to show a bigger impact on the lives of the most vulnerable.

13. Conflict Sensitivity: UNDP helped bring the broader theme of conflict sensitivity and social cohesion into the national capacity-building-for-development agenda. Beneficiaries are overwhelmingly supportive of UNDP's support in this area and able to articulate both behavioral and attitudinal changes. While use of the term peacebuilding has yet to become fully accepted in national discourse, the LGP did engage in this realm through supporting civil society mobilization, nurturing South-South Exchange with relevant regional comparative experiences and now supporting the emerging national infrastructure for peace. More specific linkages between the grassroots and capacities work on social cohesion and conflict sensitivity and peacebuilding would help donors better understand the strategic level of UNDP engagement. However, conflict-sensitivity, starting from thorough and standardized conflict analysis, was not applied evenly to all components of the LGP and there was not a consistent understanding of working both in and on conflict among outputs in order to ensure a 'do no harm' approach consistently across the programme and address the deeper inequality issues driving conflict.

14. Recommendations: the LGLD system in Myanmar is slated for momentous change in the coming years as government and society alike wish to unlock its potential for building local democracy, making growth more inclusive and enrooting peace and stability. Because of the tremendous knowledge accumulated, trust built and so far convincing results, UNDP has a strong advantage and value-added to continue accompanying the process of transforming local governance in the country, and multi-year funding has already been secured by UNDP to pursue current work on township development planning, financial inclusion and peace architecture. The OEM recommends that future programming be more focused on: (1) core local governance functions, or supply side of local governance, and including planning and financial management capacities, the institutionalization of effectual engagement mechanisms with non-state actors, with emphasis at the S/R and township levels; (2) strategic territorial development planning, aligned with SDG goals, strengthening resilience and rural-urban linkages, and supported by the necessary implementation and coordination capacities and tools in S/R Governments; (3) local governance for peacebuilding using UNDP's strategic comparative advantage on helping linkages between national and local peace infrastructures and on facilitated shared (mixed) local governance arrangements as a confidence-building measure in cease-fire areas. Finally, UNDP should continue and expand its support to women's meaningful participation in local governance and add a strong focus on youth participation as well, especially in conflict-affected areas.

15. UNDP's new local governance and local development programme would combine policy and strategic capacity development support, built on the current successful collaboration with GAD's training institute, and a number of S/R-based interventions along the model described above that would also provide the backbone for greater convergence, in approach and in geographic focus, with other components of the next country programme operating at the sub-national level. Strong partnerships with S/R governments, lean advisory capacity from UNDP on the ground and a greater use of national implementation partnerships are recommended to continue building national ownership and sustainability.

1. INTRODUCTION

1.1. Rationale and objectives of the outcome evaluation

The independent outcome evaluation of UNDP Myanmar's Local Governance Programme (LGP), or Pillar 1 of its Country Programme, seeks to determine how effective UNDP's support has been in building capacities and shaping processes of local governance systems in order to deliver access to better living conditions and livelihood opportunities for all Myanmar people and restore social cohesion in cease-fire areas. The evaluation is meant to help prepare the new phase or evolution of the LGP and provide recommendations to decide which of the four current focus areas of the programme could continue to be part of the upcoming Country Programme (2018-2021) and how.

The LGP is supposed to contribute to the following outcome – which is also Outcome 1 of the CPAP: *“Community-driven development institutions that support local governance in service delivery and inclusive growth, including agricultural development and enhancement of employment opportunities for men and women”*. As recommended in UNDP Guidance for Outcome-Level Evaluations,¹ the Outcome Evaluation Mission (OEM) sought to develop an explicit model of the outcome process and results, as there was none present in the existing programme. This was done through a participatory exercise with the LGP team and results are presented in Chapter 3.

According to the Terms of Reference (TORs), the objective of the evaluation was to assess and identify the following aspects:

- whether the portfolio strategy has been relevant and appropriate to promoting local governance, local development and social cohesion, and whether the direction and assumptions remain valid;
- whether the linkages proposed with other portfolios (environment & resilience and democratic governance) for achieving the outcome have been effectively mobilized and opportunities for maximizing inter-pillar synergies seized;
- whether the portfolio management and implementation have been effective to achieving sustainable results, and whether monitoring arrangements have been appropriate to measure progress and assess the portfolio structure currently in place;
- the relevance of the programme towards national priorities as they were expressed in 2013 and whether the programme remained relevant throughout its course in a context of rapidly evolving national priorities and context;
- clear guidance elements on which programme focus areas are the most strategic and relevant, and for which UNDP is positioned to effectively and efficiently support, in line with the vision and priorities of the new government; and
- lessons learnt to be taken into account for the new program formulation.

As the LGP involves a close partnership with UNCDF for the programme component relating to financial inclusion, and since results stemming from this Output 4 and delivered by the partnership are an integral part of the programme reporting and contribute its performance vis-à-vis achieving the outcome, the OEM reviewed Output 4 as one single effort of UNDP - UNCDF. Therefore, unless stated differently, all references in the report to “programme resources”, whether human or financial, include resources that both agencies have assigned to Output 4 of the LGP.

The intent of the evaluation was clear and the results framework provided sufficient measurable indicators to either verify results or identify gaps. The OEM had access to all necessary output-level documentation as well as had opportunities to speak directly with beneficiaries, implementing partners and other stakeholders in order to verify assumptions or seek clarification as necessary. There was no major hindrance to completing the evaluation. However, the OEM believes that this outcome evaluation would have gained from being conducted after full individual output evaluations,² and not the opposite, as the latter are now planned for 2017. Because of the unavailability of output-level evaluation evidence, the OEM had to spend a large amount of its time reviewing and analyzing output-level results, which impacted on the time left for outcome-level analysis. Also, it means that a certain amount of output-

¹ UNDP, 2011.

² Evaluations were only available for 3 activity results of two outputs out of a total of 12 activity results.

level data had to be included in this report since there was no readily available output evaluation evidence to be used, hence impacting on the report's length. Also, the evaluation exercise would have benefitted from visiting conflict-affected communities where some of the Outputs had a concerted peacebuilding focus, but which was not possible for security and time constraints. Nonetheless, the evaluation team is satisfied that the results presented are sufficiently deep and reliable to form conclusions to be used to design the next phase of programming.

1.2. Evaluation methodology

In terms of methodology, while an understanding of Output-level achievements was necessary, the thrust of the analysis effort was at the outcome-level and used the following approaches:

- Desk study of relevant documentation (see Bibliography in Annex 1)
- Review of indicators assigned to the outcome in the latest RRF, collected quantitative data for verification purposes and reviewed evaluations, meeting minutes and reporting for the Outputs and the pillar, in order to complete an updated Achievements Tracking Table shown in Annex 2.
- Interviews of 253 informants individually and in focus groups, both involved in and outside of the programme environment, to track qualitatively their perceptions of change in the different dimensions covered by the outcome definition. The list of informants is presented in Annex 3.
- Using an evaluation matrix examining criteria of relevance, effectiveness, efficiency, sustainability, gender & human rights, and conflict sensitivity (see Annex 4).

The OEM spent 4 weeks in Myanmar and did two field missions: one in the South-East (Mon & Kayin States) and Bago Region for one week, and one for 2 days in Nay Pyi Taw to meet with senior officials. The mission itinerary is shown in Annex 5.

In keeping with UNDP Guidelines, the OEM has endorsed findings of the Mid-Term Evaluation of the Country Programme Action Plan (CPAP), dated September 2015 and makes reference to these when relevant to the OEM's own findings.

2. THE DEVELOPMENT CHALLENGE

2.1. General Overview

The following section provides the main contextual elements in Myanmar's political and developmental context at the time of programme design (2011-2012) as well as the key evolutions that have taken place during its implementation, with a focus on areas directly relevant to UNDP's Pillar 1 priorities.

The LGP was designed at a time of momentous change in Myanmar, after the adoption of a new Constitution in May 2008 and the general elections in November 2010 followed by historic by-elections in 2012 that allowed for the first time since 1988, the return of the National League for Democracy (NLD) in the country's political institutions. Since then, Myanmar has been consistently described as undergoing a triple process of state-building, nation-building and economic liberalization. The shift from 50 years of military rule categorized by isolation, state control, exclusion, limited development and democratic stagnation has led to a new era of openness, bold political and economic reforms and tentative peace and stability. At stake, is the successful return of the country to the international fold and the wellbeing of more than 50 million people in a country still categorized as one of the 48 Least Developed Countries in the world.³

In terms of state-building, important political reforms happened after the 2010 elections and the installation of the country's first civilian government in decades, including the release of political prisoners, media liberalization, legislative reforms and greater space given to political and civic actors. The newly-established separation of powers is embodied by parliamentary bodies, at Union and State/Region levels, that have become more vibrant and influential in a few years, although there are concerns that new laws are being enacted without sufficient preparation and consultation with social and economic actors. The November 2015 general elections that saw an overwhelming victory for the NLD and the peaceful change of government that followed it in April 2016, confirmed the country's political

³ United Nations Committee for Development Policy, UNDESA, May 2016.

transition but also highlighted the contradiction posed by some basic tenets of the Constitution, in particular the continuing weight of the military establishment over the country's political life. Administrative reforms have been slower in taking shape overall than political reforms, and the slowness of the process has been accentuated since the recent change of government. Key directions for reforming the public administration and civil service, including for greater deconcentration and decentralization, are still to be established and a train of implementation measures put in motion.

In terms of nation-building, which is intrinsically linked to peacebuilding and finding a permanent settlement to the country's numerous ethnic and religious conflicts, a number of cease fire agreements had already been reached at the time of programme design and that process culminated with the signing of the Nationwide Ceasefire Agreement (NCA) in Oct. 2015 between the Government of Myanmar (GoM), the national Army (Tatmadaw) and 8 Ethnic Armed Organizations (EAOs). In August 2016, the 21st Century Panglong Peace Conference gathered, under extensive press coverage, a larger group of EAOs (17) and agreed on conducting a multi-dimensional process of national dialogue involving political, ethnic and civic actors as well as the broader public, to address fundamental peace drivers such as the sharing of powers and resources, security sector reform, state and administrative reforms, the protection of cultural diversity, the resettlement of displaced populations and transitional justice. Yet, the limited inclusivity of the process⁴ and its slow progress so far have contributed to the resumption of fighting in Kachin and Shan States and sporadic violations of ceasefire in a number of areas. The recurrent outbreaks of religious violence, primarily targeted at the country's Muslim minorities and particularly at those who identify themselves as Rohingya in Rakhine State, are also a source of major concern for the country's stability.

On the economic front, accelerated growth buoyed by improved macroeconomic management and legal reforms opening up the country's economy to private sector investments and the outside world marked the period of programme design. GDP growth reached 6.5 percent in 2011, buoyed principally by the export of natural resources and much less by the more labor-intensive agriculture sector, which represents the only source of livelihoods for the majority of the country's 59.1 m people. According to UNDP's IHLCA (2010), poverty was then at 26% (but probably higher),⁵ mostly rural and more widespread in conflict-affected areas, which witnessed at the same time a flow of returnees expecting jobs and other peace dividends. The country's overall ranking on the Human Development Index in 2012 (149 out of 168) confirmed its LDC status. Since the LGP started, economic growth has kept high as the successful political transition created a general sense of economic optimism; however, ongoing structural constraints and the not-so-convincing performance of the new government so far have contributed to a deceleration in new foreign investments from 2015. Urban poverty is also increasing⁶ and Yangon metropolitan area is now hosting some of the country's worst poverty conditions.

Finally, environmental disorders, due to climate change, natural disasters and a weak governance of natural resources, have been another defining element in the development context during the time of the LGP. The long-lasting impact of Cyclone Nargis in 2008 and the massive floods in the North and West of the country in 2015 have shown the limited resilience of local communities in front of this heightened level of environmental risks.

2.2. The local governance and local development context:

It was two years already since subnational governments at State/Region level had been established (2010) through direct suffrage elections for the first time in the country's history, opening the way for greater decentralization of powers outside of Union-level institutions, when the LGP was designed. A broad reform agenda launched by President U Thein Sein in 2010, and captured in 2012 in the *National Framework for Economic and Social Reforms*, called for the empowerment of subnational institutions and a shift to people-centered governance. Concomitantly, the lifting of restrictions on civil society and media activities led to a surge in the number of CSOs and media outlets and enabled voice and participation in the public sphere to become a daily reality all over the country. The first-ever (indirect)

⁴ 17 EAOs have not signed the NCA, including 4 that the Union Government refuses to recognize.

⁵ The World Bank estimated in its *Systemic Country Diagnostic* (2014) that it could be as high as 37.5% in 2010.

⁶ Up to 34.6% according to the World Bank (2014).

election of Ward/Village Tract Administrators (W/VTA) in 2012 introduced the notion of downward accountability in local authorities and the setting-up of advisory citizen committees (Development Support Committees or DSCs) at W/VT and township levels helped create new avenues for citizen participation in local governance; at the same time, there was an increase in discretionary funds⁷ available for township and W/VT-level investments. Since the LGP started, the share of the Union budget delegated to the State/Region level has also kept increasing to reach an estimated 18% in 2016/17.⁸ A massive hike in Union-level public finances allocated to the delivery of basic services⁹ also triggered a general improvement in the population's access to social and basic goods and services – though public spending in social sectors still remain low by regional standards. In order to bring these rapid changes under a more coherent long-term oriented framework, the GoM created in 2014 an Administrative Reform Coordination Committee (ARCC) to discuss a larger-scale reforms of the state apparatus, including deconcentration and decentralization.

These changes denoted the intention to engineer greater decentralization in policy-making and managing local affairs in the country, but at the same time have been ill-prepared and implemented with insufficient guidance from the Union level, leading to sub-optimal results in terms of service delivery, economic development and local democracy, given the very limited autonomy given to subnational administrations to plan and execute development funds, the uncoordinated fashion in which these piecemeal decentralization measures were implemented leading to overlaps and low cost-effectiveness and efficiency, and the lack of equity and transparency in the allotment of resources and other forms of state support towards the different states and regions. As a result, and also due to a soaring budget deficit, the newly-elected government has taken certain steps that may look like a freeze in the so-called decentralization process: several of the discretionary funds have not been replenished in 2016/17 and the DSCs, seen too close to elite-controlled power structures, have been phased out. The ARCC was also disbanded, opening a period of uncertainty for the continuation of the local governance reform, which is seen now also closely tied to progress in the peace negotiations and upcoming National Dialogue. The new government focuses on accelerating improvements in service delivery and poverty alleviation and shows intent in promoting greater accountability in the public sector, including through engagement with civil society and the media, as a means to maintain the high level of public trust that brought it into power. But for this, stronger capacities in civil society are still lacking as for the most, CSOs still have a strong focus on service-delivery, are less experienced in interfacing with government on development issues and have limited technical and institutional capacities, inadequate geographical coverage and are not well interconnected.

In terms of inclusive growth, the *National Poverty Reduction and Rural Development Strategy* issued in May 2011 prioritized 8 areas, including areas, to boost local development in rural areas and reduce significantly poverty by 2016. Later in that same year, a Microfinance Law was passed, liberalizing the sector and making it possible for microfinance institutions to open up shop in Myanmar while, before that, microfinance was essentially illegal. This long-hoped for reform was an important intervention to help meet the soaring demand from the poor and vulnerable non-poor households, especially in rural areas for unsecured loans. In February 2015, the adoption of a Financial Inclusion Road Map by the GoM, with technical support from the UNDP - UNCDF partnership, further boosted a sector that now serves an estimated 2.23 million clients.¹⁰ Supporting micro, small and medium entrepreneurship development is also crucial in order to maximize returns for local economies of an increased access to inclusive finance, in particular in an overall macroeconomic context where the manufacturing and services sectors are among the greatest engines of GDP growth in the country. At the time of the LGP design, MSME development in Myanmar was constrained by, among other woes, an obsolete and fragmented national institutional framework for vocational training and for the provision of technical services to local entrepreneurs and by the lack of access by the private sector to reliable market information.

⁷ Poverty Reduction Funds, GAD Rural Development Fund, Border Affairs Development Fund, Constituency Development Fund.

⁸ Including proceedings of S/R revenue collection (Source: UNDP Myanmar)

⁹ 600% increase in the health sector budget between 2010 and 2015; 260% for the education sector (Source: LGM, UNDP, 2015).

¹⁰ Source: Financial Regulatory Department, Ministry of Planning & Finance, Nov. 2016.

2.3. Development assistance to local governance & local development:

With the switch to democratic transition and economic liberalization, and the consolidation of a nationwide peace process, Myanmar has seen its Official Development Assistance (ODA) receipts jump by nearly 300% between 2011 and 2015¹¹ and the increase in the number of donors and development partners active in the country has followed the same trend during that period. When the LGP was launched, most donors engaged on local governance & local development were in fact supporting community-driven development programmes – just as UNDP was until 2012 through the Human Development Initiative (HDI) – and few worked in support of building subnational government capacities. A large part of the ODA at the time was going, as it is today, to social and economic infrastructure development and service delivery, agriculture, natural resource management and humanitarian assistance.

In 2016, a Sub-National Governance Consultation Group was created by a group of 9 development organizations in an effort to map existing support to this wide sector and harmonize actions. It came out that support is being provided fairly equally across the country's states and regions, and both to the supply and demand sides of local governance. Emphasis on village and village-tract level processes remains stronger, as demonstrated by the World Bank's National Community Driven Development Programme (550 m USD since 2012) or NCDDP, which remains to this day the largest donor programme in support of local development in Myanmar.¹² Building capacities of subnational governments and administrations or supporting policy reforms is less doted financially but gathering increasing donor interest. These are areas where UNDP, the Asia Foundation and UNICEF are most active, in particular for improving S/R and township level development planning, while the EU supports the urban planning capacities of Yangon Municipality.

Support to access to rights, voice and participation through building civil society and media capacities is an area of assistance to the LGLD area also preferred by several donors – and this even before the start of the democratic transition when all cooperation with government was off-limit – and some of the prominent aid programmes currently include the EU, DfID, USAID, SIDA, SDC and UNDP. Donor support to civil society is spent both on building core organizational capacities, strengthening networks as well as advocacy and social accountability, especially around important themes for peacebuilding (land, natural resources management) and for women's empowerment.

3. UNDP RESPONSE & CHALLENGES

3.1. Programme history

From 1993 to 2012, the Human Development Initiative had been UNDP's primary programme of assistance to Myanmar people and directly supported livelihoods in 8,000 villages in more than 60 townships, reaching an estimated 6% of the population. It coincided with a restricted mandate for the organization which precluded direct support to GoM, whether capacity-building or else, and severely limited interactions beyond mere coordination purposes with a handful of governmental institutions.¹³ A major element of the HDI was its microfinance programme, run in partnership with international NGOs (PACT, GRET, SCF) that was providing at the time unsecured loans to nearly 450,000 clients. The HDI was funded by a large number of donors through a basket-funding mechanism. Annually, an Independent Assessment Mission (IAM) would verify that the mandate restrictions were obeyed to by UNDP, specifically ensuring that no funds directly or indirectly benefited the government. In 2011, this IAM highlighted that, beyond its direct livelihood and poverty alleviation impact, the HDI had a positive contribution to the growth of social capital, the strengthening of community decision-making capacities and the participation of women, in particular to the local economy. But it also highlighted how the wide geographical presence and direct delivery approach, coupled with a weak policy uptake process, had hampered impact, sustainability and cost-effectiveness. It recommended that UNDP move beyond the direct provision of microfinance services and focuses on strengthening the governance of this sector.

¹¹ OECD, 2016 <http://www2.compareyourcountry.org/aid-statistics?cr=635&lg=en&page=31>

¹² Other main CDD actors: PACT, LIFT(UNOPS), Action Aid, World Vision and, until recently, UNDP.

¹³ Ministry of Border Affairs, Department of Rural Development, Ministry of Cooperatives and the Small-Scale Industries Department.

As a consequence, and in response to the rapidly changing context in Myanmar and to the lifting on June 29th, 2012 by UNDP Executive Board, of restrictions to work with and in support of GoM institutions, a new Country Programme – the first one in 20 years – was developed. It was built around three outcome areas, or Pillars, focusing respectively on: (1) Effective local governance for sustainable inclusive community development; (2) Climate change, environment and disaster risk reduction; and (3) Democratic Governance. Pillar 1 was meant to usher in a new period of focus on state-building and poverty reduction through support to inclusive local governance and local development models.

The main programmatic entry points of the LGP at the time of its conception were: (i) capacity-building of local administrations and governments for area-based development planning and responsive public services; (ii) supporting the development of a model of integrated village development; (iii) nurturing local civil society and media involvement in local governance; (iv) increasing access to finance, vocational training and small enterprise development services; and (v) reinforcing skills and mechanisms for building social cohesion and equity and providing targeted livelihood support to communities vulnerable to conflicts. The LGP was built around 5 outputs and provided for a strong partnership with UNCDF for two of these (strengthening of local governments and administrations; strengthening of livelihood support institutions). The LGP was scheduled for an initial period of 3 years and a total budget of 59 m USD. Within this amount, a contribution of 7.2 m USD, carried over from the HDI, was assigned to keeping the microfinance retail operations on-going until full transfer could be organized to a It was meant to deploy a field office and activities in nearly every State and Region of the country and within these, to target townships with high incidence of poverty and/or considered a cease-fire area.

It quickly became obvious to the Country Office that the LGP as designed under the lead of external UNDP units was too ambitious in scope (in particular geographic), in terms of the amount and rapidity of change that can be expected in a transition context like Myanmar, in terms of UNDP's implementation capacities given the transition to a first-ever CPD modality, and also for the amounts of resources that were to be mobilized. The policy context at the time also proved not to be conducive for certain initial choices that had been made in the programme content.¹⁴ Consequently, the LGP went through two rounds of modifications (2013 and 2015), which led to its substantial downsizing and tightening as presented in its current results framework. The main changes brought were:

- Merging the initial Output 3 (local media capacities) with Output 2 (initially on civil society only), to form a broader output working on voice and participation of citizens in local governance.
- Reducing the number of activity results from a total of 15 to 12, and number of intermediate actions from 55 to 25 (see Annex 6). The main cuts concerned supporting service delivery through the fomenting public-private partnerships, a range of pilot measures to improve local public finance management, entrepreneurship development, employment skills and community radios.
- Refocusing the institution-building support on the township level from an initially exhaustive approach to support all of S/R, township and village tract levels equally, which proved unrealistic.
- Adding an early recovery component in the aftermath of disasters to Output 5.
- Changing and adding output indicators (from 15 to 30) and changing outcome indicators, finalizing baselines and revising targets, also to cover the extension period in 2016 and 2017.
- Acknowledging the reduced scope of UNCDF role in the programme from what it was initially conceived to be, and limit it to one activity result of Output 4 on financial inclusion.
- Extending the LGP till 2017, in line with the decision taken in 2015 to extend the CPD for two more years given the holding that same year of critical elections for the country's transition;
- Increasing the total indicative programme budget to 66,453,125 USD for the period 2013 – 2017.

3.2. Outcome model and results framework

The LGP is meant to contribute to the first outcome area in UNDP's CPAP 2013-2017: "*Community-driven development institutions that support local governance in service delivery and inclusive growth, including agricultural development and enhancement of employment opportunities for men and women*". This outcome is linked to Strategic Priorities 1 (livelihoods & inclusive growth) and 2

¹⁴ In particular, in areas of township discretionary funding, community radios and engagement with NSAs.

(access to social services) of the UN Strategic Framework 2012-2015. Surprisingly, there was no linking of the LGP to SP 4 which dealt specifically with democratic governance, and in particular participation in public policy-making through building institutional capacities and reinforcing civil society role.¹⁵

The central idea of the LGP is to work on “*strengthening local governments and civil society in a way that will promote sustainable and inclusive local development models and contribute to poverty reduction in Myanmar*”.¹⁶ Beyond supporting institutional development, this meant also nurturing stronger and more productive interactions between local governments (including local administrations), civil society and so-called livelihood institutions (i.e. microfinance institution and vocational training schools in the case of the LGP), as well as nurturing greater social cohesion in areas with a history of conflict. The pathway towards realizing the outcome is structured around four outputs.

- **Output 1:** Strengthened institutional capacity of State/Region and Township administrations for inclusive service delivery and participatory local development;
- **Output 2:** Citizens, Communities and CSOs role in local governance and for monitoring of service delivery strengthened;
- **Output 4:** Improved financial inclusion and entrepreneurship development through support for national coordination and sustainable market development; and
- **Output 5:** Target communities and institutions have increased capacities for social cohesion, sustainable livelihoods and improved opportunities for peace.

Box 1: LGP Vision Statement

To strengthen responsive subnational governance structures and processes, through an integrated package of development assistance aiming at critical institutional capacity enhancement of subnational governments, civil society, media and institutions that support income generation and sustainable livelihoods, with an emphasis on engaging in areas of high poverty and overall supportive to social cohesion and peace building.

As seen in the previous section, the LGP Results & Resources Framework (RRF) has evolved on several occasions since the programme started. It now consists of 12 activity results, further broken down in 25 actions, and progress is measured through 3 outcome-level indicators and 30 output indicators. The current results framework is presented in Annex 2.

A **Vision Statement** was developed towards the beginning of the programme to help clarify and operationalize the outcome statement. It also introduced an explicit dimension of social cohesion-building as a means to create better conditions for peace and development in cease-fire areas – something that is absent from the Outcome statement although it is part of the LGP’s approach (Output 5). Finally, although calling for integration between the different outputs, the LGP was not

designed as an area-based programme and did not provide therefore directions to bring the work of the different outputs together over the same territories.

Based on the vision statement, programme document and results framework, a post-facto analysis of the LGP work and a half-day workshop with the LGP team, the OEM identified the key elements of an outcome model as it is missing from the programme document:¹⁷

- **Problem statement:** the core developmental problem addressed by the LGP is the high poverty rate in rural communities and cease-fire areas, for which the LGP seeks to relieve some of the underlying causes, including (i) the dysfunctional local governance system where the mutual understanding of responsibilities between state and society is limited and opportunities for engagement and collective problem-solving as well; (ii) the unresponsive top-down state institutions, lacking administrative capacity, as well as strategic thinking and service-orientation; (iii) the insufficient delivery of public services most needed by the poor; (iv) the lack of livelihood opportunities and access to capital and investments to stimulate/sustain economic growth in rural areas; and (v) the widening horizontal inequalities often based on identity status (ethnic, religious or else).

¹⁵ Strategic Priority 4 / Outcome 3: Significant progress towards achieving effective public participation in public policy decision-making and implementation, for the progressive realization of human rights and the MDGs.

¹⁶ CPAP, § 4.2, p. 6.

¹⁷ “A key step in preparing for an outcome-level evaluation is to develop an explicit model of how outcomes might – or have actually – occurred. The initial development of an outcome model takes place during programme planning. [...] where one does not exist, it may need to be developed for the first time by the programme unit”, UNDP, 2011.

- **Long-term change sought:** the LGP team proposed the following statement as being more truthful to the raison-d'être of the programme: *“Capacitated local institutions working together to enhance responsive service delivery, voice, inclusive local development and social cohesion, enabling trust and stability and prosperity”*.
- **Assumptions:** as they were not identified in the programme document, the OEM drafted the following assumptions based on its understanding of the approach and discussions with the team (i) if institutional capacities at each of the S/R, township and W/VT levels for enhanced planning and public financial management are built and matched with stronger state-society interfaces activated by more capable civil society and media entities; (ii) if access to finance can be expanded to cover more rural areas, in particular by enhancing the policy and institutional environment for microfinance, and enlist more clients and complemented with vocational training and job placement services; and (iii) if social cohesion can be nurtured through livelihood and early recovery support bringing together different groups in recent cease-fire areas that may be prejudiced against each other; **then** the lives of the rural and/or conflict-affected communities can be sustainably improved and more trust-based state-society relations established.
- **Intermediary results:** output-level results should be contributing to intermediary results that, if taken up at policy level and disseminated over larger territory, can bring tangible outcome-level progress. The following five intermediary results were identified post-facto by the OEM and LGP team.
 1. Subnational public and civic institutions¹⁸ working more closely together
 2. Participatory & accountable subnational policy-making and public financial management
 3. Increased opportunities for access to quality services
 4. More cohesive communities creating opportunities for building peace
 5. Lesser inequalities between rural and urban areas.
- **Immediate results:** describe the shifts in capacities and conditions that the LGP is trying to engineer through its work. These immediate results were mapped with the LGP team against each of the level of programme interventions (Union, S/R, townships, communities).

Based on the above elements, a tentative Outcome Model has been mapped and is shown in Annex 7. This model presents the views of UNDP as to how the LGP contributed to outcome-level results, while the OEM qualifies later in Chapter 4 this model with the evidence it collected and its analysis.

3.3. Output reviews

This section presents an evidence-based review of the main deliverables of the LGP's outputs and discusses the shifts in capacities and conditions (immediate results) that they have contributed to. When evidence of wider impact is available, it is also reported. It is not an in-depth analysis of each output against the evaluation criteria recommended by UNDP, as this was not part of the Mission's TORs.

OUTPUT 1: Strengthened institutional capacity of State/Region and Township administrations for inclusive service delivery and participatory local development planning

Activity Results	Budget (2013 – 2016)	Key Partners	2017 Targets ¹⁹	Union
1. Adequate information and management systems for planning and budgeting, identifying priorities and coordinating local development supported.	Total Allocated 7,808,693 USD Delivery Rate: 95%	General Administration Department (GAD) Planning & Finance Central Statistics Office	2 fully achieved 2 partially achieved 4 not achieved 2 not measured	Policy Coordination Capacity building
2. Enhanced capacities of selected State, District and Township administrations to establish participatory a responsive planning, budgeting and monitoring mechanisms.	Total Budget Share: 13% UNDP Budget Share: 20%	Bago Region Government Mon State Government Chin State Government	Provisional score: 38 %	States / Regions 14 Townships 59

¹⁸ Including subnational parliaments, governments and administrations, CSOs and CBOs, livelihood institutions (MFI, vocational schools, etc.)

¹⁹ Provisional score calculated by assigning value 100% (achieved), 75% (almost achieved), 50% (partially achieved) and 0% (not achieved) to each indicator and averaging them. Unmeasured indicators are not counted for.

After nearly 16 months of a massive data collection effort all over the country,²⁰ combining background studies, individual interviews, community dialogues and citizen perception surveys and involving a fairly representative sample²¹ of nearly 8,500 individuals and 3,000 elected officials and government staff, the **Local Governance Mapping** (LGM) exercise concluded in February 2015. The LGM was implemented by UNDP in close cooperation with GAD. Community-level data collection was outsourced to a local firm (Myanmar Survey Research). More than an in-depth analysis of subnational political, administrative and fiscal mechanisms, which was covered in specialized studies available at the time, the LGM worked on producing for the first time a detailed baseline on “interactive” dimensions of local governance: participation, transparency, accountability and on public satisfaction with the government’s performance (with a focus on education, health and water supply services) was measured.

The LGM demonstrated an increasing feeling of security and a widespread recognition among the public of improvement in the delivery of public services. However, it also underlined how local decision-making remained largely devoid of inclusive participation in spite of recent GoM measures to achieve more demand-driven local governance. This was due to a lack of governmental support to local administrative officials and elected representatives in assuming their new functions; a lack of public awareness of the changes made to local governance (e.g. indirect local elections, DSCs, discretionary funds); and a tenacious public mistrust towards government institutions, and in particular those seen as closely linked to the former military regime. LGM results were disseminated through a wide variety of means including national and S/R workshops, publications, websites and a short documentary video.²² To support their use at policy level, they were presented to the Union Civil Service Board and discussed in the (short-lived) ARCC. They were also used in the curricula of civil service training institutions (e.g. CICS, IDA),²³ by universities and quoted in high-level officials’ speeches. However, there is no evidence that the LGM methodological approach and indicators have inspired government or civil society for developing their own local governance measurement tools, needed to fill the current gap in public sector performance monitoring in Myanmar. In each S/R, local governance action plans were developed during multi-stakeholder validation workshops; however, in the absence of formal responsibility over these plans and as their implementation was not part of the LGP workplan, they do not seem to have been implemented; at least, this was not monitored by the programme team.

One of the most visible follow-ups of the LGM exercise was the **Good Governance Forum** organized in April 2015 to present the results, which gathered more than 350 national and international participants. The main challenges facing the establishment of a more responsive, inclusive and accountable local governance system in Myanmar, and the options available for alleviating these, were openly and freely discussed, including by the GAD, an institution often considered as impervious to self-questioning and the concepts of good governance. This was the second such event of national stature organized by the LGP (the first took place in 2013) and, according to accounts collected by the OEM from some participants, the difference in vivacity and frankness of the debates between the two events was remarkable.

In parallel to the LGM work, the LGP also supported policy discussions on reforming local governance through a number of **South-South Exchanges** (SSEs) for government officials to countries as diverse as Cambodia, Sweden, Turkey, Mongolia and Vietnam. In these last two countries, officials – and in particular from GAD – learnt about the concept of joint service delivery facility. This came at the same time that the LGM results were showing strong need to develop a more integrated collaboration at S/R level for effective local public service delivery.

Shortly after, in May 2015, the GoM initiated the establishment of **One Stop Shops (OSS)** to improve access to quality and transparent administrative and regulatory services at district and township level. The policy was adopted and implemented under the leadership of an inter-ministerial committee with 16 participating government ministries and departments. The LGP provided technical assistance,

²⁰ 14 States/Regions, 56 townships, 112 villages.

²¹ Respondent profiles in terms of gender, age, education background and ethnicity corresponded broadly to national demographics.

²² <https://www.youtube.com/watch?v=O84eeGaiV4o> (seen 422 times as of 25/12/16).

²³ Central Institute for Civil Service (attached to UCSB), Institutional Development Academy (attached to GAD).

training and limited logistical support²⁴ as GoM was definitely in the driving seat and implemented the policy on its own budget. A total of 316 OSS²⁵ were opened within a year across all 14 States & Regions. 18 months later, nearly 1.1 m customers have used OSS services.²⁶ The figures seem low – but this is also be linked to the nature of the services provided – and anecdotal evidence gathered by the OEM would point to some disillusionment with the public as to the usefulness of the OSS, leading to decrease in attendance.²⁷ A recent diagnostic study produced by the LGP has underlined a number of institutional and technical issues that limit the effectiveness and efficiency of the OSS concept at this stage and proposed a road map of measures to make OSS more useful and attractive to the public. This involves, amongst other things, simplifying service procedures, improving staff training and overall coordination. Using e-governance solutions, while presented by GoM as a major need to the success of OSS, is not seen as a viable response to the current OSS issues in the short-term. The LGP has already started implementing some of the recommended measures by supporting the IDA in launching a new course for GAD OSS monitors in 2016 (244 trainees).

Since the start of the LGP, UNDP has invested in strengthening the capacities of subnational administrations, in particular at township and ward/village tract levels, so that they perform their core functions with greater inclusiveness and accountability towards the population and closer horizontal and vertical coordination. It started with a number of trainings and guidelines drafting activities in Chin and Mon States between 2013 and 2015 on participatory planning and budgeting at township level and state level mobilizing the newly-created TDSCs and W/VTDCs. These efforts at the time did not go beyond the training phase due to the lack of resources to establish a multiyear Township Development Fund (TDF) envisaged in the programme strategy,²⁸ and also limited traction with Government for such a fund at the time. Eventually, in 2016 the LGP could set aside sufficient funding for testing a grant modality and capacity development activity to two townships (Kawa in Bago Region and Billin in Mon State) during a 3-year cycle. With this solid commitment, UNDP was able to pilot a participatory approach for the preparation of annual **Township Development Plans**, following government systems and timelines and activating the role of the re-activated Township Planning and Implementation Committees (TPICs). The LGP worked closely with the TPICs to organize the collection by W/VTAs and Township Departments of the data necessary for sound evidence-based planning through consulting with the population (including women, youth and CSOs). Afterwards, UNDP facilitated a criteria-based prioritization exercise by the TPICs to select the village tracts and specific projects to benefit from a **township grant**.²⁹ This prioritization also took into consideration other sources of funds available, including the regular public budget as well as the Constituency Development Fund (through Member of Parliaments) and attempted to ensure a fair distribution of these monies over the township territory. In both Kawa and Billin Townships, the grants amount to an average of 1 USD/capita or approximately 200,000 USD/year. The first grants will be released in 2017 and executed directly by township-level departments under the supervision of TPICs and S/RGs; they will fund small infrastructure projects in the education, health, road and sanitation sectors. In 2017, thanks to additional multiyear funding secured from its donors, UNDP will repeat this experiment not in more townships.

The LGP's has developed capacities for subnational governance by raising awareness of senior GAD and other department officials at different levels on principles of good local governance through regular seminars and trainings, and by reinforcing women's role in local governance through the **leadership training of all 42 female W/VTAs** in 2014.³⁰ A documentary on this first group ever in Myanmar of women W/VTAs was produced, as well as cross-visits arranged in pilot TDF townships, to further champion the role of women as elected official. In 2016, the LGP initiated a **strategic partnership with the IDA** to improve their approach to capacity development of GAD officers. In 2016, the LGP has supported the training of 423 Deputy District & Township Administrators for managing the OSS and for providing induction training to the nearly 17,000 W/VTAs elected in 2015. UNDP's inputs focused skills for adult training using interactive techniques and for leadership, promoting gender equality,

²⁴ IT equipment for 17 OSS.

²⁵ 97% of all townships as OSS could not be opened so far in 14 townships, mostly due to conflict conditions.

²⁶ Total of 1,096,887 as of 31/10/16 (Source: GAD).

²⁷ In Bago City OSS, fall of 78% in monthly service delivery between Sep 2015 and Oct 16.

²⁸ This TDF was to be entrusted to UNCDF that would also mobilize resources for it – but eventually this collaboration did not happen.

²⁹ In average, 1 in 10 VT in each township, as wards were not qualified to receive grants.

³⁰ Now 84 after the new round of W/VTAs elections in 2015.

inclusiveness and citizen engagement. Finally, the LGP has initiated in 2016, in the context of the two Township Development Fund pilots and in partnership with the British Council, the training of W/VTAs on interest-based dispute resolution as one of their key functions is to maintain social peace in their community. In all these training programmes, UNDP made sure that the participation of women as trainees and trainers is increased.

Finally, and in partnership with Output 2, a new initiative on **social accountability of local administrations** has seen the day in 2016, starting with a mapping of current activities in this area in all of Myanmar and with raising the awareness of GoM and civil society on the value and options for institutionalizing social accountability mechanisms, along other forms of accountability (democratic, institutional) in Myanmar's subnational governance.

OUTPUT 2: Citizens, communities and CSOs role in local governance and for monitoring of service delivery strengthened

Activity Results	Budget (2013 – 2016)	Key Partners	2016 Targets	Union Policy Networking States / Regions 10 Townships 35
1. Local CSO network capacities developed and activities initiated for dialogue, community outreach and sustainability. 2. Women's engagement and leadership in local governance increased, and support provided to township and regional/national networks of rural women. 3. More informative and responsible local media coverage and increased community access to media.	Total Allocated 5,765,490 USD Delivery Rate: 96% Total Budget Share: 10% UNDP Budget Share: 11%	Information & Public Relations Department (IPRD) General Administration Department (GAD) State/Region Governments Township administrations CSO & media outlets Self-Reliance Groups	2 fully achieved 2 almost achieved 2 partially achieved Provisional score: 75 %	

The main thrust of Output 2 has been on strengthening capacities for collective civic action, women's empowerment and for engagement with state authorities, in particular S/R governments and township administrations.

With focus on Myanmar's ethnic States, UNDP supported the emergence and strengthening of **7 CSO networks** gathering a total of 1,206 CSOs. The LGP facilitated, rather than initiated, fledgling networking dynamics among local CSOs in the target areas through its convening power and by sponsoring state-level CSO forums which led to the establishment and/or formalization of the networks. This involved at minima electing a steering committee and nominating township-level CSO focal points, and at maxima, registering the network as a separate association in order to gain better recognition with local authorities and facilitate organizational management and fund raising. The networks gather from a dozen to a few hundred members and still have growth potential; they are not the only existing networks in the States where they are located but seemed to be more broad-based (and less issue-based) than others. The networks have been supported by the LGP in achieving three objectives: (i) strengthening their structure, governance and presence at township-level for increased representativeness and effectiveness; (ii) contributing to building core capacities of their member CSOs; and (iii) developing interfaces and mechanisms for constructive engagement with government authorities. LGP support came in the shape of training, coaching and grant funding in 2015/2016 (from 70.000 to 150.000 \$ per network). With these grants, the networks could set up their head office (including basic staffing), develop their internal governance and administrative systems and start delivering services to their members such as training, information-sharing and organizing dialogue events at state- and township-level too, with public authorities. UNDP also helped the networks start building a CSO database in their respective state and conduct baseline surveys to capture changes in CSO capacities and relations with government. This bi-annual survey showed in 2016 that 29% of CSOs in these networks report participating regularly in information-exchange mechanisms with other CSOs.

Complementing the work with networks, the LGP also helped strengthening state-society dialogue through the holding in 2015 of three **multi-stakeholder dialogue training events** in Mon and Chin States gathering about 100 government officials, CSOs and local media to develop their dialogue skills and discuss the setting-up of regular dialogue mechanisms. This was seen as particularly important given that the main venues for state-society dialogue at that time were the TDSCs, which tended to be elite-

controlled and hence not so representative of the broader civil society.³¹ The LGP also provided hardware support by refurbishing 6 **township-based dialogue facilities**³² in Chin, Kachin and Mon States as a venue for CSOs to gather, access government information and hold dialogue sessions.

All in all, the LGP has supported so far a total of **54 township-level and 18 State-level consultation events** between subnational authorities and civil society, gathering more than 3,500 people (with nearly 50% women participation). These consultations have led to the establishment of standing Coordination Forums between S/R governments and CSO networks in 5 States,³³ in which a wide range of issues are discussed, from information-sharing to addressing local service delivery, women's empowerment or access to rights issues, but also more generally on widening the civic space and establishing stronger state-society cooperation. As a result, there has been a 30% increase in the number of CSOs in target States reporting engaging in advocacy with local authorities for improved public services.

The same approach than for CSO networks was adopted for supporting the formation and strengthening of **3 local media networks** since 2014 in the country's ethnic areas (Chin, Southern Shan and South-East area), gathering 171 media organizations. These networks each received an average 100,000 \$ grant in November 2015 for 18 months. With UNDP support, they have been able to create nearly 1,200 training opportunities for local journalists³⁴ on media organization development, professional and conflict-sensitive reporting, human rights, peace and democracy, and journalist protection. Media networks have also eased access for local media to State governments and township administrations, although these entities are still far from applying fully open government policies on their side. Media networks also avail an office and facilities for holding press conferences as a result of UNDP support.

There is evidence of numerous **local policy decisions** contributing to better development results and protection of right holders attributable to increased engagement of local civil society and media with government authorities facilitated by the LGP. Among some of the interesting examples, the OEM would bring up the case of Mon State Government taking action against cases of human trafficking and human rights violations after the matter was reported by the Mon State CSO Network to the Chief Minister, or how the Chin CSO Network influenced their State's policies for supporting the recovery of flood-affected communities or again how township-level CSOs member of the Kachin CSO Network have set up a regular platform with District Education Managers to improve the quality of education services. At a broader level, with LGP support, CSO networks in the South-East country played a significant role in positioning civil society more prominently in **the peace process** in the lead up to the signing of NCA and later 21st Century Panglong Peace Conference in 2016, including by supporting CSO forums for inputs into the NCA, drafting a National Youth & Peace Policy and holding State-based Panglong Conferences and other peacebuilding activities in preparation for the National Dialogue.

Increasingly, the CSO & media networks supported by the LGP are working on developing the concept and practices of **social accountability** in Myanmar. Lately, a week-long Anti-Corruption Forum was organized in Kayin State by Department of Social Welfare and the Kayin State CSO Network. In Southern Shan State, the media network is also leading 'Parliament Watch' and 'Budget Watch' initiatives to better inform and engage the public on state legislative matters and local public budget allocation and spending. The LGP will continue supporting in 2017 the development of a social accountability framework suitable for Myanmar and building capacities and lessons learned in this area, through a cooperation between Output 1 and Output 2.

Finally, Output 2 has been supporting the **empowerment of rural women** economically, socially and politically, building upon the wide network of 7,000 Self-Reliance Groups (SRGs) established during the HDI. After a two-year hiatus since the end of the HDI, the LGP resumed in 2014 support to a group of 31 **Township Leading Groups** (federations of SRGs at township level) that had been established during the HDI and were still active, representing a total of 1,800 SRGs gathering approximately 21,200 rural women. TLGs provide training and coaching services to their SRG members and advocate in support of rural women's rights with local authorities. LGP strengthened the leadership and

³¹ TDSCs were eventually disbanded by the new government in 2016 for that reason.

³² 5 Township Community Centres and 1 Dialogue & Community Learning Centre.

³³ Chin, Kayah, Kayin, Mon and Shan

³⁴ Women represented only 27% of media trainees, owing to the limited access of women so far in Myanmar to the journalist profession.

organizational management capacities of TLGs before issuing each a first grant (from 7,000 to 16,000 \$) to help increase their capacity to deliver needed services to SRGs for skills training (in particular on livelihoods and financial literacy), for advocating women's role in local development and fighting against their discrimination and for providing a safety net for rural women and their families in situation of hardship (including after natural disasters). With UNDP support, 97% of the TLGs have secured their official registration with local authorities – and in some cases even material support from TAs such as land to build their office – and play now a greater role as partner in local governance. According to the Social Recognition Index³⁵ created by the LGP, 48% of TLGs are now enjoying a high level of recognition in their communities while none had reached that level in 2013.

After a series of national TLG gatherings, supported by the LGP, the TLGs decided to establish their national network, known as **May Doe Kabar** (or Women's World) and it exists now since October 2015. MDK aims to advocate rural women's rights and increase services and assistance to community-level SRGs; the network is one of the latest addition to what is a sizeable list of women's networks in Myanmar, although UNDP considers it is the largest membership network representing rural women. MDK has an elected board to which UNDP has been providing secretariat support. In 2017, under LGP grant support, an office and core staff should be established for the network. Since its creation, MDK has helped organized relief for flood victims, raised awareness and provided support to victims of SGBV, increased outreach to SRGs and launched in 2015 the iWomen App, dedicated to the informational, educational and networking needs of rural women. The App, the first of its kind in Myanmar, is now routinely accessed by 9,000 users³⁶ all over the country and is demonstrating the value of ICT for increasing inclusiveness in access to services. Finally, thanks to a collaboration with Output 5, women members of TLGs and MDK have been able to take part in activities for shaping the national agenda on the role of women in peace and security.

OUTPUT 4: Improved financial inclusion and entrepreneurship development through support for national coordination and sustainable market development

Activity Results	Budget (2013 – 2016)	Key Partners	2016 Targets	Union
1. Increased institutional capacity to promote inclusive financial services.	Total Allocated 17,771,985 USD - UNDP: 9,874,433 - UNCDF: 7,897,552	Financial Regulatory Dept Small Scale Industry Dept Foreign Economic Relations Dept Cooperative Department	5 fully achieved 1 partially achieved 1 unknown	Policy Coordination Capacities
2. Enhanced institutional capacity of targeted vocational training institutions to service the market and create employment opportunities, particular for women and youth.	Delivery Rate: 87% Total Budget Share: 31% UNDP Budget Share: 16%	PGMF LIFT (UNOPS)	Provisional score: 80 %	States / Regions 5 Townships 36

Output 4 was developed to support GoM's poverty reduction strategy by increasing access of the poor and marginalized, including unemployed youth and rural women, to sustainable livelihoods through the structuring and expansion of pro-poor microfinance sector, modernizing of the vocational training sector as well as increasing entrepreneurship development opportunities in the off-farm sector. While the output has kept this dichotomy of support to microfinance on one hand and skills development on the other hand since its start, the financial inclusion component has clearly taken over the lion's share of the output's efforts, budget and results, as UNDP felt that the vocational training and entrepreneurship were well covered by other DPs and decided to reduce its ambitions in this area at the outset of the programme. In practice, Output 4 is now a project almost entirely dedicated to inclusive finance in Myanmar. It is also the only Output where the strategic partnership with UNCDF called for in the programme document is fully activated – and the technical leadership of UNCDF is actually key to the results achieved.

The first year of Output 4 was largely dedicated to transitioning UNDP out from a microfinance retail role to one of support to reforming the policy and institutional frameworks for expanding access to inclusive finance in the country. The **transfer of UNDP's microfinance portfolio** was called for following the Impact Assessment Mission of the HDI in 2011 so that UNDP could play a role of enabler

³⁵ The Social Recognition Index is calculated on the basis of a qualitative self-reporting questionnaire filled in by TLGs and measuring household, community and local authorities' support to their work and initiatives.

³⁶ Including 25% non SRG members and 20% who are men (Source: UNDP).

of the policy and institutional environment for microfinance better fitting with its made. Also, given the Microfinance Law promulgated in 2011, UNDP would have been required to register as a microfinance institution to continue operating its financial services portfolio. In 2013, while the modalities of the transfer were negotiated with previous HDI donors, UNDP continued operating as a microfinance retailer through its 3 service providers (PACT, GRET, SCF) in 4 areas (Shan, Chin, Delta, Dry Zone), servicing over 380,000 clients for a total outstanding loan amount of 76 m USD as well as 420,000 active savers for a total savings amount of 16 m USD. During the same period, the LGP continued supporting welfare services to rural women SRGs in the Delta area in order to strengthen their safety net in times of emergency. In June 2014, based on a consensus decision taken with former HDI donors, the total assets and liabilities of UNDP microfinance fund were transferred to Pact Global Microfinance Fund (PGMF). It is estimated that with this transfer, PGMF was able since then to increase its client base by approximately 70,000 individuals and open up operations in Rakhine State where regulated microfinance services were not available until then. The transfer was accompanied by a fund reflow of 12.4 m USD, negotiated by UNDP, from PGMF to the microfinance sector over a five-year period and split equally between the LIFT Multi-donor Trust Fund and UNCDF, which the latter is using to support its work under Output 4.³⁷

In parallel with the massive HDI transfer operation, and in order to support the expansion of regulated microfinance services in Myanmar, the LGP commissioned a **large-scale national diagnostic on inclusive financial services called MAP** (Making Access Possible), researching both the supply and demand sides (over 5,300 households) of the sector. The study, published in 2014, concluded that 30% of Myanmar adult population used regulated financial services but fewer than 5% had bank accounts; that the majority of borrowers relied on unregulated providers, often at higher cost than those offered by regulated providers, and that the lack of access to regulated services was equally shared between rural and urban areas. The MAP study was a landmark research for inclusive finance in Myanmar and serves as a baseline since then to measure the development and impact of the MF sector on poverty reduction.

The MAP study was used to feed a policy process facilitated by the LGP that eventually led to the adoption by the GoM of its first **Financial Inclusion Road Map** in 2015. The Road Map identified key policy and institution building priorities for the period 2014-2020 and three priority segments for financial inclusion: agriculture, MSMEs and the low income. In 2016, the Road Map was translated into an Action Plan assorted with a monitoring & evaluation framework,³⁸ designed with the LGP's technical assistance. The GoM established an **Inter-Ministerial Committee**, composed of 15 ministries, and a Secretariat led by the Financial Regulatory Department (FRD). This is one of the very few inter-ministerial committees currently in exercise in the new Government and it survived the change of leadership in 2016 – while some others did not. The LGP provides embedded technical expertise to the FRD to operate the Secretariat and move forward the implementation of the Road Map.

In order to diversify the microfinance institution sector in Myanmar and make it more competitive, as well as benefit from the rich experience of countries in the region in microfinance, the LGP supported through its **MicroLead** programme, three leading Asian Microfinance Service Providers (MFSPs) to start operations in Myanmar in 2014 (ASA from Bangladesh, ACCU from Thailand and Alliance of Singapore). Their financial services cater to a diverse population as ASA reaches the lower-income section of the market, and mostly in urban areas, while ACCU focuses on 100% rural-based clientele through savings cooperative and Alliance targets the higher-end of the microfinance sector, including off-farm MSMEs. In total, the MicroLead programme extended access to financial services to a total of 124,606 people (Nov. 2016), including for 16,118 for savings. 82% of them are women and 49% reside in rural areas of Mon State and Ayeyarwadi, Mandalay, Bago and Yangon Regions. ASA is by far the highest performer of the three providers in terms of client outreach but still has the lowest operational sustainability ratio at 78%; in this regard, only ACCU (128%) has broken even and is considered already sustainably established on the Myanmar market.³⁹

³⁷ Revenues from the transfer to PGMD amount to nearly 28% of Output 4 total budget for the period 2013-2017.

³⁸ The delay in adopting the Action Plan was due to the change of government in April 2016.

³⁹ Alliance reached 87%, which is still under the sustainability threshold.

In order to complement the quantitative MAP study with more qualitative understanding of the financial behavior and needs of the low-income sector, the LGP conducted a year-long research exercise⁴⁰ called the **Financial Diaries**, published in 2015. The Diaries showed that women are commonly the financial manager of the household yet have less access to formal financial services. The results of this ground-breaking research in Myanmar were discussed in workshops held with government regulators and MFSPs and led to the pursuing of efforts in improving existing or testing new products related to savings, debt refinancing and crop insurance, to continuously improve financial inclusion of the poorest.

While the GoM made the decision in 2011 to open and strengthen the microfinance sector in Myanmar, with the ultimate objective of increasing access to financial services to rural unbanked people while protecting them from over-indebtedness and abuse, the sector remains largely dominated by foreign providers due to their experience and stronger financial capacities. Therefore, Output 4 has initiated a local **Market Development Facility**, run directly as an activity of the LGP (and under UNCDF's EFA⁴¹ project), to support the growth of the domestic microfinance sector. It does so by offering local currency loans, nurturing the development of a viable ecosystem for digital financial services and building capacities of the credit cooperatives. The MDF has really been initiated in 2015 only and so far, only one Myanmar MFSP has been selected to receive a loan amounting to 300,000 USD, as there are still very few domestic providers that have reached the minimum threshold in terms of technical and managerial skills and financial solidity to engage in regulated microfinance retail. Several other initiatives coming under the MDF, and supported with technical assistance and grants, will also come to maturity in 2017: (i) piloting mobile-based loan payment systems; (ii) launching a financial literacy application; (iii) implementing a training programme for Department of Cooperatives; and (iv) supporting innovative business models for women's economic empowerment.

The second activity in Output 4, which received only 1% of its budget, was initially designed to adjunct a value-chain approach to livelihoods development to the provision of microfinance services that formed the core of Output 4 strategy for poverty reduction. However, the LGP was not able to maintain the initial scope of work for lack of traction with donors and limited in-house capacities, especially after a proposed partnership with ILO, UNICEF, UNIDO and UNESCO, did not materialize. The LGP dropped in its first year all activities related to enhancing employability skills, job placement systems and entrepreneurship development. The only deliverable kept has been the finalization of a strategy and budgeted programme document to transform the famous Mandalay-based **Saunders Weaving School** into a national Centre of Excellence that can enhance the use of Myanmar's rich textile culture to develop its textile industry and increase employment opportunities for the youth. This deliverable, requested and fully owned by the Small Scale Industry Department, has now concluded after UNDP has concluded its support in 2016 by helped SSID organize a donor forum in December 2016 to raise resources implementing the conversion programme.

OUTPUT 5: Target communities and institutions have increased capacities for social cohesion, sustainable livelihoods and improved opportunities for peace.

Activity Results	Budget (2013 – 2016)	Key Partners	2016 Targets	Union
1. Social protection mechanisms in place for poor households at community level	Total Allocated 24,193,971 USD	Ministry of Border Affairs (NaTaLa)	10 fully achieved 1 almost achieved	Coordination Capacity Building
2. Target communities have increased capacities and opportunities for social cohesion and livelihoods	Delivery Rate: 91%	JMC	Provisional score: 98 %	States / Regions Currently: 0 Total: 7
3. National and local institutions and actors have increased capacities for conflict sensitivity, social cohesion and peacebuilding	Total Budget Share: 42% UNDP Budget Share: 48%	Village Committees		Townships Currently: 0 Total: 25
4. Strengthened early recovery practices in place in target locations.		ACTED Search for Common Ground Mercy Corps International Alert Humanitarian Country Team		Villages 330

⁴⁰ The study covered 101 women and 10 men living in urban, peri-urban, and rural areas of the Mandalay Region.

⁴¹ "Expanding Financial Access" Project: it captures most of UNCDF contribution to Output 4.

When new opportunities for engagement in Myanmar opened in 2013, Output 5 was put in place to close and transition the HDI and, to a degree, compensate for discontinuing a programme highly valued by the GoM. Initially driven by BCPR, insisted upon by the GoM, and supported by a large funding envelope from Japan, Output 5 maintained UNDP's visibility and clear comparative advantages for delivering programming at the grassroots level. The Output initially provided **livelihoods assistance** to 330 villages in 25 townships in 7 states focusing on conflict or disaster affected states in areas of greatest need.⁴² Livelihood support was deployed as a tool to build inter-communal confidence. It promoted a 'building block' approach through support to food banks, capital assistance, skill development, infrastructure and value-chain approaches while strengthening social cohesion at the community level.

Poor households, and in particular poor women-led and/or conflict-affected households, were identified through a simplified community poverty scorecard and targeted by **social protection mechanisms** supported by the LGP, including the construction of 194 physical and virtual food banks benefitting 18,260 persons. The banks were supported through 329 CBO governance structures that included 47% women representation thus increasing/encouraging women and community engagement in decision-making and administrative processes and participation in village level planning exercises resulting in higher levels of ownership of the process and end results.

Output 5 went further into implementing innovative livelihood support work at community level by making available **credit services, business development, and training opportunities for micro and small entrepreneurs**, in particular in areas of diverse ethnic and religious backgrounds and with a focus on women and youth. The Output provided 6,335 households with capital grants and 621 persons received vocational skill training. The evaluation of the **Innovative Technologies for Rural Communities** Pilot Project states that 100% of village leaders report that community assets contributed to improved social cohesion and that all entrepreneurs, of whom 63% were women and 42.5% were youth,⁴³ continue to participate in development activities and contribute to social cohesion in their communities. Over 90% of women and youth entrepreneurs reported positive change in their status within their family and community because of their increased participation in community development activities. Of these, 93% reported positive changes in self-perception. 92% of households reported an improved perception of women and 99% for youth as positive contributors to the community because of their engagement in both developing businesses and community interaction.⁴⁴

Early recovery support for returnees and disaster-affected in Kachin and Rakhine States benefitted 83,701 people and 70,000 households through cash for work schemes such as road, bridge, and other communal infrastructure construction. The Output also successfully integrated early recovery principles and strategies in support of the GoM coordination center encouraging not only early intervention but ensuring better coordination in humanitarian and cluster crisis/disaster response plans.

By linking support to livelihoods and targeted training on social cohesion building with a focus on vulnerable populations, the Output sought to stabilize communities economically while providing them with the means and capacity to increase interaction, communication and participation through trust building and dialogue. This engagement resulted in 50% more persons reporting having "more than five occasions" for interacting with a member of a different village/ethnicity.⁴⁵ The evaluation report from the **Mobile Skills training** indicates that approximately 8 out of 10 training participants noted they had interacted with community members in their village or ward because of their involvement in the skills training. This was supported by 46% of village/ward heads that believe meaningful interaction within their communities had increased significantly. Meaningful interaction is manifest as greater frequency of informal interactions, confidence, conversations and increased business opportunities.⁴⁶

By 2016 the funding envelope and scope of the programme was reduced, effectively preventing this 'building block' approach from continuing. It had lost traction with donors, as many were supporting humanitarian assistance and early recovery initiatives in the main target areas of Rakhine and Kachin

⁴² Shan, Kayin, Kachin, Rakhine, Chin, Kayah, Mon States

⁴³ Gender of youth participants was not disaggregated

⁴⁴ Mercy Corps, Learnings from the Innovative Technologies for Rural Communities Project, March 2015 – August 2016, pp. 5-7.

⁴⁵ Men: 60% increase; Women: 48% increase according to Output reporting

⁴⁶ TNS 'Results Assessment for UNDP Support to Livelihoods Skills Trainings and Enterprise Start-up Training and Grants Summary Report' (2015) p. 10

States, and the Output was forced to re-evaluate its rationale. Donors recommended that the UNDP develop closer relationships with the GoM and focus on strengthening local governance. The change of focus from downstream service delivery to **upstream training and capacity building** took effect in 2016 and targeted six ceasefire areas where CSOs, EAOs and government required training on dialogue and creating local capacities for social cohesion and conflict sensitivity to build confidence and inter and intra community trust. At the sub-national level, the pool of local resource-persons for social cohesion, and the linkages built between local-level government, NSAs and CSOs continues. At national level, ministries (Border Affairs, Rural Development, and Social Welfare) also received training and are strongly considering implementing the courses within their own training institutions.⁴⁷ Overall, 1,167 representatives from Government, NSAs and CSOs took the courses, of which 52% were women and 97% of them report making use of skills gained in their work almost one year later.⁴⁸ UNDP also organized Community of Practice workshops for the pool of 40 trainers from 6 target states to identify options to continue promoting social cohesion and train local communities.

The Output has recently included technical and financial support to the Joint Ceasefire Monitoring Committee as it develops its plan of action. In the same spirit, UNDP partnered with NPEACE to identify and nominate Leadership and Participation in Social Cohesion and Peace Building through South-South and women's organizations in-country for their work in conflict prevention, resolution and peace building. Myanmar has been part of the NPEACE network since 2014, and in 2014 and 2015, Myanmar's nominations won across several categories.

3.4. Challenges met during implementation

The LGP was – and remains – a very ambitious and multi-faceted endeavor, especially in a transition context like Myanmar, where political, social and economic uncertainties remain high at all levels, but also given the huge diversity in the country's subnational contexts. Recognizing contextual, programmatic and operational challenges bearing on the LGP since its inception is important to see how far they constrained the level of results but also how far UNDP was able to work around and through these challenges (i.e. minimizing the impact of identified challenges on programme delivery but also trying to pre-empt and reduce challenges where possible). The OEM has identified the following key challenges as most relevant in evaluating the programme results:

- **The complexity of transitioning from 20 years of the HDI:** the HDI mobilized nearly 1,000 staff in 60 field offices and was run entirely as a community-driven development programme, with government engagement almost nil. Shifting to the LGP meant a complete change of operating system of UNDP Myanmar to be able to assume its new role in addressing the core development challenges at stake as one of facilitator and capacity-builder rather than doer. This perception change also had to be nurtured with government and donors. Second, it meant building rapport and trust with a wide range of actors (government, civil society, academia) critical to the LGP's success but for whom political economy considerations are much different than community-level actors. Third, the massive human resources downsizing and re-profiling process when shifting from the HDI to the LGP, as well as other administrative and financial tasks of closing the HDI, were heavily taxing on UNDP's operational capacities to embark full speed on the LGP implementation. Fourth, there was a transition *within* the transition with the transfer of UNDP microfinance retail portfolio (nearly 92 m USD in total assets and liabilities), which became a complex and multilayered process of multiple rounds of consultation as well as extensive legal review and a longer than expected due diligence process by government.
- **A multi-dimensional and unpredictable transition in the country's development context:** Even if the political transition had already started in 2010, when the LGP was launched the civilian *paint* on the government's institutions was still very fresh, especially on those that the LGP had to engage with more closely (GAD, NaTaLa). In 2012, the GoM was struggling to run the country in a more open and transparent way and was basically learning by doing, with no comparative experience, a centralistic constitution and limited capacity to formulate long-term visions and strategies. The context changed again in 2015, while the LGP was mid-course and there was a clear loss of momentum on some of the

⁴⁷ Key informant interviews

⁴⁸ Source: Activity Evaluation Report, SFCG, 2017.

reform process that mattered for the LGP.⁴⁹ There was a long waiting gap to see what the new government priorities would be – and they have not yet been clearly defined for the most – and almost no progress on the larger looming political issues (peace process, federalism, constitutional reform, etc.). It has challenged to some extent the LGP’s positioning on the broader peacebuilding agenda.

- **A legal framework that brings opportunities as much as constraints.** If there were indeed great strides made in liberalizing the main sectors where the LGP is active (civil society & media, microfinance, local elections, planning & budgeting), there also remained serious issues in the new legal and policy frameworks that have delayed or made impossible certain LGP results. For example, the new Microfinance Law, even if it has opened up the country to regulated microfinance still puts dampening conditions on international and local retailers. For CSOs, registration is in principle easier than ever before but due to insufficient by-laws and capacities in government, it remains quite cumbersome and open to corruption for local CSOs to register with their Township Administrations. With regards to local elections, the new law introducing a dose of democracy (indirect suffrage) actually builds a concrete ceiling over women’s equal access to W/VTA positions.
- **A rigid, complex and fragmented local governance landscape:** the LGP was faced with greater-than-expected challenges in pursuing multiple entry points (Union, S/R, townships, communities) and building trust of and between stakeholders at each level. The programme was faced with institutional silos, a strong top-down culture in the public sector, fast-changing and increasingly tense intergovernmental relations (Union vs. S/R) and prejudice tarnishing relations between government and civil society, and with non-state actors such as Ethnic Armed Organizations (EAOs). Working at the same time on the supply and demand sides of the local governance equation was met with more resistance than expected by some stakeholders. The LGP had to spend extensive time and efforts in conducting consultations, sensitization, relationship and trust-building. Agreements reached at one level of the governance ladder were at times challenged by another level;⁵⁰ this required from UNDP constant shuttling between township, S/R and Union-level partners.
- **A crisis-prone country:** while the headlines of the peace process in the past few years may give the picture of a linear pathway out of conflict, the reality is far more complex and has also limited the reach of the LGP in certain areas and on certain issues. For example, in Rakhine State, the LGP’s efforts to improve social cohesion between Muslim and Rakhine communities were hampered by resurgence of unrest and violence that reduced the programme’s effectiveness. The conflict-related uncertainty in cease-fire areas impeded the LGP from pushing stronger for microfinance services to expand in such areas. The LGM in ethnic States polled mostly Bamar population (54%) as many ethnic areas were out of reach to field teams for security reasons or for lack of negotiated participation of EAOs in the exercise. Furthermore, the country is also highly prone to disasters and the repetition of major flooding events in 2015 and 2016 mobilized LGP resources towards early recovery, reducing funding for other work needing more time to yield returns (e.g. social cohesion, planning & budgeting). Crisis events were met also on the part of government, civil society and communities with weak capacities for conflict analysis, conflict-sensitivity and resilience-building.
- **The lack of predictable multiyear funding,** due to Myanmar’s unique transition context that dissuades risk-adverse donors from long-term commitments and the choice made by the Country Office to privilege un-earmarked funding for its programme, proved challenging for the delivery of several outputs. For example, it was a challenge for Output 5 to sustain downstream assistance and impossible to enter into long-term strategic partnerships with INGOs/NGOs/CSOs that could have either focused on key geographic areas or substantive areas (assessments, capacity-development etc.). It was also not possible to launch the pioneering TDF initiative before 2016. Predictable funding would have enabled the programme to develop more meaningful partnerships and deeper relationships with some of the target groups as well as chart proper exit strategies in some cases.
- **The difficulty to source national suppliers and expertise needed to build in efficiency and sustainability:** Myanmar’s development “market” in 2016 is different from what it was in 2012, when

⁴⁹ Including for public administration reform (dissolution of the Administrative Reform Coordination Committee); building capacities for local participatory planning (dissolution of TDSCs); launch of community radios (delay by 18 months of the passage of the Broadcast Law); activation of the Financial Inclusion Road Map (hiatus of 10 months between meetings of the Inter-Ministerial Committee).

⁵⁰ For example, in the context of Output 5, State-level officials often wanted to place additional requirements and restrictions before endorsing certain LGP activities. The Output team had to mobilize support from NaTaLa at Union-level to overcome these challenges.

the LGP started. It was then a challenge to find capable local service providers be it for research, capacity-building or facilitation of participation in field-level activities related to livelihoods, social cohesion or township planning. Output 4 also struggled to find even one reliable bidder to receive its first local loan as part of the Market Development Facility. National intermediary support organizations (ISOs), from the private sector, academia or civil society, are still few and mostly Yangon-based. They are under heavy demand from an expanding community of development partners. At several points during implementation, the LGP faced delays because of difficulties in sourcing adequate local implementation capacities, including individual consultants. It is also linked to the fact that the LGP is working on issues where little comparative experience and skills still exist in Myanmar.

4. CONTRIBUTION TO OUTCOME-LEVEL RESULTS

This section follows the evaluation criteria and the key evaluation questions presented in Annex 4.

4.1. Relevance

There is no doubt that the **LGP was built on UNDP's comparative advantage** in Myanmar at the time of programme design. With the HDI on-going since 1994, UNDP was the most experienced among development partners in integrated rural development in Myanmar. The IAM clearly highlighted the successes that could be built upon in a new country programme, including tested models for pro-poor livelihoods support, a highly-performing microfinance model and sustainable community governance mechanisms to support rural development, in particular the Self-Reliance Groups. UNDP has integrated well the HDI successes into the LGP design by: (i) continuing its support to the SRGs, but at a more strategic level through the TLGs; (ii) maintaining a focus on rural livelihood support but in a way that reinforces social cohesion where it is most needed (high poverty areas and/or cease-fire areas) for better development results, and therefore not any more as a widespread alternative to government services and safety net; and (iii) by using its experience as a microfinance retailer to move up to an advisory role in building enabling policy and institutional frameworks for inclusive finance.

The lack of prior experience of UNDP in Myanmar for areas of the LGP such as local institution-building / public financial management, civil society / media development or social cohesion building, was compensated by its global comparative experience and mandate and by a certain level of trust with government acquired over years of close coordination for implementing the HDI. The new mandate given to the Country Office by UNDP's Executive Committee in 2012 called for support to institution-building and donors also pushed for UNDP to support Myanmar's transition at a more strategic level than would have been achievable through another HDI-type intervention. The OEM noted a certain lack of conviction among members of development community met that there was a strong justification for the UNDP's involvement with civil society and media development, as they considered that other players were already active in these areas at the time (USAID, EU, DfID, INGOs) and that UNDP does not necessarily have the agility needed for such work while it has strong advantage for supporting the supply side of local governance. Yet, considering that the needs for supporting the demand-side of local governance are vast in a democratic transition context and that, many of the current prominent civil society support projects only started after the LGP, the OEM found that there was good justification in 2012 for UNDP's involvement in supporting core capacities of civil society and media's for participation in local governance. Also, UNDP could play more easily than any other agency a facilitation role to bring civil society and government closer. This last point, and the fact that the LGP was highly complementary to other donor support to local governance, because it focused for the most on national governance systems, rather than community-driven processes, was well acknowledged by all the DPs met.

With all the above in mind, the LGP programming process, driven by external UNDP units (Regional Center, BCPR, BPD) and with little ownership by the Country Office, has delivered at the time an **overly ambitious programme**,⁵¹ both in content and geographical reach (14 States & Regions). The design team had clearly over-estimated the absorption capacity for change of Myanmar institutions, the conduciveness of the political economy environment for multi-stakeholder approaches, the donor

⁵¹ See CPAP-MTR, §66: "the three outcomes were probably over optimistic with the outputs and performance indicators".

appetite for supporting a ubiquitous programme and UNDP's own implementation capacities, in a context of drastic downsizing from the HDI and complete overhauling of the Country Office's role. Also, key UNCT partnerships that the programming team had envisaged for delivering certain outputs⁵² did not materialize in the end. UNDP Myanmar took the right decision in doing a first restructuring of the programme after one year, focusing on areas where it had more traction with government and donors. The geographic scope was also tightened and an incremental approach adopted in this regard. After this first revision, the LGP still remained an ambitious programme and its extension for two more years in 2015 (in line with the decision to extend the UNSDF and CPD due to the election of the first NLD government) brought needed additional time to continue progressing towards the programme's stated objectives (see Section 3.1).

The LGP design demonstrated an overall good alignment with government priorities however sketchy and changing they were at the time – and still are. The few elements of what could be construed in 2012 as contributing to a local governance reform (see Section 2.1) supported a new paradigm of people-centered local governance and increased political and civic freedoms. The LGP proposed to develop various models suitable to the Myanmar context for translating government policies into workable and replicable practices of local governance and local development. The programme put the emphasis on public participation in local policy-making for development and social accountability over service delivery. It proposed to support consultative and representative bodies recently established by the transition government for that purpose. It focused at the township level, first because it is where the bulk of public services are delivered, but also as it was considered by experts⁵³ at the time (in the absence of clear government directions) as the most logical level for establishing future local governments in the country. In 2011, the GoM had also just passed a new Microfinance Law that was calling for stronger institutions and additional regulations to effectively facilitate the establishment of new MF retailers while protecting clients against unscrupulous operators in this highly-demanded service sector. The LGP approach has had a strong rural focus from the start, which was in line with the country's leadership priority on supporting rural development for poverty reduction. Yet, while it had initially adopted a more integrated approach to rural development (with plans to support on and off-farm entrepreneurship), the LGP, for reasons of capacities and funding invoked above, rapidly shifted to a narrower focus on inclusive finance in rural areas and on the provision of short-term livelihood inputs and skills development, hence reducing its potential impact on local development dynamics. The OEM notes also that the LGP did not foresee any engagement on one of the biggest root causes of rural poverty in Myanmar, i.e. landlessness, which also needs to be addressed through local governance mechanisms.

In a fluid political and security context like Myanmar, **UNDP's programmatic flexibility has been very relevant to the country's evolving needs** and helped build trust with programme partners. This is particularly well demonstrated by the technical support provided by the LGP to the roll-out of the OSS policy since April 2015 - which could not be initially foreseen as this policy came up at a short notice. Another good example is how the LGP was able to move fast and support GoM in producing and implementing the Financial Inclusion Road Map after it came out as an unexpected result of the MAP Study in 2014. Also, UNDP was swift in supporting government's requests to assist with the delivery of early recovery (ER) assistance in cease-fire areas affected by heavy flooding in 2015 and in mainstreaming ER principles in government policies and donor coordination. Flexibility and rapid response also need to be accompanied by critical dialogue with government and sufficient political economy and risk analysis, as well as consideration for UNDP's core objectives, as underlined previously by the CPAP-MTR.⁵⁴ UNDP mostly did this, as for example with the OSS venture for which some of the serious issues that are now affecting the initiative were anticipated by UNDP and discussed with government. Yet, UNDP's suggestion to adopt a longer time line to allow building a more solid delivery model had little traction with GAD, the lead promoter and funder of the OSS policy, which decided to continue at full speed. This applies also to UNDP's decision to continue supporting the formulation of reform plan for a national weaving school, which does not contribute to the core programme results, but responded to the government's insistence on maintaining this activity.

⁵² UNCDF for Output 1, UNESCO for Output 3, UNICEF/UNESCO & ILO for Output 4.

⁵³ See UNDP/UNCDF, June 2012.

⁵⁴ See CPAP-MTR, § 67: « ...it remains important that increased flexibility does not divert resources from « core » level work».

The main weakness of the LGP in terms of its relevance, and with consequences rippling throughout the programme implementation, is the lack of consideration given in its design to justify the choice of approach, outputs and activities, the indicators and targets, the key stakeholders and the geographical scope with a clearly articulated theory of change illustrated with an outcome model.⁵⁵ For a programme claiming to engage so strategically on local governance and local development, it demonstrated little understanding of the political economy, challenges and risks (including conflict-related) of supporting administrative reform in a country in transition. This led to **a programme document proposing a multiplication of institutional and thematic entry points with limited connection to each other**. The LGP programme document is more an attempt to strap together different pieces of successful work from the HDI that were still relevant and in demand by country partners with emerging priorities presenting strategic positioning opportunities for UNDP, rather than a coherent framework articulating a change pathway for LGLD supported by four outputs. There was also a lack of consideration given to the time factor and how a chain of results would unfold; rather, all outputs seemed to propose at once a long list of needed changes to be supported by the LGP with no real ranking by order of importance or chronology. If the programming team's intention was to follow the concept of learning-by-doing, given the lack of detailed understanding on governance processes at the time and limited experience collaborating with government institutions, it should have then proposed a much less scripted results framework and left most of the programme detailed design after the Local Governance Mapping was concluded. During implementation, efforts were made to strengthen a theory of change at output level, (in particular for Outputs 1 and 4) based on more in-depth situational analyses, consultations with stakeholders and lessons learnt, as well as to build more linkages between outputs and with other pillars. The successive downsizing and revisions of the results framework denote an intent to be more strategic; yet, a solid conceptual framework capping the programme's strategy for achieving outcome-level results was not drafted at that time either.

Finally, the **LGP was not designed as an area-based programme, hence limiting the possibility of demonstrating the value on the ground of an integrated LGLD approach which it called for**. There is no specific guidance or goals in the programme document to select a few areas where the different outputs could coincide. Instead, the choice was made initially to roll out the programme in as many locations as possible by distributing output interventions over the 14 S/Rs. Even if the number of target areas was rapidly and significantly cut down, this revision did not come with an attempt to privilege an integrated area-based approach between the 4 outputs (at township level, for example), which would have contributed positively to the programme's relevance. The OEM is aware though that an area-based approach was hard to sell to a government and public administration greatly lacking the understanding and practice of policy and planning integration and that GoM partners for each of the outputs in this programme had already very defined ideas as to where it thought UNDP should intervene.

The OEM found that there was a **strong ownership over the programme by all stakeholders in terms of activities implemented and results achieved**, which reinforces the relevance of the LGP overall. On the government side, this ownership was felt more strongly with Union, township as well as W/VT stakeholders than at S/R level, but is deemed nevertheless quite satisfactory overall. The OEM also felt that civil society, media and communities involved in the programme were usually consulted timely and repeatedly on the various activities to be implemented. They were all able to articulate UNDP's contributions to their respective situation. This ownership was built mostly during implementation rather than during design thanks to UNDP's constant efforts to inform, consult and involve stakeholders at every step of the programme. In particular, the LGM played a critical role in building a shared understanding of the issues at stake and hence, of the justification for the responses proposed in the LGP. Also, UNDP's flexibility in accommodating emerging priorities of stakeholders has contributed to positioning further UNDP as a highly trusted partner. However, this falls short of co-designing the programme strategy with stakeholders or building a common understanding of the local governance / local development approach pursued. The OEM found that, for example, government partners met could

⁵⁵ The use of Theory of Change in programme design was not yet compulsory in UNDP's programming procedures when the LGP was designed; yet, programme documents required a number of elements justifying the choice of approach taken that were akin to the TOC – though not yet denominated with this term.

not always relate training provided by UNDP to strategic change objectives and that civil society beneficiaries had doubts about UNDP's vision for local governance in Myanmar. This can be explained by a lack of vision in government and limited understanding of local governance by civil society. As noted in the CPAP/MTR, this may have consequences on the level of absorption and sustainability of the outcome-level results.⁵⁶

4.2. Effectiveness

Indicators: Looking at the three outcome indicators (see Annex 2), the LGP demonstrates a **satisfactory level of effectiveness**: Indicator 1 (township planning model) is partly achieved and on track for achievement by the end of the programme period; Indicator 2 (local governance baseline) is fully achieved; and Indicator 3, whilst an up-to-date value is not yet available, seems to be on the way to be partly achieved. Yet, the OEM has strong concerns about the suitability of these three indicators to capture the breadth of change hoped for at outcome level (see Section 4.3 for more feedback on the monitoring & evaluation framework). They seem both too narrow and too related to the very work accomplished by the LGP, whilst outcome indicators should measure a change in development conditions. The previous set of indicators, whilst complex to measure, would have provided a more useful tool to support the OEM's statement on the LGP's effectiveness.

Intermediary Results: The evaluation of the progress made towards outcome achievement and the key results and change to which UNDP has contributed, through the LGP but also through the work of other Pillars, is measured against the 5 intermediary results identified in Section 3.1.

Overall, the OEM found that **significant contribution has been made by UNDP to achieving all five intermediary results**, with a special mention for the first result (*Local capacities for state-society engagement*) where UNDP's contribution is considered as critical by many key informants.

Sub-sections below start with a review of progress made in Myanmar overall in reaching the stated goal.

1. Subnational public and civic institutions strengthened to work more closely together

There are numerous examples in the country of a more constructive relationship developing between civil society and government at subnational level, though it is still mainly related to government institutions becoming more relaxed in their traditional "gate-keeper" role of CSO work.⁵⁷ Instances of actual cooperation for solving public policy issues, improving service delivery and effecting social accountability on government are rarer but probably increasing.⁵⁸ There is still uneasiness with certain sectors of government, in particular administrations like GAD or NaTaLa still controlled by the military establishment, for working with civil society. The situation is highly variable from one location to the next, showing that the general policy environment since the shift to people-centered government was officially taken in 2012, is not the main problem anymore against a maturation of the state-civil society interface; it has more to do with the opportunities and capacities that government, local administrations, civil society and other non-state actors find in each S/R and township for building a relationship that can reverse prejudice and produce development results.

The OEM found strong evidence that **UNDP has contributed to improving space, opportunities and capacities for state-society interface at the subnational level** where it has been active. An important breakthrough in that regard was the LGM, which gathered CSOs and local authorities in 16% of all townships and provided opportunities for dialogue, in particular between GAD and communities, around issues of participation, accountability and service delivery. It helped build a shared understanding of challenges limiting the spread of democratic local governance. In locations where UNDP continued working on CSO and media networking or township planning, engagement spaces were effectively established and nurtured and skills for dialogue and collective problem-solving built. It is too early to judge if sizeable development results have been produced thanks to UNDP brokering beyond anecdotal

⁵⁶ See CPAP-MTR, § 66.

⁵⁷ In Mon State, a recent civil society mapping exercise (LRC, 2012), showed that about 50% of CSOs describe successful relations with government regarding freedom of civic action; much less mention actual collaboration for knowledge-sharing, training and service delivery.

⁵⁸ Among recent notable instances is the nation-wide consultation organized by the Ministry of Health with CSOs and EAOs on a National Health Plan and several Rakhine and Mon State Governments taking firm action to protect the rights of vulnerable fishing communities against exploitation and trafficking after accepting to collaborate with CSO advocacy movements.

evidence of rapid policy decisions taken by government after interacting with civil society but usually on “low-hanging” issues providing quick political capital. **The OEM considers that UNDP’s facilitation role, where it is played out, contributes to establishing a new paradigm in local governance.** CSO networks are meeting regularly with local authorities, media networks are organizing regular watch over S/RGs activities, Rule of Law centers provide multiple occasions for the judiciary and CSOs to interact in training and dialogue events and the Union Elections Commission cooperates with UNDP-sponsored CSO networks in delivering voter education programmes.

UNDP’s contribution comes also from efforts made to raise awareness and build capacities among government, civil society, media, CBOs, women’s groups and other key actors on the main tenets and tools for people-centered local governance. While the LGP tended to follow a piece-meal training approach at the start, which was maybe necessary to build awareness and interest among target institutions, it has become gradually more strategic in its capacity-building approach: the cooperation with the IDA to reform the training curriculum of all senior township administration staff and, below them of W/VTAs, to build stronger competencies for participation and accountability, is a potentially very impactful development in this regard. UNDP is contributing to reinforcing the developmental role of W/VTAs, introduced with the 2012 reform, over their traditional law-and-order functions. Civic stakeholders supported through Output 2 with long-term grants (18 months) can develop their own training agenda, based on capacity development objectives they have defined, though the OEM is not sure that these agendas cover sufficiently the legal and administrative aspects of local governance in Myanmar, which is very important for civic actors to maintain a critical engagement with government. Several informants have raised the growing issue of quantity-vs-quality and duplication in trainings offered to local CSOs in Myanmar,⁵⁹ be it through donor programmes or else, and the OEM found no evidence that UNDP has been able to support better coordination at the field level in this regard.

UNDP’s approach to **building capacities for civic engagement on the demand-side through supporting networking seem to work unevenly across locations and organizations.** The OEM was better convinced of the value of such collaborative approach when it comes to TLGs⁶⁰ and media networks, as they gather organizations with similar shape and purpose. CSO networks gather organizations of very different nature and sizes / strength and have had to remain generalist, running the risk hence of lacking effectiveness in advocacy and making network cohesion more problematic. Networks can also reinforce elite control in civil society and create in the long-run additional degrees of separation between lower-level CSOs and the state. The OEM notes however that **the short-term value of networks to facilitate the early stages of relationship-building between government and civil society was well capitalized by UNDP.** UNDP’s involvement with a number of government departments (Planning, GAD and more), national and local CSOs and DPs to assess the CSO enabling environment⁶¹ also has the potential to accelerate the process of relationship-building between local authorities and local CSOs, since it is still constrained in many locations by registration issues.⁶²

UNDP has also been **able to bring about greater coordination between government departments and between layers of governance.** Through the township planning exercise, and through the roll-out of the OSS policy, UNDP is facilitating cross-institutional analysis and problem-solving, as a first step towards full-fledged area-based planning and policy integration at the subnational level. Likewise, UNDP supports the Secretariat of the Inter-Ministerial Committee for Financial Inclusion. Higher levels of institutional convergence help with building stronger state-society relations.

Key contributing interventions: Output 1 (LGM, Township planning & budgeting, IDA trainings); Output 2 (All); Output 5 (Support to CBO/Ag. Department collaboration), Pillar 3 (RoL Centers, Dev Effectiveness).

2. Participatory & accountable subnational policy-making and public financial management (PFM)

A yet-unreleased recent study on subnational public financial management underlines how little progress has been made in legislating sub-national governance and PFM after the 2008 Constitution

⁵⁹ See “Civil Society Mapping, Mon State”, p. 8 (LRC, 2016).

⁶⁰ Evidenced by the impressive change in the Social Recognition Index of these groups in just 3 years of programme.

⁶¹ Against indicator 2 of the Global Partnership for Effective Development Cooperation on civil society involvement.

⁶² 52% of CSOs in Mon State not registered due to hurdles coming from local authorities (LRC, 2016).

established the framework for S/RGs. The system can be described broadly as overly centralized, hence often overlooking local priorities, stifling policy integration and synergies at the area level, poorly efficient in generating own-revenues for local governments in a resource-rich country,⁶³ and not adequate to tackle development inequalities between territories. Subnational parliaments still play a limited role in applying democratic accountability over the use of subnational budgets, although they are becoming increasingly vocal about assuming this prerogative given to them by law; civil society and media are also becoming involved in exerting greater social accountability over subnational PFM. There are signs of a slow shift away from the old socialist-inspired mindset of uniquely top-down planning and greater discretionary powers are given to S/RGs: certain ministries are delegating functions to their S/R level offices for expenditure planning (e.g. education, health, agriculture), formula-based allocations for state transfers are now the norm and annual grant ceilings to S/Rs are announced early. Even more remarkably, the share of the national budget effectively delegated to S/RGs has increased tremendously in a few years and may reach 25% in FY 2017/28.⁶⁴ At the bottom of the governance ladder, village-level planning and budgeting over small discretionary funds allocated by the Union government (with important donor funding, as in the World Bank NCDDP) is becoming common and contributes as well to building practice and pressure for greater bottom-up local governance, though these community-driven processes remain largely disconnected to the state's PFM machinery.

UNDP has contributed to raising the visibility of PFM issues in Myanmar and is developing an approach to achieve greater participation and accountability in township-level development. The LGM was useful in showing the low understanding and ownership of local populations over township-level planning & budgeting⁶⁵ and complemented other more in-depth studies on the subnational PFM machinery. Through SSEs and the Governance Forums, UNDP was instrumental in bringing in comparative experience from countries that went through important fiscal decentralization reforms. With the concrete implementation of a participatory approach in township planning and budgeting, and execution in 2017, involving GAD, Departments, W/VTAs and local communities, UNDP increased significantly its contribution to reforming subnational PFM. As these pilots started only in 2016, concern two townships so far for a small share of their available budget⁶⁶ and as national capacities to roll out the participatory methodology are not yet built, it is still too early to talk of a replicable model that impacts significantly subnational PFM (Outcome Indicator # 2). UNDP plans to extend the pilot methodology to more townships, including the whole of Mon State, in the coming years, to use it over the whole township budget envelope and to build supply and demand capacities for integrated local development planning overall. UNDP contribution to township-level PFM fills an important gap as more donor support is focused on S/R and village level; it is also considering opportunities to better link these three levels in order to support a subnational PFM system that delivers development results more effectively, efficiently and equitably.

UNDP is also attempting to contribute to enhancing subnational PFM also through supporting **multi-year strategic development planning**, with mixed results. The Rakhine State Socio-Economic Development Plan, commissioned by the Rakhine State Government and developed with international assistance under UNDP's coordination, offers useful lessons learnt from a process viewpoint as it was probably too donor-driven to deliver a realistic output. As a result, the Rakhine SEDP still has to raise any funding. On the other hand, the Inle Lake 5-Year Conservation Plan, prepared with Pillar 2 support, opens up a very interesting opportunity to mainstream strategic environmental considerations into regular township planning.

Finally, **UNDP's contribution to increasing accountability in public sector management still remains limited** but with potential to grow and deliver results in 2017 and beyond. The diagnostic and awareness-raising work done in 2016 on social accountability and the broader issue of fighting corruption in government should lead in 2017 to a number of concrete civil society-led social accountability initiatives run in partnership with subnational authorities over public service delivery and budget execution (in particular where UNDP grant funds are disbursed). In 2017, in the context of the

⁶³ Only 3% of the country's GDP comes from taxes, shared between Union, S/R, Districts & Townships.

⁶⁴ Source: UNDP, 2016.

⁶⁵ Only 35% of polled respondents are aware of government spending for public services (LGM, 2015).

⁶⁶ UNDP's Township Development Funds and the Constituency Development Fund form about 3% of the total budget available for planning to each of the targeted townships.

TDF, UNDP will also support township and S/R authorities in Bago and Mon State in adopting good practices for managing project funds. At village level, UNDP has demonstrated the value of strengthening CBOs to ensure a more accountable use of village funds through initiatives such as the SRGs in Output 2 or the food banks in Output 5.

Key contributing interventions: Output 1 (LGM, Township planning); Output 1/2 (Social accountability); Output 2 (SRGs, Civil Society/Media Net); Pillar 2 (Inle Lake Strategic Conservation Plan); Pillar 3 (Rakhine SEDP).

3. Increased opportunities for access to quality services

As noted in Section 2.1, government spending in social and basic services has increased since the last 5 years and the celerity with which it has implemented the OSS initiative to make administrative services more easily accessible to the population, also denotes a strong awareness at the highest-level of the state of the urgency to address public service shortcomings in order to build trust with society. Government has also liberalized the microfinance sector and is supporting its reach to rural areas, with an estimated growth of 400% in MF users since 2011.

UNDP has contributed to **raising awareness on users' experience of public service delivery** in Myanmar and to **enhancing access to certain services, mostly administrative and financial**. The LGM showed increased user satisfaction for certain services (health and education) but also wide remaining wide gaps (water supply, roads, health and job creation). It also helped demonstrate that problems in access to services vary hugely across areas making it clear that a localized approach, defined with public participation, is more apt at addressing people's needs than centrally designed large-scale plans. On the other hand, it showed that women and men do not have, overall, a different experience with public services. The LGM provided therefore a valuable basis for policy-making; however, it would have been good to cover not just services handled from the Union level (e.g. education, health, water) but also services mostly or fully under the purview of S/RGs (e.g. housing, roads, urban sanitation or forestry), as there are more opportunities for a programme like the LGM working with subnational authorities to achieve tangible results there than with services delivered from the Union level.

UNDP has had a **direct role in inspiring the OSS policy to GoM and a supporting role in its implementation**. No other DP has, until now, contributed to this initiative as UNDP did. The OSS have been used so far by nearly 1.1 m people. Rather than an increase in access, the OSS is supposed to enhance users experience for administrative and regulatory services. In the absence of user satisfaction data, the OEM can only invoke anecdotal evidence gathered during its visit from users, and confirmed in UNDP's own recent assessment of this experience,⁶⁷ that the attractiveness of OSS for the wider public is not yet established.⁶⁸ Key informants mentioned the risk of missing an opportunity to improve trust in government if certain urgent measures to improve the OSS experience are not taken. UNDP's recent study on this matter has the benefit of clearly laying down for government an action plan to address the issues – though certain decisions needed to upgrade the OSS model (e.g. creating a dedicated budget in government) are outside of UNDP's sphere of influence. UNDP's support to the training of OSS monitors can also contribute to gradually addressing some pressing issues limiting the development effectiveness of OSS. The OSS remain a promising tool to achieve greater efficiency in public service delivery and progress in local development as some services delivered through OSS have the potential to facilitate and accelerate enterprise development (incl. business, land, construction licenses) and reduce petty corruption in the public sector.

The UNDP-UNCDF partnership has had high impact in increasing access to financial services through the LGM. Through its retail operations during the first year of the LGM while the transfer operations was finalized, and after its completion through its support to the institutionalization and diversification of the microfinance sector, both in terms of providers and types of financial services, the UNDP-UNCDF partnership has contributed to making regulated microfinance available in 5 new S/Rs for a total of 36 townships for an increase of 200,000 users. UNDP also supports access to microfinance from the demand side through its work in support of more than 2,000 SRGs. With its technical assistance to the reform of the policy and institutional frameworks for microfinance, and with the digitalization of microfinance services, UNDP/UNCDF further contributes to increasing the coverage of MF services all

⁶⁷ Shotton, R, 2016.

⁶⁸ According to Shotton (2016), the volume of delivery of services through Department Offices remain much greater than through OSS.

over the country. The Financial Regulatory Department (FRD) is well acquainted now with the issue of financial inclusion in a broad way, much in contrast to its predecessor institution (the Myanmar Microfinance Supervisory Enterprise), which acted as a small loan banker.

UNDP also contributed to **increasing regular and predictable access at the township and community-level to range of livelihood & welfare services** critical to the well-being of vulnerable groups (skills training, mother & child health, education, legal counsel, SGBV prevention) through its support to rural women empowerment and its rule of law programme. In doing so, UNDP also demonstrated the need to strengthen non-governmental channels for service delivery and public sector support to such channels in the future.⁶⁹ UNDP also contributes directly, although very modestly at this stage, to improving the quality of basic services through the 20+ small projects funded through the TDF in the two townships of Kawa and Billin for the upgrading of education, health and sanitation facilities. In 2017 and beyond, the TDF will make a bigger contribution to service delivery as a dozen more townships will be covered.

Key contributing interventions: Output 1(LGM, OSS, TS grants); Output 2 (TLGS, Mae Dow Kabar); Output 4; Rule of law Centres (Pillar 3).

4. More cohesive communities creating opportunities for peace:

There is evidence of increasing social, economic and governance linkages in cease-fire and conflict-affected areas between state and non-state actors, and between different ethnic communities. This is reported from UNICEF, for example, for all the South-East where GoM has been able to increase the reach of its education services in areas that it does not control directly thanks to increased dialogue and cooperation with local non-state providers linked to EAOs. There are no readily available data on social cohesion in the country, but a proxy for improved cohesion in areas not under open conflict is given by the LGM which states that in 2014, 86% of residents in the States felt safe (with the caveat that only government-controlled villages were accessed for this exercise).

UNDP has demonstrated the value of inclusive community governance and livelihood support to engineer attitudinal changes necessary for achieving greater levels of social cohesion, in particular among and towards youth and women and in 330 communities with varying levels of internal division. UNDP promoted a ‘building block’ approach through support to food banks, capital assistance, skill development, infrastructure and value-chains, which provided multiple opportunities for interactions and dialogues between individuals of different identity groups and demonstrated in return to beneficiaries that increased social cohesion was beneficial to economic stability and accessing a range of services (microfinance, business development, skills training, etc.). While UNDP support was short (at most, 24 months in any community supported), the OEM collected evidence indicating that target villages continue to maintain inputs, assets, and capacities acquired after these activities were completed. For example, membership in some of the food banks is expanding and community infrastructure, in many cases, continues to be managed by CBOs with women and youth participation. Sales agents for improved woodstoves report improved self-confidence and leadership skills that push them to play visible leadership roles in their communities. The communities themselves report improved perceptions of women and youth.⁷⁰ 82% of persons reported perceptions of increased unity of people from different communities 6 months after initial contact/engagement.⁷¹ An imminent impact evaluation of Output 5 (January 2017), should provide more reliable insights as to what degree capacities for dialogue as well as investments made for poverty reduction were relevant to the purpose of instilling durably greater social cohesion in hitherto divided communities and regions.

UNDP also contributed to raising awareness and strengthening capacities at the local and national level for dialogue, conflict sensitivity, social cohesion and peacebuilding, through support to dialogue skills in civil society, government and media and opening dialogues spaces between government and society, in particular in ethnic States, and through the roll-out of the social cohesion course. The local social cohesion networks comprising of trainers, government officials, and NSAs that came out of this

⁶⁹ Already, Township authorities have been supportive for the most, including in-kind through land donations, of TLGs’ efforts to increase services to rural women for their enfranchisement from poverty.

⁷⁰ Mercy Corps, Learnings from the Innovative Technologies for Rural Communities Project, March 2015 – August 2016, and interviews.

⁷¹ Output report (January- June 2016)

initiative were still active in areas visited by the OEM. The LGP also helped raise awareness and skills for conflict-sensitivity in public policy-making and programming among a wide range of institutional actors at different levels, including among W/VTAs in the two townships targeted by the LGP's Township Development Fund. The National Youth & Peace Policy and the South-East Peace Conference and action plans, resulting from UNDP grant support to State-based CSO networks can also contribute to reinforcing local infrastructures for peace if they are followed by implementation. At the Union level, there is also increasing traction with the GAD as well as with the UCSB, to integrate conflict sensitivity into the curricula of their respective training institutions.

More broadly, the OEM also points out, even if it cannot be substantiated with evidence, that **UNDP's support to national civil society networks**, such as May Doe Kabar, or by facilitating national exchanges between State-based networks of CSOs and media organizations, contributes to fighting negative perceptions between identity groups in Myanmar and to increasing cross-identity social capital.

Key contributing interventions: Output 1 (Township planning); Output 2 (CSO/Media Nets and MDK); Output 5 (all).

5. Lesser inequalities between rural and urban areas

Myanmar's rural / urban divide is conspicuous in many aspects (public services, infrastructure, health and education status, power, living standards) and the rural poor form 84% of the country's population living under the poverty line. As a result, there has been an exodus of young men and women from rural villages to neighbouring countries; their remittances are providing a much needed boon to sluggish raise of rural populations living standards. But rural exodus to nearby cities and towns is also accelerating, and generating sprawling shanty towns in an well-known scenario of uncontrolled urbanization. Rural income poverty is mostly related to lack of access to cultivable land, compounded in ethnic areas but insecurity and land grabbing by the military,⁷² and low agricultural productivity – which is also linked to the lack of access to rural credit. While there are no recent reliable data available to sketch a trend in terms of rural/urban divide since the LGP started, the WB⁷³ considers that GDP growth benefits mostly urban and peri-urban areas home to the manufacturing and services sector while agricultural productivity is lagging behind. The WB also considers that, besides investing in private-sector led growth, the other main pathway out of poverty for the country is in promoting universal access to basic services and empowerment for inclusive growth, particularly in rural areas. Microfinance remains also a powerful tool for boosting local economic development, as shown by recent FRD figures stating that 20% of micro-loan recipients in the past 5 years have been able to graduate as SMEs.⁷⁴

In line with the second pathway noted above, **the main contribution of the UNDP-UNCDF partnership in lessening the rural/urban divide has been in prioritizing the expansion of financial inclusion in rural areas**. However, with 68% of the estimated 190,000 new MF users attributable to the LGP residing in rural areas, this targeting still seems insufficient to reduce effectively the rural/urban gap given that 84% of the poor live in the country side. This ratio is nonetheless above the 50/50 threshold required from all MFSPs in Myanmar by the MF Law. Unfortunately, the LGP has not taken steps to push for the extension of financial services to conflict-affected areas, where the highest poverty levels are found, whether at policy level (e.g. no mention of special needs of States / cease-fire areas for microfinance in the FI Road Map) or through its support to the installation of new MFSPs in the country.

UNDP contributed to **economic empowerment in rural areas**, in particular for women thanks to skills development, access to financial services and social protection schemes, through the TLG and Mae Doe Kabar initiatives, and with astounding results if one relies on data self-reported by women SRG members, whereby 87% of them have increased their income since 2013 and 72% have more opportunities for skills development. Similarly, the multi-faceted livelihoods for social cohesion support in cease-fire and/or high poverty areas has proven to undoubtedly contribute positively to household food security, income and business development in rural areas, including in remote locations. Yet, it is too early to make an informed statement on the longer-term impact on poverty alleviation in concerned areas – and in any case, all LGP support stopped for these areas after less than two years of implementation.

⁷² Fifty years ago, landlessness was a marginal issue, while now it encompasses some 30 percent of the population (Steinberg, 2014).

⁷³ World Bank, 2014.

⁷⁴ Source: FRD, 2016 through UNDP.

At this stage, the OEM found that the **Township Development Fund pilots have been addressing rural poverty from the point of view of access to social services** only as the locally-led prioritization process helped identify the neediest villages for receiving UNDP grants and selected service infrastructure projects. With UNDP guidance, the TDF could be used in the following round by local actors for increasing agricultural productivity through the funding of productive infrastructure, extension services or through building stronger urban/rural linkages (e.g. rural roads, markets) at the level of township. Owing to the novelty of the methodology and limited understanding by local stakeholders, the LGP has not introduced yet a dimension of spatial planning for the annual planning and budgeting exercise, which could also help better leverage opportunities to tie the development of rural areas with that of fast-growing urban wards.

UNDP has contributed to limiting the impact of environmental crises on the living standards of rural poor communities through its support to early recovery (community-level and national coordination) in disaster-hit areas of Rakhine and Kachin States and community-based adaptation to climate change in the Dry Zone (Pillar 2).

Key contributing interventions: Output 1 (TDF); Output 2 (TLGs/SRGs, MDK); Output 4 (All), Output 5 (livelihoods, rural technologies, early recovery), Pillar 2 (Community-based climate change adaptation).

Modelling, territorial impact and replicability: The LGP approach stated in the programme document mentions the need to develop, within the programme period, a number of “models” for organizing local governance and local development stakeholders and their transactions into a more locally-driven system that delivers effective development results, including services, inclusive growth and access to voice.⁷⁵ The OEM found that convincing progress has been made on a number of such “models” or building blocks needed for a more responsive and accountable LGLD system, especially at township level. The stronger state-society interface, the more participatory and cross-sectoral planning and budgeting approach, the more accessible services and the increased skills for building and maintaining social cohesion, all are needed elements – though not sufficient – for informing a future local governance reform that would also contribute to peacebuilding.

In order to further analyze how the progress achieved at the level of intermediary results and the demonstration of a number of intervention models contributed to creating impactful and replicable change at the outcome level (as stated in the programme document), three dimensions need to be looked at: (i) the change timeline; (ii) the level of area-based integration; and (iii) the level of policy uptake.

Regarding the **timeline**, even if the LGP has reached 4 years of activity, apart from those related to microfinance and rural women empowerment, few of the intermediary results reviewed above have actually stood so far the test of time. A short experimentation period, ranging from 5 months to one year per community, applies in the case of the livelihoods for social cohesion work. Township planning and budgeting has started in earnest late (2016) but is slated now to be tested for 4 more years (including 2017), hence should eventually deliver an approach for this building block informed by sufficient experience. The CSO and media networks were rapidly established, as it requires minimal institutional or social engineering, but more time is needed to prove their longevity and that they can eventually organize a more institutionalized and effective voice of civil society into local decision-making.

Regarding the **area-based integration** of the various results achieved by the LGP, there has been actually a limited overlap across the 4 outputs, as shown in the table below:⁷⁶

Unit	1 output	2 outputs	3 outputs	4 outputs	TOTAL
State/Region	3	6	1	1	11
Townships	65	14	3	0	82

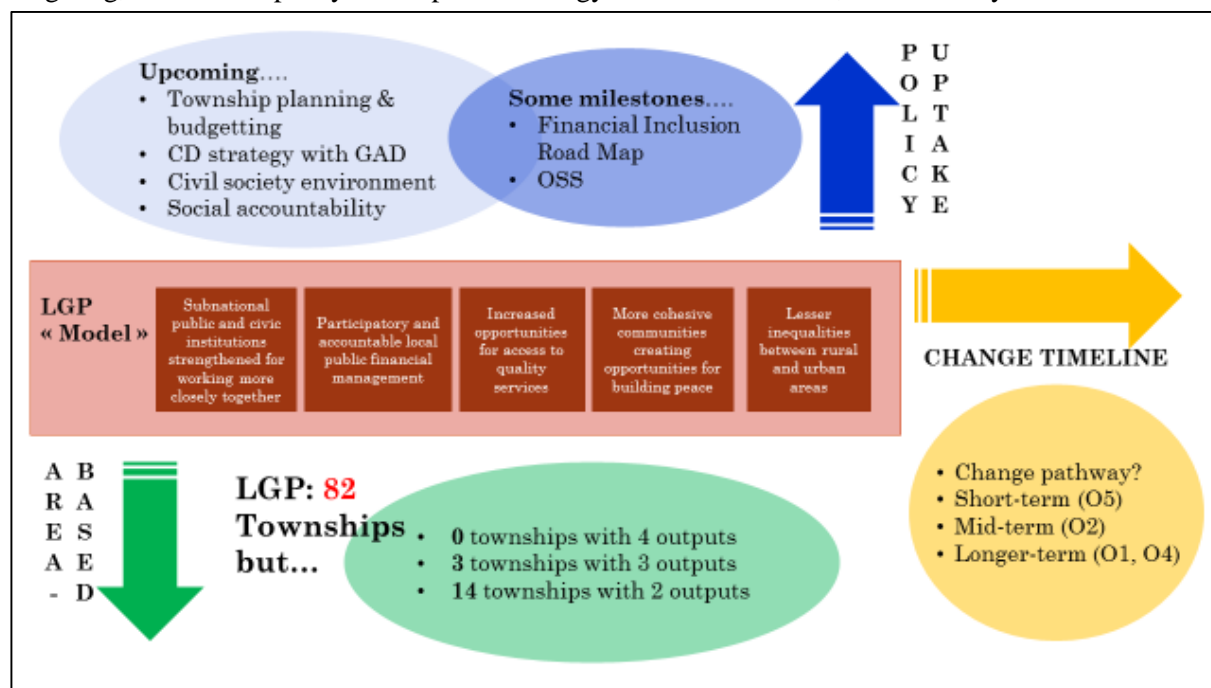
⁷⁵ “[Pillar 1] will support institutional strengthening of local governments and civil society that will promote sustainable and inclusive local development *models* and contribute to poverty reduction in Myanmar. [...] more sustainable local governance and development processes, with successful *models* to potentially be further scaled up by government and other partners”. CPAP, 2013-2015, p.6., UNDP Myanmar.

⁷⁶ These figures exclude townships where the only LGP activity has been data collection for the LGM; OSS are also not considered as a field-level LGP activity as the main support by LGP was at policy level, except for the provision of IT equipment by UNDP to 17 OSS.

Hence, out of 82 townships that have benefitted from substantial UNDP support through the LGP, the great majority (79%) has benefited from the support of one output only – and not always the full output content, sometimes just one activity.⁷⁷ It is also interesting to consider that among the only two townships where work is carried out on core local governance functions (planning, budgeting and financial management) that provides a unique opportunity to peg work on demand-side and livelihood support with supply-side response mechanisms, only one township (Bilin) gathers activities from 2 other outputs (2, 4) – though in effect there was only limited synergy achieved with Output 2 in Bilin – and in the other township (Kawa), no other LGP activity was implemented.⁷⁸

Without going into more details, the geographical dispersion of LGP activities has limited therefore the possibility to create more cross-fertilization between outputs – even if a few effective synergies did happen as is detailed further below. The LGP has not so far concretely modelled on the ground the value of bringing together territorially support to supply and demand sides of local governance, and social cohesion, for achieving more impactful change. The OEM recognizes that the LGP was not designed, nor negotiated with national stakeholders and nor managed as an area-based programme. Decisions on targeting took place at output level and were led understandably by priorities of ministerial partners attached to each output. Outputs had their own set of priority in terms of governance level entry points. Given the lack of an overall theory of change, individual output logics have remained dominant and limited the possibility of bringing a more focused geographical approach during implementation. For all these reasons, the above finding on a lack of territorial integration of the interventions modelled and of the intermediary results achieved by the LGP should not be seen as a statement of failure as much as a forward-looking lesson learnt that should guide the next phase of the programme.

Regarding the **policy uptake**, at this stage, the main policy results coming from the LGP are fragmented, yet impactful on some areas of the LGLD framework in Myanmar. These are the Financial Inclusion Road Map and the OSS policy, both coming with inter-ministerial steering committees, which are actually 2 of the only 5 functional such committees⁷⁹ in the current government. Both are important milestones for increasing access to services needed routinely by the population and for improving their living standards. It is foreseen that the LGP will produce more policy-level results during its last year of operation, including a government-sanctioned methodology for participatory township planning and budgeting, a revised capacity development strategy for senior TA staff, additional by-laws to facilitate



⁷⁷ As an example, while Output 2 works in 33 townships, there are only 4 among these where activities in support of women's empowerment and those in support of CSO-state dialogue coincide.

⁷⁸ Incidentally, Output 4 supports village-level savings cooperatives through its MicroLead programme in all of Bago Region...except in Kawa and two other townships.

⁷⁹ Source: UNDP.

the implementation of the Associations Law and a policy decision by GAD supporting the use of a social accountability framework at the level of TAs. Beyond this, and since early 2016 and the closure of the ARCC by the new government, UNDP has lacked entry points to engage firmly with government at strategic policy level (rather than ministerial policy level) on a more global local governance reform. The current split of responsibilities between between Pillar 1 and Pillar 3 vis-à-vis local governance, decentralization and public administreations is also a limitation for stronger policy impact in this regard.

Geographical targeting: **the LGP covers a wide and diverse set of geographical locations.** Besides being present in 11 S/R and 82 townships, it has delivered below these direct support in at least 360 W/VTs at community level. Adding its support to the roll-out of the OSS policy and the conduct of the LGM, the LGP has reached nearly every township in the country. The LGP has had a soft targeting over ethnic States, and within these cease-fire areas, since 55% of the 82 townships where one more of significant activity took place (excluding LGM and OSS) are located in States. On the other hand, the LGP targeted overwhelmingly rural areas except for one of the MFSPs supported through the MicroLead programme (ASA) focusing half of its delivery in urban areas. CSO and media network offices are also established in the main urban center of the targeted States, but their members reside for a large part in rural townships.

While the scope of the programme was reduced in 2014 from the initial plans, the results are still impressive in terms of outreach and diversity of locations. It helped UNDP build a strong knowledge base on local governance, trust with a large range of stakeholders and provides a large experimental base for analyzing results and future programming, but on the other led to some level of dilution of results on the ground (as just explained in the previous sub-section). The LGP was not designed as a peacebuilding programme, hence the balanced State/Region split in terms of locations is fine but seen from a poverty point of view, a higher focus on States where poverty rates are much higher could have made sense with regards to the stated poverty alleviation goal of the programme. Also, while cease-fire areas have been privileged under Output 5, this is not the case for other outputs intervening in States. This has reduced hence the possibility of developing more experience in working on local governance mechanisms in mixed administration areas, for example – though the OEM acknowledges that, until the NCA in 2015, EAOs were considered as illegal organizations and could not be considered as beneficiaries in a government-sponsored programme. Finally, the LGP accomplished its objective to focus on rural areas; it has not been very active though in strengthening rural/urban linkages for local development, except with the CSO & media networks where urban-based organizations, better connected to government and external sources of support, are being empowered to build capacities of their rural sister organizations and introduce innovations that can benefit all.

Stakeholder / beneficiary targeting: UNDP has worked with a **large array of stakeholders** at Union, S/R, township, W/VT and village levels. Given the high diversity of activities implemented and target groups, and the varying level of engagement and benefits achieved for each type of stakeholders, it is difficult to present a quantified breakdown of stakeholders, only ranges can be given as follows: according to the OEM analysis, the LGP would have benefited directly the livelihoods of nearly 700,000 people, built public infrastructure in about 500 communities serving roughly 300,000 people, supported the strengthening of about 2,300 CBOs (including SRGs), trained and coached around 50 civil society and media organizations directly, and many times this number through training activities sponsored by network grants; finally, the LGP has trained hundreds of civil servants (mostly at township and W/VT levels), belonging to roughly 10 Departments and 4 S/RGs. Where targets were set for numbers of beneficiaries / stakeholders – which is not the case for all outputs – the LGP has mostly reached or exceeded them.

UNDP has therefore kept the same **wide scope strategy for stakeholder targeting in order to build knowledge of local governance and local development and trust** with all concerned stakeholders, as it did with working in a large number of locations. The same drawback from such approach applies, i.e. a certain dilution of capacity development efforts. Also, in spite of the plethora of stakeholders, a few important categories for the purpose of building an integrated LGLD model working for a diversity of contexts in Myanmar, have been missing: very few private sector interests are represented among the stakeholders and EAOs or civilian organizations linked to NSAs are also only marginally benefiting from the programme – with the caveat that working with these entities was illegal until the NCA in

October 2015. Finally, the OEM did not see that the LGP team made special efforts to reach out, across the board, to the youth and specific categories of vulnerable people, such as the elderly or disabled, especially under Outputs 4 and 5, which deal more with the individual level. More analysis on vulnerability, and gender equality, targeting and gender equality is discussed under the corresponding evaluation criteria further below.

Implementation approach and partnership strategy: **UNDP has been implementing directly a large part of the LGP** work down to township-level but has generally worked through an international implementing partner for community-level work (MicroLead MFSPs for Output 4, ACTED, Mercy Corps, SFCG for Output 5), keeping with its HDI transition strategy. Choosing to retain direct implementation over the most innovative areas of work in the LGP compared to the HDI, such as local governance mapping, local institution strengthening, civil society and media support, financial inclusion policies, and more, allowed UNDP **to build more effectively knowledge, trust and strategic partnerships to play a broker role between concerned actors**. This seemed particularly critical when dealing with institutions such as GAD, the Ministry of Planning & Finance or the Information & Public Relations Department, and with TAs, as they had not a great deal of experience working with foreign organizations. UNDP also had strong comparative advantage to continue supporting directly rural women's empowerment, but doing it through TLGs and their national network allowed UNDP to release itself from the intensive SRG coaching task. Similarly, working with networks of CSOs and media was a cost-effective manner of reaching more local beneficiaries with less direct responsibility.

The question remains though whether it was always necessary to support the creation of new networks – even if responding to local requests in doing so – in the locations considered when other networks already existed and whether UNDP could have joined forces in certain States with other development partners, including UN agencies, in combining support to networks. The OEM heard this criticism on several occasions from informants in the international community, but lacks background information on the civil society landscape in each area targeted by Output 2 to make an informed judgement on this point. More broadly, UNDP's work with civil society and media, as well as women's empowerment, might have benefitted also from the expertise and flexibility of specialized INGOs in this sector, which are more apt (also because more independent from government) in supporting the emergence of home-grown advocacy agendas. INGOs can also better connect local CSOs with regional and international activism networks that can support them. Furthermore, having implementation partners for supporting the demand-side of the local governance work, UNDP would have been relieved of the tedious grant management tasks and able to focus more on strategic enabling environment matters, including for proposing policy options to institutionalize stable engagement mechanisms between civil society and legislative, administrative and judicial authorities. Such outsourcing would have had to be partial though, as UNDP also needed to maintain some level of direct involvement at the side of CSO and public institutions in target areas to build the knowledge and trust necessary for playing its brokering role between government and civil society.

A downside to direct implementation is that it reduces opportunities for national ownership and for building national implementation capacities. At the time of programme design, given the brand new mandate and lack of experience in dealing with GoM institutions, the choice of a DIM modality seemed justified. National implementation was envisaged later on for Output 5 with the Ministry of Cooperatives, but the latter turned down the offer considering the extra bureaucratic burden this might entail for their administration. It seems that few government agencies are yet ready to engage in NIM modalities, but more donors are now moving to this kind of modality, such as the WB with the Dep. of Rural Development for the NCDDP, and as well UNICEF and UNFPA with their respective counterpart ministries. As of last, UNDP took an important step in introducing a measured dose of national implementation by deciding to channel the township grants that will be executed in 2017 through the S/R administrations of the concerned townships. UNDP is also supporting national implementation that does not involve financial flows as with the roll out of the OSS and Financial Inclusion Road Map policies, which are fully led by Government and supported by UNDP with technical and financial means.

More generally, the OEM also notes that the direct implementation approach favoured by the LGP has not permitted contributing sizeably to the emergence or strengthening of **national intermediary support organizations** (or ISOs), whether think-tanks, academic centers, NGOs or for-profit

consultancies, with a few exceptions as in Output 1 (Myanmar Survey Research) and Output 5 that mobilized a number of national NGOs in several of its livelihoods activities. It is true that the ISO market in Myanmar has only recently expanded but increasingly development partners (e.g. USAID, WB, DfID) seem to be choosing this approach.

UNDP has also not developed strong partnerships with development partners so far for the LGP programme, except with UNCDF, which is anyway a co-designer of the LGP. Coordination is developing at the policy level with the World Bank and with the Asia Foundation with the intention of later on better connecting downstream support to local governance and PFM mechanisms to each of the S/R, township and village-level provided collectively by the three organizations. UNDP is also coordinating with UNICEF on supporting subnational governance and service delivery in the South-East and co-chairs with UNICEF regular Sub-National Governance Consultation Meetings gathering several DPs around support to local governance and local development planning. Nevertheless, **UNDP's partnership strategy has concentrated on the GoM**, and in particular GAD, Planning, Budget, NaTaLa, FRD and IPRD, with each agency playing a leadership role over one output, this has proven very effective in generating mutual trust, opening new opportunities (such as the OSS initiative) and preparing the ground for greater national implementation responsibilities in the future.

Cost-effectiveness: Considering the sizeable contribution of the LGP and other UNDP interventions towards achieving the five intermediary results, the large number of stakeholders in a wide range of locations benefiting from UNDP's support to LGLD, the **general statement on the cost-effectiveness of the LGP, at a qualitative level, is positive**. However, the absence of quantitative impact-level data due to the fact that the programme is still on-going does not allow the OEM going further in making a substantiated value-for-money statement. Also, UNDP Outcome Evaluation guidelines do not require systematically a value-for-money analysis nor propose any specific UNDP-vetted tool for such exercise. As it was not included in its TORs, the OEM is not making a value-for-money statement in this report.

Other criteria have been considered by the OEM to assess the cost-effectiveness of the LGP so far, as shown below. Please note that all calculations below have been done on the total LGP budget (UNDP + UNCDF) for the period 2013-2016, including funds carried over from the HDI for the transition period in 2013 (MF retail and HDI operational closure), unless where specified.

- i) **the balance of funds spent on the supply and demand sides of local governance and local development.** As of Nov 2016, according to OEM calculations (see Annex 8), about 32% of the LGP budget was spent on the supply side against 68% for the demand side (38/62% if not considering MF transition funds). In a context like Myanmar, reprogramming the *software* of government institutions with the concepts of participation, inclusion, accountability and responsiveness, requires extensive work at all levels of the public administration and can be far more complex than organizing the capacities of demand side of local governance to channel better voice and demand rights. Also, imbalances towards the demand side may result in state institutions feeling cornered by increasingly vocal civil society, media and public while missing the capacities and guidance to respond better to people's expectations. As an example, supporting only social accountability mechanisms without at the same time strengthening financial management capacities and internal accountability frameworks in public administrations can deliver more crispation and closure in the latter than effective decrease in corruption. The OEM recognizes that the soft earmarking of programme funds by certain donors to the demand side (e.g. Japan for Output 5) has contributed to creating this imbalance until 2016 and limited UNDP's ability to allocate funds more equally. The OEM also notes the positive evolution of the balance in 2017 (52% supply vs. 48% demand).
- ii) **the balance of funds spent on core local governance aspects vs. local development**, which roughly represent Outputs 1 & 2 on one side, for 26% of the total funds against Outputs 4 & 5 on the other side, for 68%. To some extent, this imbalance stems from the fact that LGP's support to local development has been for a large share in the form of direct capital assistance (livelihood grants & capital, small infrastructure, etc.), which are always costlier than soft inputs such as training and process facilitation. This is confirmed by the fact that the largest activity, in terms of budget, has been the "livelihoods for social cohesion" one, which consumed 30% of the LGP budget, followed by MF-related activities. As for the previous criteria, UNDP's latitude to change this split was also

constrained by the earmarking of donor funding, in particular Japan's contribution towards hardware support to local development.

iii) **the internal distribution of output budget to activity results vis-à-vis their effectiveness.** The table below shows internal budget distribution by output and activity result for the period. 2013-2016

Budget breakdown 2013 - 2016

Output	Share of total allocated budget	Activity Result	Share of Output Expenditures*	Share of LGP Expenditures*
1	15 %	LGM (incl. CD GAD w:IDA)	46% (1%)	6.6%
		TS Planning & grants	54%	7.7%
2	11 %	CSO networks	48%	5.2%
		Women's empowerment	26%	2.8%
		Media networks	26%	2.8%
4	21 %	MFI capacities	45%	14.5%
		Vocational training	1%	0.2%
		MF transition	54%	15.5%
5	47 %	Social protection	6%	2.5%
		Livelihoods for social cohesion	69%	30%
		Conflict-sensitivity and social cohesion	15%	6.3%
		Early recovery	9%	3.8%
HDI transition	5 %			

* programme management costs allocated to each output and activity result on a prorated basis

The OEM draws the following conclusions from this data:

- **Output 1:** the LGM exercise, for all the value it has had in terms of building knowledge and trust, and creating a baseline useful for LGLD programming, has consumed a considerable amount of funding from Output 1 compared to the contribution it actually made to delivering progress at the outcome level and its limited impact so far in generating home-grown local governance measurement systems. Capacity development and TS planning are more effective in the long run to build a more people-centered local governance system in Myanmar, but could seem under-funded so far (though the ratio will increase in 2017 based on draft annual work plan). A tighter and more focused exercise on a sample of S/Rs and a simpler methodological approach, might have been more cost-effective in the end while still producing actionable results.
- **Output 2:** in comparison with their respective contribution to outcome-level results, a more balanced distribution of funds between the CSO networks and women's empowerment activities would have seemed justified, given the good effectiveness of the latter in tackling rural poverty, while the share of funds allocated to media-related activities seems rather high compared to their actual contribution to the core work of the Pillar.
- **Output 5:** Most of the funding for Output 5 was spent in the first two years and on livelihoods, which explains the larger share given to this activity result and the low level of funding for the social cohesion / conflict sensitivity capacity development component that bore very promising potential for triggering system-wide results but only started in 2015.

The OEM is conscious that the latitude to redistribute funds for greater cost-effectiveness was constrained by earmarking of some of the programme funding. Taking aside the UNCDF part of the programme budget, which is 100% earmarked for Output 4 and considering that the Japanese contribution was soft-earmarked to Output 5, this left about 55% of the budget unearmarked during the period 2013-2016, leaving still some leeway for addressing some of the imbalances noted above. Also, the absence of mid-term evaluations, whether internal or external, of the programme's outputs (not foreseen in the M&E plan) has limited UNDP's capacity to address emerging imbalances from a cost-effectiveness point of view.

Cross-output and cross-pillar synergies: Collaborations between outputs and other pillars have been regular, often for policy advice, capacity-building and access. There are several successful examples of collaboration that the OEM would like to highlight (non-exhaustive list):

- **Policies:** O1 and Pillar 3 have collaborated in presenting international comparative experience on decentralization to various government institutions, academic centers and think-tanks and supported also the (short-lived) Administrative Reform Coordination Committee. With the new government, opportunities for engaging GoM in policy discussions on decentralization and public administration reform are more limited. A single UNDP approach to supporting policy development for a subnational governance reform is also missing. At policy level, O2 and P3 also collaborate on improving the enabling environment for CSOs. More recently, a promising collaboration between O1 and O2 has developed to build support in government for using of social accountability tools in Myanmar to strengthen local PFM practices and improve service delivery.
- **Capacity-Development:** the most effective cross-output collaboration in this regard has been the mainstreaming of skills for conflict-sensitivity and social cohesion programming, under the leadership of O5, across other outputs. CSO and media networks, as well as S/RGs and Union-level GAD officials have benefited from these inputs that helped further strengthen their relations; O2 CSOs have also used these new skills for their peacebuilding activities. The LGP collaborates closely with Pillar 3 for mainstreaming capacities and mechanisms for conflict prevention, informal justice and prevention of SGBV in its support to CSOs, media and local administrations. Another interesting example is the nascent collaboration between Output 4 and Output 2 on women's economic empowerment and a possible support to the MDK network to become a full-blown MFSP.
- **Methodology and priority-setting:** the LGM results have helped shape Output 2 approach and priorities for its state-society dialogue component and identify promising CSOs that had taken part in the mapping process. The LGM methodology was also re-used and adapted for the subsequent Access to Justice mapping run by Pillar 3. Across pillars, O5 has contributed to mainstreaming peacebuilding and social cohesion indicators into national development monitoring supported by P3.
- **Access:** CSOs and media networks have gained easier access to S/R parliaments where Pillar 3 is providing them with technical and capacity-building support. The same goes for members of CSO networks that were offered to work on voter education campaigns of the Union Elections Commission thanks to Pillar 3 facilitation.
- **Delivery:** TLGs are increasingly collaborating with MicroLead providers supported by O4 and are also involved in legal rights campaign supported by the Rule of Law centers of Pillar 3. There has also been a collaboration with O5 on promoting the role of women in peace and security.

The lack of area-based approach in implementing the programme has limited opportunities for greater field-level collaborations, and in particular the OEM notes that there has been limited cross-output and cross-pillar synergies around the township planning and budgeting exercises and the roll-out of the OSS policy – although with the expansion of township planning pilots from 2017 onwards, some of that gap could be bridged. Cross-output and cross-pillar collaborations have been more frequent in the case of Output 2, maybe due to the more versatile role played by civil society across different thematic areas. On the other hand, there are fewer cross-linkages involving Output 4, contributing to its greater disconnection from the LGP's broader goal. There are opportunities however to connect the role of microfinance for inclusive growth and livelihoods related support achieved by O2 and O5, and even more broadly with the local economic dimension of township development planning. Also, users' groups and cooperatives supported by Output 4 represent important interests' group to take part in building a strong and development-oriented demand side of local governance.

More generally, the OEM notes that **cross-output / pillar collaborations developed at first on the basis of emerging tactical opportunities; their institutionalization around shared development objectives is increasing but still needs more attention, especially for the cross-pillar level**, as noted already in the findings of the CPAP/MTR in Sep. 2015.⁸⁰ This situation links back to the lack of a strong theory of change to guide the programme, followed by gradual realization by UNDP (also under request of donors) of the need to strengthen internal coordination and synergies around a single country programme narrative. The OEM notes that it is critical to develop a stronger inter-pillar collaboration to develop during the upcoming CPD process a single approach towards supporting local governance reform, local development planning as well as peacebuilding.

⁸⁰ «...there is a need to increase the institutionalization of the outcome connections, which at the moment appear to be more opportunistic than pre-determined », § 94, CPAP/MTR, 2015.

4.3. Efficiency

Utilization of financial resources: UNDP has been very efficient in delivering the LGP as per allocated budget, with a total cumulative delivery of 91% by the end of 2016. As a point of comparison, for the single year of 2015, the LGP outperformed in delivery (96%) the already high delivery rate of the Myanmar Country Office as a whole (91%).⁸¹ This shows pragmatic work planning on the part of the programme management and output teams and efficient management and operations in delivering planned activities.

LGP Budget Allocations and Delivery Rates

	2013		2014		2015		2016		Cumulative (2013-2016)	
Output 1	1,371,418	89%	2,495,728	96%	2,863,295	96%	1,078,252	98%	7,808,693	95%
Output 2	341,305	80%	950,001	97%	2,237,092	97%	2,246,290	99%	5,774,688	96%
Output 4	10,989,486	83%	2,086,490	95%	2,702,909	95%	1,993,100	93%	17,771,985	87%
Output 5	7,640,931	80%	7,828,386	97%	5,723,040	97%	3,001,614	100%	24,193,971	91%
HDI transition	2,675,192	98%							2,675,192	98%
Total	23,018,332	84%	13,360,605	95%	13,526,336	96%	8,319,256		58,224,529	91%

The OEM also reviewed the distribution of programme budget between activity expenditures and programme running costs.⁸² The total share of programme running costs for the period up to Nov. 2016 stands at 17,5% considering all four outputs, which would be considered as in the upper-medium range in terms of cost-efficiency ratio. Special mention needs to be made on the cost-effectiveness of Output 4, probably explained by the fact that the lion's share of the output expenditures consists in large grants to MSFPs, hence less staff-intensive management-wise than activities in other outputs.⁸³ The OEM notes in particular the high rate of programme running costs for Output 1 and, for lack of a better explanation, links it to the heavy staffing needed for the first two years of the programme to conduct the Local Governance Mapping. Output 1 also involves mostly soft capacity-building activities and small-size contracts that are more consuming in staff time than large supply, grant or services contracts as found for example in Output 5 in its first 3 years. Finally, the OEM thinks that the high variance from one year to the next in terms of programme costs is probably linked to the difficulty of adjusting timely human resources to annual delivery amounts given UNDP human resources modalities, as explained in the next section, and the added challenge posed to forward budget and resource planning under the dominant annual programme-based funding model followed by the Country Office until recently.

LGP Programme Running Costs as % of total expenditures

	2013	2014	2015	2016	Cumulative (2013-2016)
Output 1	51%	42%	18%	31%	33%
Output 2	11%	35%	16%	16%	20%
Output 4	1%	12%	7%	2%	4%
Output 5	12%	23%	20%	46%	21%
Total					17.5%

Staffing: based on figures communicated by the Country Office, the OEM has compared different dimensions of the overall programme staffing⁸⁴ and linked to annual budget delivery (see figure on next page). With the caveat that the staffing figures are shown on an annual basis – while assignments were at times shorter than a year or striding portions of two consecutive years - this gives the overall picture of an evolving fit between staffing levels and budget delivery. Annex 9 presents staffing figures per

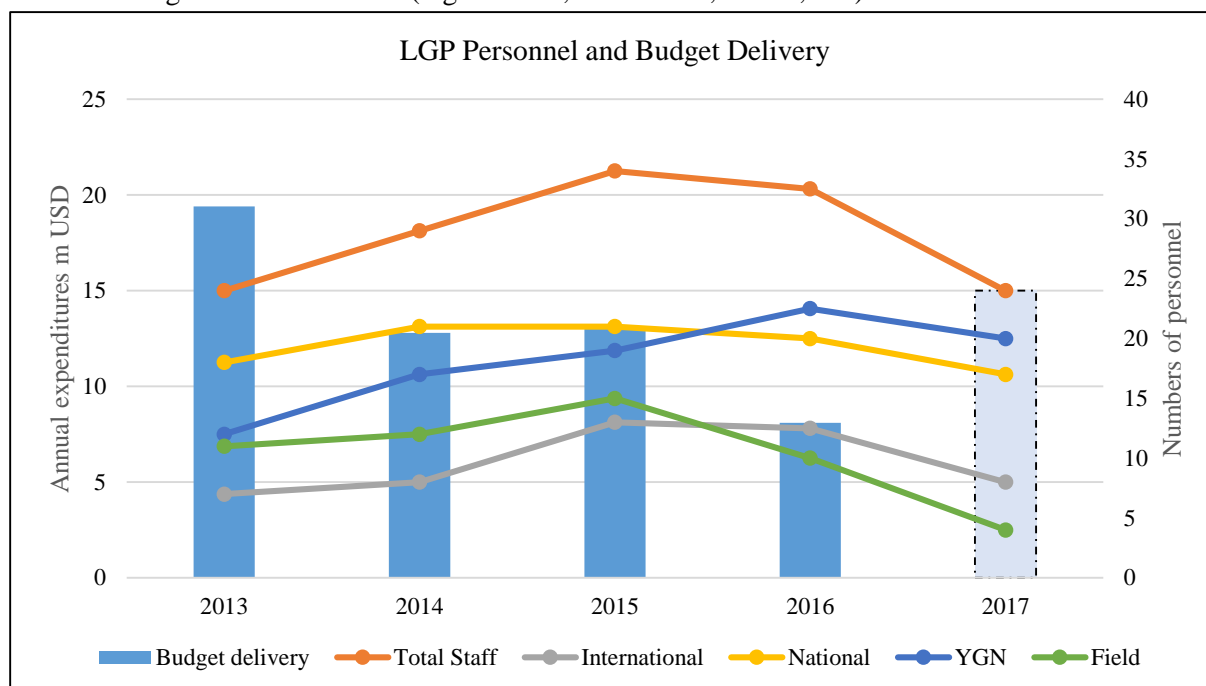
⁸¹ Source: UNDP Myanmar Financial Management Briefing, 31/12/15.

⁸² Consisting in management, monitoring & evaluation and operations costs as per UNDP classification.

⁸³ The programme-to-activity ratio for the LGP excluding Output 4 is 23,6%, which is commensurate with UNDP global standards for programmes focusing on soft skills and capacity development.

⁸⁴ The "International Staff" category includes all types of contracts: FTA, TA, UNV, full-time consultancies and JPOs.

output and helps bring in more elements of analysis on the fit between staffing, budget delivery and implementation modality. The OEM was not able to perform a finer level of analysis considering the different categories of staff status (regular staff, consultants, UNVs, etc.) for lack of time and data.



Given the time necessary to organize recruitment of staff and other human resources in UNDP, it is understandable that there is always a delay between changes in delivery levels and staffing adjustments. This is particularly true for the first year of the LGP where UNDP had to manage both a massive downsizing process for HDI field staff, while recruiting new staff with areas of expertise not really mobilized before by the Country Office. In order to maintain coaching support to Output 2 grantees, the LGP had to rehire some of the former field staff under temporary consultancy contracts – but then this move also affects the credibility of UNDP field presence with programme stakeholders, as was also hinted to the OEM by some grantees. For 2017, based on a provisional annual available budget of 14.3 m USD, the fit with the staffing level seems tighter than in previous years and may actually be too narrow for certain outputs (1 & 2 in particular) with no further recruitments. The OEM considers that the lack of predictable multi-year funding, partly due to the programme-based funding modality (see further down) has made it more complex to manage human resources for this programme, in terms of numbers, categories and work locations and may have been detrimental to the programme's efficiency.

Since the LGP did not follow an area-based delivery approach, it was not possible to seek economies of scale in field staffing by assigning territorial, rather than output-based responsibilities, to field staff with a reporting line to Area Office Coordinators. Instead, the latter play mostly an operational support role for Output field staff (of all pillars represented in their area), with little involvement in deciding the actual programme content, as well as protocole / liaison role with S/RGs.

Finally, the OEM reiterates the comment already made in the CPAP/MTR⁸⁵ and the recent Pillar 3 outcome evaluation that Output leads have had to spend too much of their time on management and operational tasks, as they also often work as project managers – while this task could have been maybe delegated to national officers. This is particularly relevant for Output 2 where the Output Lead had to manage 3 grant funds with 42 grants in total, which can easily consume anyone's working time to the fullest – and in any case, UNDP should in general not be involved directly in small grant management for the sake of cost-efficiency. With a large portion of their time spent on management, Output Leads find less time to do quality assurance and policy-level engagement. Ideally, each Output should have a

⁸⁵ § 77 "The current team structure has also led to some technical advisers acting as project managers. A review of this situation may be required to increase the efficiency of programme delivery".

technical advisor embedded in partner GoM agencies, whether in Nay Pyi Taw or in S/RGs, but it seems that there was, until recently,⁸⁶ no traction with some of the main GoM counterparts for such modality.

Timeliness and sequencing of interventions: considering the high level of uncertainty in the overall political, policy and security context in Myanmar, the need to some extent to be opportunistic in such context and the lack of funding visibility in the long run, sticking to a pre-established sequencing and timeline would be an illusion. Each output therefore has had to deal with delays and changes of course midway. Yet, overall, the good rate of target completion in the RRF points to a **good performance of the programme in terms of timeliness** – after it was extended for two years, as with other pillars.

In terms of the effectiveness of sequencing, the situation varies from one output to the other, but overall the approach taken by UNDP has been to build first knowledge of the issues at stake and trust with stakeholders at different levels, before launching more substantial activities dealing with capacities and processes. There were also investments in important diagnostic exercises (LGM, MAP Study) that allowed build the government's resolve to accelerate policy actions (OSS, Financial Inclusion Road Map). A more detailed review of the sequencing of activities shows that:

- Besides the need to deepen understanding of the issues at stake and build buy-in and shared understanding over the programme objectives with national stakeholders, much of **the first year of the programme was also spent on transitioning out from the HDI** and negotiating institutional agreements with GoM, establishing the new programme structure and team and sourcing implementation partners. Staffing levels only gradually adjusted to the workload and impeded, in particular for Output 1 and 2, greater achievements in the first year.
- The **complexity of the LGM exercise** as it was designed, and the heavy workload involved, meant that it also reduced capacities in Output 1 to do any other significant work during the period up to early 2015. On the positive side, this meant that the LGM results could inform the rest of the design and implementation of Output 1 and also the preparation of the several grant funds in Output 2.
- **Township planning and budgeting** and the **township grants** were supposed to be initiated earlier after the preparatory activities conducted in Chin and Mon States in 2013/2014, but the withdrawal from this venture of UNCDF, which was supposed to raise resources for the TDF, the reluctance of GoM to ahead with the TDF after the preparatory training activities and the change of government, delayed the process. It is also not until 2016 that UNDP could budget sufficient funds from its unearmarked contributions to commit to fund township grants in two townships over three years. On the positive side, this can now be done with stronger buy-in from GAD and Planning Department as it came after the Governance Forums, study tours and LGM, which raised awareness among decision-makers for the need to strengthen participation in planning to achieve people-centered governance and improve service delivery.
- Output 5, for reasons of short-term funding availability, had to go full speed into delivering the core of its work from year 1 – at the expense of sufficient time to analyze the situation and develop the conceptual approach around the idea of using livelihoods intervention for building social cohesion. This is why a **conflict-related development analysis was not conducted** at the time in target regions, but instead village-level rapid rural appraisals, complemented later on by the use of poverty score cards. For the same reasons of volatile funding, Output 5 had to shorten its period of engagement at the side of hundreds of communities undergoing the slow process of building social cohesion skills and sustainable livelihoods – which may have a bearing in terms of impact (pending results of the Output evaluation in 2017).

Resource mobilization and allocation process: The LGP has been efficient in meeting its revised resource mobilization target but had to increase slightly its core contribution to meet this objective. As shown in the table below, by 2016, the LGP had reached 88% of its total programme funding objective up to 2017; it should be exceeded by 9% by 2017, which is an excellent score. By 2016, UNDP has contributed 5% more of its core resources than planned and by 2017, this figure could reach 20% - while donor resources mobilized should be 6% over initial target by 2017 as well.⁸⁷ All in all, this represents

⁸⁶ In 2017, Output 1 Lead will spend 25% of her time with GAD in NPT.

⁸⁷ Resource mobilization figures based on revised RRF (2015) which accounts *actual* expenditures for the period 2013-2015, rather than initial fund raising targets of 2012.

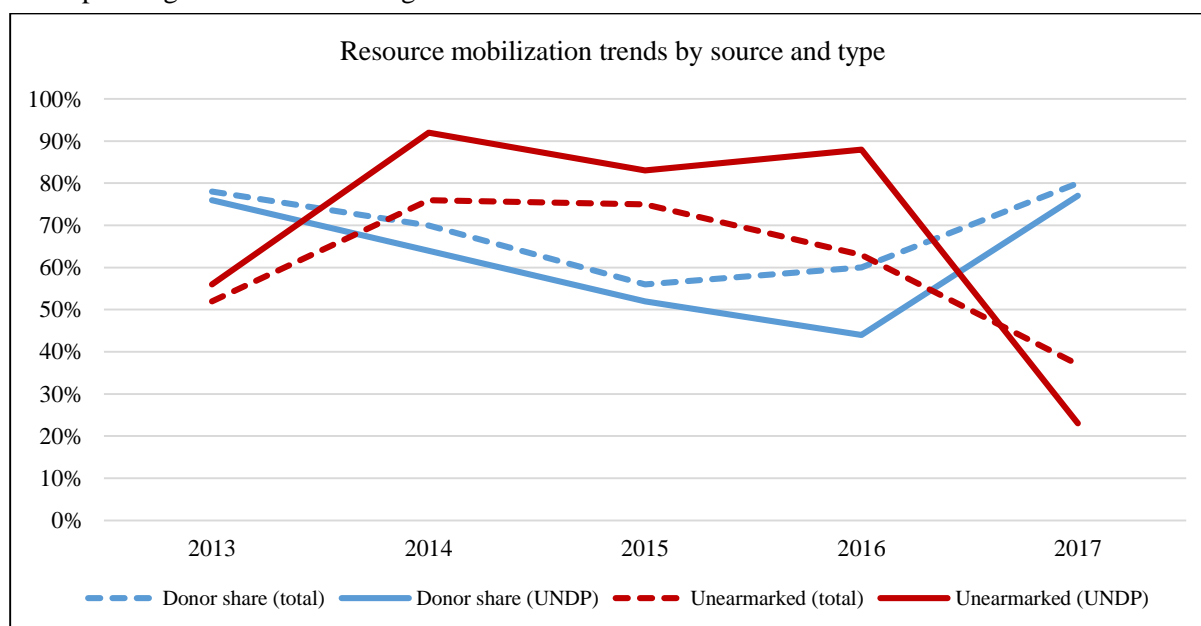
a 1:2.4 ratio in terms of resource leveraging, which **shows a rather successful resource mobilization drive overall.**

LGP funding levels against targets

Source of funds	Type	Planned (2013-2017)	Achieved (2016)		Indicative (2017)	
UNDP	Core	17 382 579	18 173 156	105%	20 963 156	121%
UNCDF	Core	100 000	100 000	100%	100 000	100%
Donor	O1/O2/O5	29 734 364	22 856 804	77%	32 220 406	108%
	Output 4	19 236 272	17 298 006	90%	19 329 291	100%
TOTAL	Core	17 482 579	18 273 156	105%	21 063 156	120%
	Non-Core	48 970 636	40 154 810	82%	51 549 697	105%
	Total	66 453 215	58 427 966	88%	72 612 853	109%

By the end of 2016, donor funding represents 69% of the total LGP budget and 64% for UNDP's component of the budget (i.e. basically Outputs 1/2/5 and the HDI/MF transition), while un-earmarked funding represents 64% of the total budget, and 74% for UNDP's component. It is also interesting to look at trends since 2013, including hard pipeline funding for 2017, as shown in the figure below.

The LGP has mobilized resources so far from a large number of donors (15) but with two of them totaling 40% of donors funding (Japan for 19% and LIFT for 21%). UNDP remains the single biggest contributor to the programme (29%). The remaining 13 donors all have contributions not exceeding 6% of the total LGP budget. Thanks to the unearmarked country programme funding arrangements, this large base of small contributions has not translated in unduly complicated financial reporting for the LGP team. This may change in the future though with the current trend for a majority share of earmarked project-based funding. Details on the amount of resources mobilized from various donors and corresponding shares of total budget are shown in Annex 10.



Over the past three years, there has been a decreasing trend for donor funding to the LGP – which is in fact a reflection of decreasing donor funding to the Country Programme as a whole since most of the LGP resources came from unearmarked contributions until 2016 – and in particular the loss of two main donors (Japan and Denmark) which did not renew their contributions to the Country Programme in 2015. This could be explained by changing priorities (increasingly on humanitarian response), the political context (change of government) and issues specific to UNDP performance.⁸⁸ Also, not all donors are comfortable with the un-earmarked contribution system as it decreases the visibility of their

⁸⁸ Denmark considered that the transaction costs involved with UNDP implementation as too high.

contribution and complicates accountability to their capitals. Some donors have also expressed to the OEM their concerns with the wide scope and geographical dissemination of the Country Programme.

Nevertheless, the reversal of the downward funding trend from 2017 shows that the **LGP was able to adapt its resource mobilization strategy to the changing donor environment by increasing the share of project-based vs. programme-based funding and programming** and attract as well new donors (KOICA, Norway, DfID, SDC). In 2017, the biggest earners for the LGP in terms of new resources are earmarked projects: Output 1 with its project to expand township planning and grants to another 10+ townships over the next 4 years, and Output 5, with the JMC project.

The OEM would like **to commend the high success of resource mobilization for Output 4, using innovative mechanisms**. About 37% of Output 4's budget come from funds pledged for microfinance retailing under the HDI and that were carried over into the first year of the LGP. But another 30% is the result of the excellent negotiation led by UNDP regarding the terms of the MF portfolio transfer to the PGMF as it generated a fund reflow to the microfinance sector over a five-year period in the amount of 12,4 m USD, of which 50% were earmarked for Output 4 (for the EFA project) and the other 50% went to the LIFT (financial inclusion window). It is a rare case of a successful project creating significant return to the sector it was targeting and a where UNDP has mobilized funding for another UN agency's operations for the benefit of the wider sector without levying any charges. This is also proof, if needed, of the excellent and far-achieving partnership between UNDP & UNCDF for supporting financial inclusion in Myanmar.

As seen above, until 2016, 74% of the total LGP budget was un-earmarked, and up to 92% in the second year (2014) for UNDP component. **A high-level of un-earmarked funding has pros and cons**, as underlined both by UNDP and donors:

- On one hand, it provides great flexibility to UNDP to adjust its programme to a volatile context and move around funds to better respond to new opportunities and requests from GoM (e.g. OSS, JMC) or sudden crisis-related needs (e.g. floods recovery);
- It is also a means for UNDP to fund activities which are deemed essential for the success of the overall endeavor but that would be hard to sell on their own to donors for reasons of perceived high risk or lack of comparative advantage (e.g. TDF, civil society / media networks, social cohesion / conflict-sensitivity course).
- On the other hand, un-earmarked funding allocated on a yearly basis has limited the possibility of multi-year commitments under any of the outputs (except Output 4 which is basically 100% earmarked funding) and therefore both endangered relationships with stakeholders and reduced the opportunity to build sustainability of results (e.g. Output 5 having to withdraw from livelihoods for social in hundreds of communities in 2015). The lack of multi-year funding framework is also one of the reasons why the piloting of township grants had to be delayed until 2016. According to most interlocutors in UNDP, programme-based or un-earmarked funding also increases competition between Pillars and between Outputs and creates tensions, working therefore at cross-purpose with the need bring out greater integration.

The OEM considers that **the shift to a more balanced mix of earmarked and un-earmarked funding since 2015 is welcome for programme effectiveness and efficiency**. It leaves the possibility for the programme to be innovative and flexible without losing in sight the need for long-term commitment to change processes in an area as complex as local governance & local development in a transition country. With a revamped conceptual framework and theory of change developed in the context of the new CPD, project-based funding can achieve similar, if not higher, levels of cross-pillar and cross-output coherence.

Programme governance: from interviews with different members of the output and pillar boards, and the documentation related to these bodies, it is clear that **the programme governance is mostly happening at output level while pillar-level governance has not convincingly been achieved**. As a matter of fact, there has not been any meeting of the Pillar Board since nearly 2 years (motivated by the change of government in late 2015/early 2016 and a management decision not to hold pillar boards in 2016 but to convene the next pillar board in the course of the new CPD discussion in 2017). The main counterparts at Union level met by the OEM (GAD, IPRD, NaTaLa) did not seem to be fully aware of

the nature and functions of the Pillar Board and referred almost exclusively to Output Boards when discussing the efficiency of the programme governance structures, reflecting also their lack of appetite for discussing programme strategy and implementation for areas that do not relate narrowly to the output they are involved in and, more broadly, the strong siloed structure and culture of Myanmar public administration. In conclusion, without regular convening and with a weak ownership of this governance body by national partners, the Pillar Board could not meet its objectives of quality assurance and maintain programme coherence and strategic focus.

Donors to the LGP have also questioned the prevalence of output-level governance over pillar-level governance as they see the latter as more strategic to the purpose of achieving significant change at outcome level. There was a suggestion to turn the Pillar Board into a wider forum of government counterparts, development partners and civil society representatives collaborating with the LGP, so that it can achieve higher efficiency in bringing up lessons learnt into the policy level. The CPAP-MTR has also recommended to reconsider the pillar board governance arrangement, which however has not happened yet.

The OEM considers that a weak pillar-level governance does not help with the need to deepen cross-output programming and the possibility of keeping programme efforts in line with outcome-level change as well as tracking that change. Finally, the lack of representation of the main S/RGs involved in the LGP on any of the pillar or output boards is regrettable, but it was probably impossible to be achieved in this current CPD due to the newness of the cooperation with UNDP and the lack of involvement of S/RGs in the programme design at that time. It is certainly something that should be discussed with national and subnational counterparts in the context of the future CPD discussions.

Notwithstanding the issues highlighted with pillar-level governance, the **Output Boards seem to be working as effective spaces for shared decision-making with government partners** on output-level priorities, work plans and for reviewing results. Output Board meetings are held on schedule and preceded by sufficient consultations on establishing the agendas as well as accompanied with the necessary monitoring data to inform decisions. Donors have complained of the frequency of these meetings and their incapacity to attend all output boards – but this is an issue that goes beyond the LGP and is linked with the very structure of the Country Programme in many outputs.

Outside of board meetings, the day-to-day governance of the LGP is mostly carried out by UNDP and UNCDF, with regular consultations with government taking place during visits to NPT by the LGP senior team members. There has been recently an effort for Output leads and contracted international advisors to spend more time in NPT as a means to build stronger ownership of the piloting and results of the programme by government partners.

Monitoring & Evaluation (M&E): the OEM recognizes the complexity of monitoring progress in the improvement of governance processes, societal attitudes (e.g. social cohesion, women's empowerment) and local development results in a context like Myanmar where reliable statistics are lacking. Also, the width of the programme in scope, the multitude of stakeholders and activities and the dissemination of programme locations complicate further the matter and increase the costs, in times and financial resources, of maintaining an effective M&E function.

With these challenges in mind, the OEM has a number of concerns with the current M&E framework and the way it has been utilized:

- the several changes to the RRF indicators and targets, though needed, also bring the risk that they are eventually made to fit with the actual performance of the programme rather than play an aspirational for it.
- there are too many indicators per output in general, while UNDP recommends in general a maximum of 3 to 5 indicators per output.
- indicators are in general too specific for their level of use (e.g. outcome indicators read as output indicators, and output indicators as activity-level indicators) and are mostly measuring deliverables (e.g. a plan, a document, a number of people trained) and not enough change processes, the use of built capacities, policies resulting from programme interventions, as well as sustainability. The M&E framework as a result looks more descriptive than analytical. Also, because they are so

specific, they are not able to cover new activities that may be added to the RRF later on (e.g. capacity development partnership with IDA, social accountability framework under O1 and O2).

- none of the new indicators developed in 2015 mirrors an indicator of the LGM, nor are LGM results used for baseline value, while UNDP considers that the LGM has been useful for other DPs' programming and M& E frameworks.
- the creativity of certain indicators (e.g. social recognition index in Output 2, social interaction indicators in Output 5) needs to be praised but the methodological underpinnings to these seem weak and would deserve more research to increase reliability; also, all perception-based indicators should be systematically measured independently, rather than self-reported or by project staff.
- even though improvements have been made on mainstreaming gender in the RRF after 2015, the OEM still considers that there is a lack of gender-equality specific indicators at all levels. More generally, there is a lack of indicators relating specifically to poverty, vulnerability and exclusion (see further down in GE/HRBA section).
- the implication of government partners in defining and conducting monitoring & evaluation is not evident, nor the capacity-building value that it has had them. On the opposite, it seems that beneficiary CSOs, CBOs and media have been well involved in this exercise.
- only two outputs have conducted mid-term evaluations for some of their activities (Output 4, Output 5), while it would be expected for a programme of that size and duration that some level of evaluation is conducted on each output during their implementation. In particular, it would have been very valuable to see a specific evaluation done on the LGM as well as on the TLGs.

As a result, the OEM considers that **the LGP has shown resourcefulness and creativity in conducting output-level monitoring & evaluation but several flaws in the approach and tools used limit its value for quality assurance and programme piloting.** These issues also stem from a lack of financial resources allocated to outsource monitoring & evaluation in general as it could help to improve baselines, methodologies and data collection for more reliability and independence. The OEM notes that the LGP used due diligence services for a few specific activities in O5 and O2, and would recommend a wider use of this approach in the future given the scale and complexity of the programme.

4.4. Sustainability

It is still early to say with certainty that the changes in attitudes, capacities, perceptions, mechanisms for interaction among local governance stakeholders and opportunities for livelihoods that the LGP has produced and the outcome-level changes that these have contributed to are stable enough to remain and continue developing. First, because change in governance-related matters in a country like Myanmar, with an administration still overwhelmingly infused with central control and adversity to risk-taking, and a political leadership still negotiating its maneuvering space with the Army, will take time. Second, sustainability in instilling a people-centered paradigm in local governance and local development in Myanmar needs reforms, not just stronger capacities: the legal and institutional frameworks as they stand today can only enable up to a certain level of change – beyond, it will not happen unless the rules of the games are rewritten. A good example is the sustainability of UNDP's efforts to increase women's representation among W/VTAs: training and coaching the 88 women elected to that function may help them become champions of women's political participation at the local level and inspire other women to enter the fray (and voters to elect them), but it cannot create a real breakthrough in women representation: a change in the electoral system (indirect to direct elections, women quota), will. Third, and more pragmatically, the LGP has only really had 3 years of full-speed implementation and even less than that for certain activities.

Threats and opportunities: while the LGP has shown awareness in general to the need for building sustainability, it has not paid enough attention so far on identifying threats and opportunities to sustainability – including risk mapping that was not done systematically across all outputs and not at the programme level – nor has it established clear sustainability-building and exit strategies negotiated with local stakeholders. This should be addressed during soon as a matter of priority. To help kick-start this work, the OEM has identified (see Annex 11) a number of threats and opportunities for sustainability related to the broader development context in Myanmar. In particular, a number of threats to rural livelihoods related to climate change, conflict and economic shocks exist and sustainability strategies should look into ways of increasing resilience capacities at community and systemic level.

Sustainability pathways: the OEM can say though with confidence that the **LGP has created profound, hence assumingly sustainable, awareness of local governance issues among those key stakeholders that can take action to address them, led in some cases to attitudinal changes and, less frequently so far, contributed to establishing an enabling policy environment for sustained change.** UNDP's strategy to work through national institutions, and in support of national processes – rather than through project-specific mechanisms – is also a strong asset for building sustainability of results.

Below is a synthesis on the perspectives for sustainability, challenges and needs in relation to the sustainability of UNDP's contribution to the intermediary results building up to the outcome.

1) Capacities for enhanced state-society relations: the OEM thinks that the awareness created among key stakeholders, on the supply and demand sides of local governance and at all levels, on the meaning in principle and practice of people-centered governance, is bound to remain and can spread further. The expansion of UNDP's collaboration with the IDA in 2017 around improving the training curricula for GAD staff and W/VTAs, is an encouraging factor for sustainability, as are the planned repeat cycles of township planning and grants in locations already covered in 2016 and new locations for the period 2017-2020. The intense training of CSOs, media, TLGs and CBOs by the LGP and their coaching during grant implementation up to the end of 2017, augurs well of their capacity to maintain and expand the space for state-society relations at the local level – unless there is a policy decision in government for reverting on previous commitments and restricting this space again.

The question of the sustainability of the different networks established with UNDP's assistance remains, as they are still weak organizationally and have not always built sufficient consensus internally on their *raison-d'être* and organizational structure. They would also need new external funding after UNDP support ceases to be able to continue providing the current level of services to their members, or be able to raise contributions from their members, as does Mae Dow Kabar with the nearly 2,000 SRGs that form its membership and give it also a strong legitimacy. The networks supported by the LGP will most probably still evolve organically, driven by opportunities and needs, in particular around specific advocacy issues. Hence, the possible disappearance or reshaping of some of the LGP networks after 2017 should not be taken as a sign of failure for the programme as this would not prevent individual and organizational skills, more open attitudes to state-society collaboration and existing channels for interaction to remain

2) Participatory and accountable planning and PFM: the strong ownership among key stakeholders involved with the township planning and grant fund exercise, is a strong factor of future sustainability of this approach. The methodology needs further codification and standardization, and capacities built among stakeholders to be able to use it without UNDP assistance are not yet mature enough, and this is why UNDP's continued support for at least two more years in current locations and the expansion of the initiative to many more in the coming years, is also crucial for sustainability.

Also, replicability and sustainability will depend on the availability of intermediary agents that can take charge of providing facilitation and technical support to the planning and budgeting process on behalf of Union and S/R-level institutions, as this process cannot be sustainable if it depends entirely on UNDP staff rolling it out. The LGP would need to support the emergence of such actors as a matter of priority to increase sustainability of this work. Beyond this, the upscaling and institutionalization of participatory township planning will also depend on the emergence of institutional forms that can guarantee more inclusive participation than the current TPICs, and could prefigure future local governments. The current LGP experiments can help inform the development of such institutional models.

3) Increased opportunities for access to quality services: while the LGM results remain in use by stakeholders – albeit to a model level – there is concern that UNDP has not ensured sustainability of the methodology and national capacities, whether in government or with academic and civil society actors, necessary to repeat and gradually institutionalize the approach to local governance assessment – even in a simplified form. Also, certain aspects of the approach could be recycled into public sector performance management systems or the social accountability work that is starting.

The OSS policy is by definition sustainable as long as government will keep it alive, as it was initiated entirely on its own volition and budget. Concerns with the future of this initiative come more from the

risk of a growing disaffection with the public if the usefulness of OSS is not rapidly addressed. This requires government resolve to take actions on identified issues while UNDP, and other DPs such as the World Bank, can contribute technical and training assistance. The continuation of the training programme by IDA for OSS monitors from GAD is a positive sign for sustainable improvement of this initiative and it will be even more impactful if other Departments present in OSS can benefit from similar support. Eventually, a far-reaching public administration reform is needed to fully bring the OSS modality to fruition and unlock its potential for local development.

The overall sustainability of the LGP's impact on financial inclusion in Myanmar seems strong at this stage – but will need to be confirmed by the next FinScope survey to be conducted in 2018. On the policy side, UNDP and UNCDF's support has produced deliverables that will continue helping with the opening and expansion of the MF market while reducing risks for users as long as there is political resolve to implement the FI Road Map. Only one of the three MSFPs (ACCU) supported by the MicroLead initiative has reached break-even point, but the remaining two remain on-track to reach this goal by the end of the programme. As the LGP has only just issued the first local currency loan to a domestic MSFP, it is too early to judge the sustainability of this action but early signs show that the current regulatory framework is not conducive enough to the development of the domestic sector.

4) Social cohesion for peacebuilding: there is anecdotal evidence that the attitudes, capacities and mechanisms for increased social cohesion in targeted villages have remained, and may have expanded even, but this can only be confirmed after the impact evaluation to be conducted in 2017. There is bound to be location-specific variance, linked to the conflict context, quality of support provided by UNDP (as different implementing partners were involved) and the length of engagement. UNDP's relatively short-term support was compensated by the handing over community assets through the signing of MoUs to local CBOs and building capacities of local managers. The continuing and expanding support of Government services to these communities after UNDP support has ceased (e.g. livestock health services), potentially in partnership with EAOs' service agencies, is determinant to the long-term sustainability and growth of the poverty alleviation dynamics initiated by the LGP. The upcoming evaluation will say if, as a result of all the community-level work, inter-community linkages have remained and triggered increased and sustainable levels of cooperation, and how resilient they have been in locations where ethnic and/or religious tensions have reappeared.

The LGP has also contributed to strengthening capacities for local peace infrastructures through the series of courses on social cohesion and conflict-sensitivity, which led to the formation of local social cohesion networks that can be used to prevent conflict escalation. At the Union Level, there is also increased ownership in government of the value of conflict sensitivity approach and interest from NaTaLa to see it integrated into their training policy. National intermediary support organizations are needed to replicate and contextualize further capacity development methods and resources on social cohesion and conflict sensitivity, but the LGP has not yet given attention to this critical need for sustainability.

5) Reduced territorial inequalities: the sustainability of the programme's work in reducing rural poverty will largely depend on the perseverance of MFSPs and the due diligence of the financial regulator⁸⁹ in ensuring that they continue reaching out to the lower-income stratum and keep expanding into rural areas, and start also servicing ethnic states and cease-fire areas in earnest. The continuing access of SRG members to a range of services (financial, legal, educational) that can sustainably bring them out of poverty and build resilience of their livelihoods, thanks to the support of TLGs and MDK, seems assured. Initial evidence of high-impact on the income and social recognition of SRG members (to be confirmed through independent research) is a very positive sign of sustainability in that respect. The iWomen App is also showing exponential growth in use, which only depends now marginally on UNDP's inputs. After a suitable business model is found for MDK in 2017, with the help of UNDP, the sustainability of this empowerment tool should be guaranteed and more SRGs supported.

The picture is less clear for the sustainability of the rural technology market interventions as there is a growing supply issues for the products concerned that originate from abroad. Greater sustainability and

⁸⁹ In practice, it seems that FRD does not yet have the capacity to monitor closely enough MFI operations to enforce the 50/50 rural- urban split required by the MF law.

growth of this market would come from developing local production capacities, but the LGP could not work on this due to the discontinuation of the main source of funding for this pilot initiative.

Finally, for the TS planning and grants to bring tangible and sustainable results on rural development, capacities and mechanisms for supporting local economic development dynamics, for better tying township plans with long-term strategic S/R development goals and, in particular, with the objective of reinforcing rural-urban linkages and reducing rural exodus, would need to be addressed.

South-South Exchanges and knowledge management for sustainability: the LGP has mobilized South-South exchanges (SSEs) for two outputs out of four (O1 & O5) and mobilized international comparative experience and networks to sustain awareness-building and innovation in the two others. SSEs have focused mostly on government-to-government exchanges, and opportunities for linking non-state stakeholders with international activism networks could have been pursued more actively. However, **the main SSE initiatives in the LGP have produced important and immediate results at policy level (OSS) and in gaining government buy-in for innovative approaches (livelihoods for social cohesion).** Unfortunately, except for the OSS where Myanmar and Mongolia have remained in contact, other SSE initiatives have not matured beyond the initial visits into long-term partnerships between Myanmar and the countries visited for lack of interest of the Myanmar side and the still rigid system shrouding international governmental relations in Myanmar.

Knowledge management has consisted in organizing regular conferences and seminars to share lessons learnt on good local governance as well as capturing some of these in publications and documentaries. The last Good Governance Forum was held in 2015 and seems to have accelerated the readiness of GoM to try out innovative LGLD models. A last GGF is planned for 2017 and will help in capturing and capitalizing on all lessons learnt to chart a way forward. It will be important at that time to showcase all the work done under the LGP as whole, and give equal weight to governmental and civil society stakeholders, as well as community representatives. The OEM notes that there have been efforts to disseminate knowledge products in non-traditional means (documentaries, on-line links, iWomen App) but more could be done across the four outputs. Also, partnerships with academic institutions should be developed systematically to ensure a good uptake of successful approaches and knowledge generated by the programme.

4.5. Gender and Human-Rights Based Approach

Gender equality: The OEM found that the **LGP contributed to the realization of increasing access to local governance, services, networking and livelihood opportunities for women**, despite considerable challenges faced in terms of cultural and traditional expectations of women's roles and responsibilities in society. The LGP increased visibility, opportunities and provided spaces for women to perform in leadership positions thereby increasing confidence and reducing negative stereotypes. This confidence also enables women to develop and own their agendas and engagement plans, thereby increasing ownership and participation. By including women in planning and budgeting processes at local levels, the broader community tends to benefit. Women who have more economic stability also have more independence and find it easier to participate in community development activities like building social cohesion and acting in leadership roles. Accessible technology contributes to empowerment by spreading information quickly and efficiently. Nascent capacities have been created for women to assume leadership roles in conflict prevention/resolution and peacebuilding through SSEs and participation in multi-country and state-level peacebuilding networks increasing confidence as well as visibility for women as trailblazers. Change in perceptions of women's capacity and ability will take time, as will changes at the policy level (e.g. women's quota in local elections). However, during its short operational timeframe, the LGP has had impact in terms of challenging perceptions at the local level, specifically through emphasizing gender sensitive policy-making and focusing on facilitating women's engagement in decision making processes and community resource management.

In general, **stakeholders at all levels can articulate the importance of women's participation in local governance and local development**, as well the different perspectives women bring to tangibly build social cohesion in their communities. The OEM heard consistently that willingness now exists to advocate and respond to women's inclusion needs at the local level thereby increasing the possibility for real sustainable change. This was noted in discussions with women's groups and individuals who

see not only their situation changing through an opening up of financial and leadership opportunities but also through incremental positive changes in confidence and their opportunity to engage notably through SRGs and organizations like MDK. Much of this confidence comes as a result of effective information sharing through networks, capacity building as well as through technological innovations such as the iWomen app. Awareness on SGBV is increasing due to the lobbying efforts of women's networks, media and increasing discussions taking place at village and township levels. Discrimination, however, remains inherent in policies (i.e. the legal framework for local elections, female GAD staff not promoted as Township Administrator because of the "nature" of the job). Men in leadership positions could not always articulate why or how to ensure women and youth inclusion and participation and few seem to understand the lack of level-playing field for women's leadership and thus the need to address policy frameworks at the higher level to remove the concrete ceiling over women's participation. Gender awareness and sensitivity are still at a nascent stage in Myanmar and remain a challenge to overcome as traditional roles and responsibilities are adjusted to meet expectations of greater participation in terms of both policy development and genuine engagement. This reinforces that the good effort begun through the LGP should evolve and continue in future programmes.⁹⁰

The LGP succeeded in developing leadership skills of women through a variety of interventions and at various levels compensating for the lack of gender strategy in the programme document. Each Output had mechanisms to build gender equality and participation either directly or indirectly that contributed to independent results at Output level. This was the case, for example, with the dedicated capacity building programme for women W/VTAs and HHs (to be continued in 2017) as well as women VTAs providing their perspective on the importance of female leadership in local governance. Also notable was the support to the federation of SRGs and their national network, and village committees running community assets provided by the programme. The OEM also noted the intention of MDK to advocate in the future, with other women's movements in the country, for women quota in the electoral system, and hope that the LGP will be able to add its weight and support to this campaign, mobilizing as well its reach into the legislative and electoral institutions of the country. Facilitating opportunities for increasing economic independence not only allowed women to engage in other community development work but constructively challenged traditional notions of their roles both within and outside the home.

Mainstreaming gender sensitivity in local governance mechanisms, which are male dominated, has been an important feature of the LGP approach, but gender mainstreaming tools could be used more systematically. For example, in township development planning, gender equality principles were highlighted in the training and coaching provided to local stakeholders, including W/VTAs and women community members were encouraged to take part in public planning consultations, but more formalized gender mainstreaming tools such as gender-differentiated needs analysis, gender-sensitive budgeting or gender marker for the prioritization of grant projects, were not used as seen too early in a wholly-male dominated local governance sector. It is also not clear also if specific tools have been used to incorporate women perceptions and needs in the design of mixed training events and engagement activities across all outputs.

As the LGP advanced, **efforts were made to improve the collection and reporting on gender disaggregated data at the activity level and by ensuring more gender-based targets; yet, measuring the depth of the progress actually achieved on women's empowerment remains a challenge.** The LGP has shown, through recent gender disaggregated reporting, an increase in women's participation, opportunities for networking and training. Full 50% equity was not always possible for every activity due to existing cultural and social constraints that women face in teGms of their participation. Yet, gender equality goals remain missing from output and outcome indicators. Only three of the RRF indicators out of 30 are gender equality-specific and none of the outcome indicators have a gender dimension nor ask for gender disaggregated results. Much of the reporting still consists of listing numbers of female and male participants without reporting qualitatively on how they participated.

⁹⁰ The UNDP Women in Local Leadership report (2015) recommends the most effective means to improve women's representation in local governance is through: (i) raising awareness of gender roles, the importance of gender equality in (local) governance by increasing participation opportunities; (ii) encouraging women to utilize participation opportunities through role models, mentoring and training; (iii) more education and opportunities to build up experience through social work.

The OEM notes that there have been issues in the past with the availability of specialized gender expertise in the Country Office and hopes that the upcoming recruitment of a Gender Advisor will help create and integrate more gender mainstreaming tools in the four outputs and improve the RRF's Gender Score so that a consistent gender mainstreaming approach is applied and evident in both the methodology, results and reporting.

Human-Rights Based Approach: In Myanmar, the UNDP's response for engagement in human rights involves creating the understanding and the capacity in society to recognize the value of human rights, roles, and responsibilities and to ensure they are pursued in policy and application. Attempts were made to reorient some Outputs to focus on certain areas of the country that experienced more embedded marginalization and inequality by targeting 7 border or ethnic states in recognition of conflict related regional disparities. High poverty, remoteness, conflict-affected with ethnic demographics were considered for targeted livelihood support and training to increase social cohesion and to reduce inequality in terms of access to opportunities as well as information.

Overall, the LGP made a concerted effort to include human rights principles of participation, equality and inclusion and leadership for change in programming. The LGM has covered all states and regions individually with the specific objective to deepen understanding of subnational contexts, including possible situations of marginalization and provided some training to increase understanding on local governance structures and the rights of the disabled. Efforts were made to ensure a participatory approach was applied through the design of mapping methodologies. Resilience was built into the understanding of the human rights approach to ensure that advocacy skills and cooperatives built resilience to shocks. Accountability was stressed by ensuring that duty bearers understood their role to respect, promote, protect, and fulfill rights through awareness and improved service delivery. OSS linked duty bearers and rights holders to monitor and reinforce responsible local service delivery. Equality and inclusion were stressed through targeted training on social cohesion and conflict sensitivity. Poverty scorecards ensured that vulnerable families would have increased access to livelihood and early recovery initiatives. Leadership for change was the means to enhance the capacity and confidence women, youth and minorities to lead in their communities.

However, the **LGP requires a broader definition of vulnerable in order to ensure that a human-right based approach truly targets those who are most in need** – especially for activities at the local and S/R level, as was already underlined in the CPAP-MTR.⁹¹ Several stakeholders acknowledged to the OEM that there exists groups of vulnerable people who, within the LGP, remain invisible. While aspects of the LGP attempted to identify who might be missing from participating or benefiting from actions, it was done with a view to being conflict sensitive and not with the goal of meeting basic human rights; a fine line to define but a difference none-the-less. Identifying 'the other' can also create polarities as there are possibly many 'others' that are hard to identify and remain invisible. In terms of data disaggregation, no specific focus was found except on occasion for youth. Disabled, elderly, HIV patients and minorities etc. were mostly not captured in reporting making it difficult to know how the conditions of the most vulnerable improved. While the lack of available statistics on vulnerabilities produces challenges, poverty scorecards completed with community participation could be used to identify them and to target, monitor, and report on potential changes in vulnerability resulting from programme interventions. The OEM notes that a recent initiative by Output 1 to work with Handicap International in better addressing the needs of the disabled through local governance contributes to building the practice of identifying and measuring the issue of vulnerability by local actors.

While the LGP strategically focused its engagement in ethnic states and tried to ensure a balanced approach, **a concerted effort to identify human rights issues that limit the participation and inclusion of ethnic minorities** was not consistently applied across Outputs. This has implications in terms of effectiveness for poverty alleviation. Elements of the LGP, namely Output 2 and 5 made efforts to identify and include ethnic minorities as ethnic participation was seen as critical in order to lay the foundation for increased democratic participation and engagement in peace processes. Including ethnic minorities through a human rights based approach and not simply ensuring they are not excluded for

⁹¹ "...it is often difficult to see how the work of UNDP is leading to inclusive policy making that recognizes the rights of all in the community...", §69, CPAPT/MTR, 2015.

conflict sensitivity sake requires more analysis and concerted policy action as well as collecting disaggregated data on non-Bamar participation. Evaluators heard on repeated occasions that ethnic minorities continue to be disadvantaged and underrepresented in general in local governance and in accessing public goods and services.

The strategic focus on engaging in ethnic states as a means to encourage stable democratic transition through greater participation and inclusion of ethnic minorities remains a valid approach as highlighted by O2 and O5 and should continue to be an integrated methodological approach for UNDP engagement across sectors. In addition, local conflict analysis and consistency in identifying opportunities to engage ethnic minorities across all Outputs and in all geographic areas would assist to raise awareness and increase participation of marginalized populations in local participatory development.

4.6. Conflict sensitivity

Conflict sensitivity looks to reduce inequalities, develop shared understanding and increase communication. Stakeholders are taught how to work together in the management of public resources and negotiate with each other on peaceful resolution of conflict. Conflict sensitivity can build cohesion at the local and national levels, reduce migration and build resilience.

The planning of the LGP took place during a time of transition from a military to quasi-democratic government; thus the modus operandi for the LGP focused on building confidence with the government in order to act as a conduit to assist them later on to increase engagement and build trust in ethnic and marginalized areas. Adjustments continued to be required as the NCA came into play and the focus on political dialogue came to the fore. **UNDP managed a delicate balance between engaging with a transitioning government as well as managing expectation both at the national level as well as the regional and local level in terms of delivering the benefits of democratic inclusion.** Necessarily, the process of engaging NSAs within the LGP has been slow given existing legal conditions as well as the need to also build trust with the NSAs themselves. Nascent yet concerted efforts on joint training in terms of engaging NSAs on social cohesion, peacebuilding and dialogue should remain an important area for engagement within the new country programme strategy.

A systematic subnational conflict analysis at the Pillar level at the time when the HDI shifted to the Pillar 1 approach would have helped ensure better targeting of beneficiaries, deeper understanding of the conflict causes and dynamics and stakeholders resulting in more strategic output formulation to specifically ensure conflict sensitivity. It would have also helped build an adequate common understanding of the conflict drivers and dynamics across outputs and inform a consistent targeting based on ethnicity, religion, location, etc. UNDP has undertaken various conflict analyses but they were not consistently applied across Outputs. Instead, the LGP delivered a multiplicity of approaches to conflict sensitivity based on the nature and understanding of Output mandates and their level of implication with conflict-related matters whether from a location and/or thematic point of view. There was not a consistent understanding of working both in and on conflict in order to ensure a ‘do no harm’ approach consistently within the LGP and address the deeper inequality issues driving conflict. Simply having an equity approach to delivering activities was seen as being sufficiently conflict sensitive.

Ethnic groups, while not excluded, were not strategically considered at the onset of the LGP. This is understood in the context at the start of the LGP as explained above. With the signing of the NCA, Output 2 and Output 5 began to engage in more politically complex areas as well as in thematic issues that were important to laying a foundation for creating social cohesion and peacebuilding and directly engaging NSAs in activities. As stability increased and the opportunities to work more concertedly with NSAs appeared, the LGP was required to rapidly evolve its engagement and understanding of how to include ethnic groups in local governance in mixed administration areas in order to achieve sustainable results as well as move forward stabilizing democratic processes. **Revisions to the programme content could have been negotiated with government to address more prominently cease-fires areas and consider other possible opportunities for engagement,** including through supporting local administrations in assessing needs and planning and delivering services in coordination with NSAs, as piloted by other DPs in certain areas (e.g. UNICEF in Mon and Kayin States). This would have helped build an important body of knowledge for the upcoming focus on local governance and peacebuilding in the next CPD.

While the LGP was successful in mainstreaming the concept of conflict-sensitivity among a wide range of stakeholders as the programme evolved, internally, **limited cross-fertilization occurred between Outputs in terms of creating a joint understanding of the conflict dynamics as well as identifying opportunities to pursue potential opportunities for peacebuilding ‘writ large’**⁹². It is true that the LGP does not have an explicit peacebuilding goal but it has also made the choice to dedicate two of its outputs almost entirely to conflict-affected areas where needs for an integrated model to deliver local governance and local development inputs while reinforcing peacebuilding dynamics, are great. A positive example of a joint approach to building capacities for peace lies in the training of “champion” members of the CSO and media networks and TLGs on social cohesion and conflict-sensitivity by Output 5.

Conflict sensitive programme management is concerned with monitoring ongoing interventions in light of evolving situations to ensure that interventions do not have adverse impacts or are not manipulated thereby increasing conflict.⁹³ An effective M&E system that included a Pillar level risk log, a methodology to capture important lessons, real time analysis of the rapidly evolving political context and conflict-sensitive indicators is not applied to the LGP nor to the context in which it is working. Therefore, **the LGP could not monitor, as a whole, potential conflict-related risks born from the context or from its actions, and possible mitigation strategies as well as reveal positive opportunities for amplifying peace impacts**. For example, abruptly stopping programming after setting up expectations for continued support should have been a risk analyzed at the Outcome and Output level to determine the potential negative impact on conflict dynamics.

Managing the inherent challenges of aligning with the state for service delivery while the state remains a party to the conflict needs to be understood at a deeper level. The same can be said for supporting EAO agendas. The state has oft been perceived as an agent of militarization that facilitates control over autonomous areas and war zones. Therefore, a balanced perspective must be taken when choosing how, where and why to strengthen government capacity. For example, it was mentioned that NaTaLa historically uses development “as a counterinsurgency tactic”. While **it is critical that the UNDP leverage its advantage to work with and train the government in new ways of engagement with the community**, the UNDP must remain vigilant in terms of how their engagement could be perceived at the local level. Concerted effort must be made to ensure that the UNDP remains neutral and is not perceived as reaffirming the government’s role as a control agent in contested areas where its legitimacy is not firmly established. Lessons learned from other development agencies in bringing together government and EAO agencies in meeting local development needs in contested areas should aid future UNDP programming in balancing this delicate partnership while achieving development results.

5. CONCLUSIONS & RECOMMENDATIONS

5.1. Conclusions

1. The LGP was designed as a fundamental departure from the previous paradigm under which UNDP in Myanmar conceived and supported the delivery of services and provision of livelihood opportunities to grass-roots communities all across the country. While the programme design proposed a strategic positioning and an integrated approach for local governance and local development commonly assumed by UNDP in least developed countries, it was too optimistic for the absorption capacity of a country in transition and lacked a good dose of political economy and conflict analysis to guide the choice of entry points, activities and locations to maximize opportunities for results. Also, the initial design failed to anticipate what was required from the UNDP Country Office to establish new internal capacities and systems to adapt to its new role. As a result, delays happened in implementation, not all resource allocations have been the most cost-effective and a good part of the implementation was actually sketched as it went, in a true “learning-by-doing” approach. On the other hand, **UNDP was able to maintain flexibility, seize emerging opportunities, maintain broad relevance of the programme at all time and build, as a consequence, trust with a whole new set of national stakeholders**.

⁹² Peacebuilding ‘writ large’ refers to the overarching goal of the absence of violent conflict and the existence of just and sustainable peace.

⁹³ “While traditional M&E focus primarily on assessing the intended and actual outputs of a project, conflict-sensitive M&E also requires: an understanding of the context as it changes over time; and measuring of the interaction between the project and the context” (Saferworld, p.1)

2. All in all, the LGP has provided **multi-pronged responsive support to Myanmar in this time of transition and made positive impact on the lives of hundreds of thousands of people**, women and men, in rural communities across the country as well as working in government or engaged in civil society. The most common words for describing the LGP's contribution among stakeholders are "empowerment" and "engagement". Notable were the changes in perception and assessment of women's abilities in terms of participating in various levels of social, political, and economic spheres. Attempts were made to target the most vulnerable in terms of poverty alleviation but assessment and analysis of vulnerability was not consistent enough across the programme to make a bigger impact on the lives of the most vulnerable. Salient achievements were initially felt more at the individual level but increasingly now at organizational level as well, while systemic level have been more difficult to achieve due to the short programme duration and changing political context.

3. **UNDP made use of its comparative advantage as a neutral and trusted partner to broker a more constructive relationship between state and society** at the sub-national level and allay negative perceptions of the "other". As heard from several informants: "*we are now less apprehensive of working with them*", when talking about the other side, whether government, civil society or indeed people from other communities. UNDP went out of its previous "comfort zone" of community-level work and negotiated, without making itself indispensable nor setting agendas, spaces for what were first simply interactions and have now often become collaborations between a varied set of local governance stakeholders. Even if decisive development breakthroughs have not necessarily resulted from the local governance and local development models tested by the programme, the mere fact that they are happening in increasing numbers in a country that only 5 years ago had appointed local administrators at all levels responding to a military-like organization, is quite remarkable and UNDP's contribution to such change should be recognized.

4. **A good deal of the programme results deal with the intangible and hence are hard to measure and report on with factual evidence: skills, attitudes, processes and policies that are the foundation of future sustainable development results.** If the most "visible" results of the programme are sometimes reminiscent of the HDI (food banks, community infrastructures, livelihood assets and micro-loans), the paradigm under which they have been delivered and UNDP's role in the process are distinct from what they used to be, as for the first time, UNDP has supported the government in fulfilling its duty-bearer role.

5. **All Outputs have contributed to building knowledge on local governance in Myanmar and achieved – or will achieve by the programme's end – replicable results that can be considered as building blocks of a responsive and accountable local governance system.** However, the lack of sufficient analysis of the development challenges, political economy and local conflict contexts targeted by the LGP, the weak theory of change in the programme document and the absence of geographical focus in implementation, have not allowed reaching a high level of integration between outputs. The LGP team inherited a programme concept that they had not been part of designing and managed eventually to build interactions between outputs that contributed to producing higher-level results; but, some important potential synergies have been missed, at policy and practice level, and the territorial focus of the programme could have been stronger.

6. The programme might have also have contributed to **more progress at outcome-level if it had been possible to balance better support to the supply and demand sides of local governance.** This was complicated by the level of soft earmarking of an important share of programme funds towards livelihood support as well government insistence on the latter. Effective and responsive local institutions are really the backbone of a local governance system generating needed development results, while the empowerment of civil society, media and community structures, helps generate stronger voice and social accountability to ensure that development results are inclusive and benefit in particular the most marginalized. Similarly, the initial balance foreseen between microfinance and skills development as the two sides of the local entrepreneurship development / job creation coin, could not be achieved. As a result, the programme's impact on sustainable poverty reduction is less obvious but the thoroughness and impact of the work achieved by the UNDP & UNCDF partnership on financial inclusion needs to be highly commended and more consideration made to potentially rolling it out in conflict-affected areas where higher poverty tends to be concentrated in Myanmar.

7. **Cost-efficiency in programme management is satisfactory overall considering the heavy burden of the transition from HDI and the uncertainties inherent to the transition context**, even if certain outputs fare better than others at that level. With core funding used strategically to leverage donor support, resource mobilization targets were met and even exceeded, and UNDP excelled in delivering against annual targets. Programme-based funding has worked at cross-purposes to some extent with the necessity to build and support long-term change agenda and relationships with stakeholders when working on local governance and local development, but has allowed UNDP to keep steam into all four outputs throughout implementation, which is critical for higher-level results. Yet, a somehow confusing and plethoric programme monitoring and governance system has not allowed reporting as strategically as required on the results achieved and addressing more effectively negative perceptions among some donors of limited comparative advantage of UNDP's involvement in all of the programme's areas.

8. The **genuine national ownership, strong commitment of local stakeholders, mobilization of national systems and structures and the tangible capacities built at individual and organizational levels are important indicators and guarantees for sustainability**. However, the replication of these results needs more national intermediary "facilitators" to take over UNDP's direct role in implementation. Also, the contribution of results achieved to broader change in the country's development status is contingent on a gradual yet deep reform of the state machinery and to a genuine peace process. In addition, in a country as exposed to various natural and human-made risks, sustainability is closely related to resilience and UNDP has not demonstrated a strong emphasis on this critical dimension in the LGP.

9. UNDP helped bring the **broader theme of conflict sensitivity and social cohesion into the national capacity-building-for-development agenda**. Beneficiaries are overwhelmingly supportive of UNDP's support in this area and able to articulate both behavioral and attitudinal changes. The mainstreaming of conflict sensitivity into programmes run by Ministries and CSOs/CBOs/EAOs needs to continue to broaden the scope of awareness as well as prepare for the upcoming National Dialogue and generate more substantial participation in the peace process. While use of the term peacebuilding has yet to become fully accepted in national discourse, the LGP did engage in this realm through supporting civil society mobilization, nurturing SSEs with relevant regional comparative experiences and now supporting the emerging national infrastructure for peace. More specific linkages between the grassroots and capacities work on social cohesion and conflict sensitivity and peacebuilding would help donors better understand the strategic level of UNDP engagement.

10. The LGLD system in Myanmar is slated for momentous change in the coming years as government and society alike wish to unlock its potential for building local democracy, making growth more inclusive and enrooting peace and stability. This is going to need not just wide-ranging reforms but also a lot more empowerment for innovation of a range of "change agents", be they communities, civil society, politicians, entrepreneurs, returnees or former combatants; women and youth, as catalysts for peace and development, should feature prominently among them. Because of the tremendous knowledge accumulated, trust built and initial convincing results, UNDP has a strong advantage and value-added in continuing accompanying the process; yet, for future programming, a **more focused support on strengthening the core blocks of a responsive and accountable local governance system**, led by well-resourced, conflict sensitive and capable local institutions at different levels, is recommended. Being able to make such a model work in different contexts, rural as well as urban, at peace as well as conflict-affected, would be coherent with UNDP's strategic poverty reduction role.

5.2. Recommendations

Please note: Certain components of the current LGP (TS planning & TDF, Microfinance, JMC) are already slated to outlast the programme beyond 2017 and UNDP/UNCDF have secured for them multi-year funding against strategies and work plans already developed. The same applies to already approved AWP's for 2017 for the 4 outputs. The OEM recommendations highlight some of these programming decisions already made when they help illustrate the overall strategic framework proposed for the new programming cycle.

The emerging context that is going to potentially frame the next UNDP programme in LGLD is one of continuing, possibly accelerating and asymmetric, process of transfer of administrative and fiscal powers to the subnational level. The extent to which this will also be accompanied by political decentralization and a broad institutional reform is still unclear – but everyone agrees that a major reform will need to take place in order to respond to democratic aspirations of the population, to address the growing development inequalities between rural and urban areas, states and regions and to provide strong incentives for a lasting peace. S/RGs, which are still weak and unexperienced for the most, are bound to play a greater role in spurring regional and local development in the near future – if only because they will start being responsible for executing 25% of the national budget from 2017. The upcoming period should also see movements on the peacebuilding front, with the roll-out of a complex and tricky national dialogue process that will need to deliver concrete results to prevent an escalation of the disturbing recent bouts of conflict in outlying regions of the country in 2016. As for the continuing ethnic strife in Northern Rakhine State, it shows no sign of abating nor is an exit to this intricate situation in sight. Simultaneously, the country's economic growth is still keeping at a high level, even by regional standards, and helping to bring a number of people just above the poverty line but not enough to keep them out of vulnerability to severe shocks and stresses such as price hikes or natural disasters. This growth is also becoming more exclusive and does not benefit sufficiently the rural masses, feeding an accelerating movement of rural exodus that brings up problems of increasing urban poverty and uncontrolled urbanization. Also, the current growth is not able to create sufficient jobs for the crowds of uneducated youth and for the returnee population, casting doubts on the chance that peace will bring the social and economic dividends that populations in ethnic states so long for.

In 2016, subnational planning and budgeting in Myanmar remains still largely driven from the Union level through top-down siloed mechanisms governed by a range of regulations predating the 2010 reform drive. The General Administration Department (GAD) is still the bureaucratic core of Myanmar's vertical subnational state structure from the state/region level downwards and yields authority to coordinate, communicate among and convene other government actors at each of the subnational governance levels. But GAD's role and powers are increasingly challenged, by S/RGs, by politicians and in the Cabinet and a change in its role will eventually have to take place – when and how is still a matter for debate. Most analysts consider that Townships will eventually become the new – and lowest – level of local government, but other more drastic options also exist. In case a federal model is eventually adopted for the sake of peace, even different institutional local government structures may appear in different parts of the country. In the meantime, there remains a lot to do just to consolidate and deepen the mainstreaming of the “people-centered” concept into local governance and building institutionalized mechanisms that guarantee sufficient participation and accountability, in the absence of full-blown local governments, and contribute to building trust between state and society and writing the social contract of the new Myanmar.

Overall vision

Assuming that the context above is realistic, and on the basis of the OEM's findings and discussions with UNDP Myanmar team on their vision for the next programming cycle, the **overall recommendation is that UNDP's support to LGLD in the new CPD be more focused on the supply side of local governance** but considering *governance* in the broad sense, hence covering as well the institutionalization of impactful engagement mechanisms with communities, civil society, media and the private sector, and in a multi-layered approach anchored at the S/R level but supporting the township and W/VT levels as well. UNDP should also continue and expand its support to women's meaningful participation in local governance and add a strong focus on youth as well. Other aspects of supporting the development of a vibrant and independent civil society and media would be handed over to development partners that have a stronger comparative advantage and are better-resourced in these areas, while maintaining links with UNDP's programme through strategic partnerships.

In terms of **local development**, UNDP should focus on the capacities of local (S/R and township) authorities to federate civic and private actors around shared territorial development visions aligned with SDG goals and strengthening resilience, and in building the necessary implementation and coordination capacities. The actual delivery of livelihood support should be left to front-line government agencies while UNDP can provide technical support to infuse their work with conflict-sensitivity, social cohesion

building and resilience strengthening. In the absence of a strong comparative advantage of UNDP for supporting small enterprises and job creation, UNDP should continue addressing inclusive growth needs by linking its women and youth empowerment work with UNCDF financial inclusion programme as well as programmes of other UN actors active in entrepreneurship development.

The potential of local governance to contribute to **peacebuilding** would be the third entry point for this programme. UNDP's strategic comparative advantage is on helping linkages between national and local peace infrastructures and using its good offices to help negotiate and institutionalize, where it matters for building peace, shared (mixed) local governance arrangements that cater to local aspirations for self-rule while preserving national unity and supporting the use of public resources for the delivery of public goods and services in an inclusive and conflict-sensitive manner.

The above proposal provides a framework for recommendations on immediate actions in the last year of the LGP in 2017 and future programming recommendations.

Recommendations for immediate actions

During the last year of the LGP, it is important to use remaining programme resources to take actions that increase the inclusivity of results, their sustainability and prepare the transition to the new programme. Some of the recommendations below are part of the LGP's 2017 workplan; the OEM includes them here to highlight their strategic importance for contributing to progress at outcome-level.

1. Completing the last mile: is concerned with applying measures and focus on completing engaged process that are near maturity and could benefit of certain adjustments for increased overall effectiveness.

- **Supporting corrective actions for the credibility of OSS**: on the basis of the diagnostic and recommendations produced by UNDP in June 2016, certain key immediate actions will be prioritized in 2017 with GAD and a small group of Departments. The OEM recommends that also that specific locations be used as pilots for testing out improvements of the OSS model and that Departments that provide services most in demand and/or more effective for spurring local economic development be prioritized in this work. UNDP could also broker the use of social accountability tools on OSS to increase their responsiveness of OSS to local needs.
- **Institutionalize key trainings** (TS planning, dialogue, CSO organizational development, social cohesion, conflict-sensitivity, etc.): this involves both standardizing and contextualizing curricula, producing additional tools if needed (visual aids, manuals, on-line resources) and working with capable Myanmar training institutions to own the curricula and training methods. Current Output 1's work with the IDA comes under this heading and should be emulated in other Outputs.
- **Support IDA in developing a results framework for its training programmes**: while the partnership with the IDA should be seen in the long-term, and opens up very interesting opportunities for supporting change in local governance at scale, an immediate need concerns the capacity of the IDA to measure the impact of its training programmes. The OEM strongly supports therefore Output 1 decision to help IDA in 2017 develop a results-oriented monitoring framework and build monitoring & evaluation skills need among IDA staff.
- **Build sustainability strategies owned by stakeholders**: Outputs, and particularly Output 2, could build sustainability strategies with stakeholders, including an analysis of threats and opportunities, and help them implement these during the last year of the LGP. This is very important for stakeholders for which UNDP may not be continuing support in the present form. Special attention should be given to linking CSO and media grantees with knowledge networks and funding opportunities in Myanmar and internationally.
- **Strengthen cross-output and cross-pillar connections for next TS planning**: this recommendation goes beyond 2017 and concerns also TS planning that will happen in the next programme. With more townships covered in 2017 in Mon State and elsewhere (tbd), there will be new opportunities for beneficiaries of other outputs and pillars to contribute meaningfully to this important exercise for building a new paradigm in local governance. This could be CSOs, media and TLGs supported through Output 2, savings cooperatives of Output 4, the social cohesion networks of Output 5 (which can help with the inclusion of EAOs in mixed administration areas), Rule of Law centers (Pillar 3) and climate change adaptation CBOs (Pillar 2).

- **Accentuate support to women’s empowerment through local governance:** by introducing simple tools for gender-specific analysis of in township planning, organizing a second round of training for women W/VTAs (as already planned in Output 1) and network them with MDK (for advocacy on gender & local elections) and increasing support to the training of female GAD staff through IDA.

2. Preparing the transition with the new CPD and LGLD programme: while the content of the next LGLD programme is not yet know, its contours can already be sketched based on the findings of this mission and initial reflections of UNDP. In 2017, UNDP will conduct a strategy-building process and lead consultations with partners to finalize the new Country Programme. The following suggestions can help increase UNDP’s positioning and comparative advantage for some of the priorities of the next CPD.

- **Develop a common cross-pillar approach to supporting sub-national core governance functions:** this involves all three current pillars and should clarify how UNDP wants as a whole – and as one – position itself on key subnational governance topics for the next CPD cycle, i.e. the public administration reform (including civil service reform), decentralization, and territorial development planning (at all levels) aligned with the SDGs.
- **Deploy advance advisory capacity to strategic S/Rs** if and where UNDP is most prone to implementing a multi-pillar integrated approach in the next CPD. This capacity should be embedded in S/R administrations as far as possible and work closely with the Chief Minister’s Office, providing advice on a range of planning and budgeting matters, as well as inter-sectorial coordination. This advisory capacity could be framed under “support to SDG localization”, for example. It will help build a strong rapport with S/RGs and facilitate faster delivery of future UNDP S/R-based programming.
- **Building greater understanding of governance for peacebuilding:** starting with a conflict-sensitivity and peacebuilding diagnostic review of the Country Programme to see how far UNDP has been able to leverage its peacebuilding potential, and conversely what unintended consequences of UNDP’s programming may be. Sub-national conflict analyses in potential areas of programming focus in the new CPD are also necessary if UNDP is going ensure no harm is done as well as to assure that a human rights based approach is applied consistently. It will also be important to facilitate high-level discussions among UNDP’s partners at Union level (in particular GAD & NaTaLa) on the links between local governance and peacebuilding and how to complement efforts underway in terms of national dialogue and peace infrastructure. A SSE with the Philippines to study the on-going peacebuilding process in the Bangsamoro Region (supported by UNDP), would be very beneficial. Ideally, all of the work plan above would be under the responsibility of a temporary international adviser on peacebuilding (IC) mostly based in Nay Pyi Taw.
- **Continue building awareness and capacity-building for SDG localization:** as currently spearheaded by Pillar 3, but possibly with greater involvement of LGP resources, knowledge and networks. The use of UNDP’s signature [SDG Localization Tool Box](#) is recommended and technical support from BPPS can also be mobilized if needed. This could be an opportunity to discuss partnership with UN-HABITAT, one of the co-sponsors of the global SDG Localization initiative.
- **Market survey for national intermediate support organizations:** an important feature of the next CPD should be a cross-cutting commitment to resort more systematically to national ISOs for implementation so as to support greater dissemination and sustainability of UNDP’s work. To prepare rolling out this approach in the next CPD, UNDP could update its market survey for qualified think-tanks and research bodies, training and process facilitation organizations, organizational development consultancies, whether non-profit, academic or for-profit, and possibly start negotiating LTAs.

3. Strengthen strategic partnerships with development partners: UNDP’s partnership strategy for the LGP has been focused on government as well as involved a few seminal collaborations with development agencies such as UNCDF for Output 4, and a few other organizations for specific activities.⁹⁴ The new CPD offers opportunities to broaden partnerships in the area of LGLD with a wider

⁹⁴ Including UNFPA & Output 1 for the use of census data in TS planning, the British Council for strengthening conflict resolution capacities of W/VTAs, ACTED/SFCG/Mercy Corps for linking livelihood support with social cohesion building.

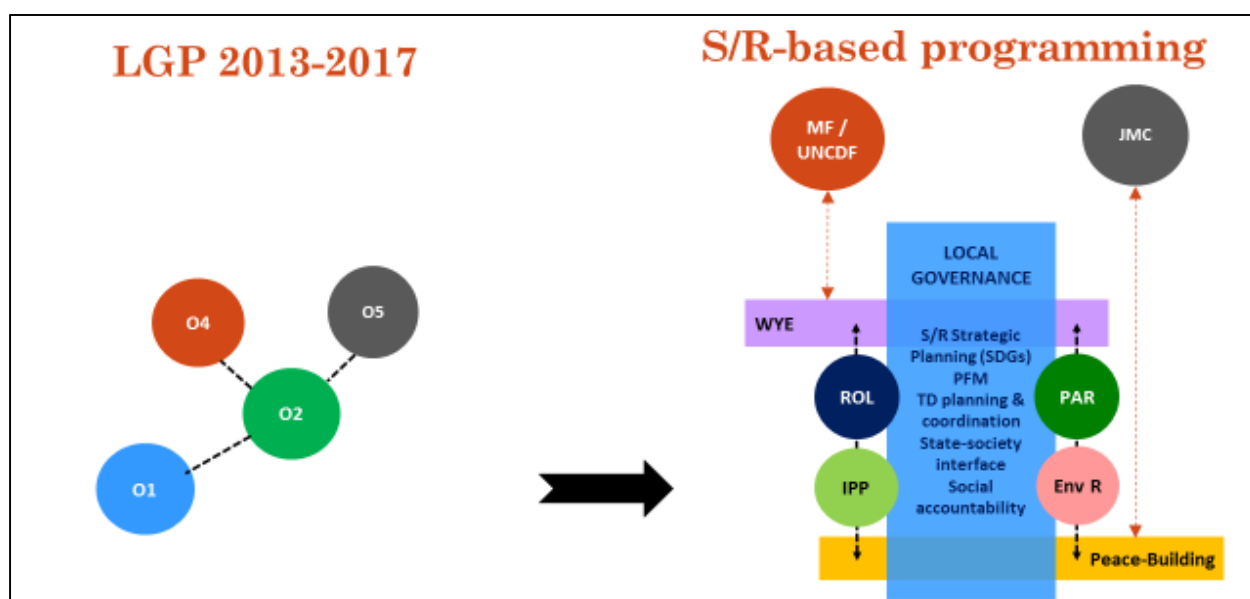
range of development partners for added impact. The OEM wishes to highlight the following (no-exhaustive) options:

- The Asia Foundation and the World Bank, for more effectiveness in strengthening multi-layered governance and proposing local governance reform options.
- The Asia Development Bank for building the absorption capacity of sub-national administrations for ADB local infrastructure funding.
- UNICEF for developing a common approach and programme on supporting local governance for peace in the SE region and for addressing SGBV issues through local governance.
- UNWomen/UNFPA for a concerted effort in supporting women's empowerment through support to national networks.
- UN-HABITAT for the SDG localization and township planning, in particular for greater articulation of the latter with the need for strengthening rural-urban linkages through area-based planning.

Recommendations for the future LGLD Programme

1. Programme Structure: in line with the vision presented earlier, the LGLD programme could be organized between two closely inter-linked components:

- a policy level focused on providing flexible on-demand advisory expertise, coordination support (donors, inter-ministerial committees) and strategic capacity development to GoM;
- a sub-national implementation level focused on strengthening practice in core local governance and local development functions, anchored in S/RGs and providing the backbone of a “soft” area-based development model for other components of the next country programme at sub-national level. The figure below sketches the changes proposed between the current and the new programme model.



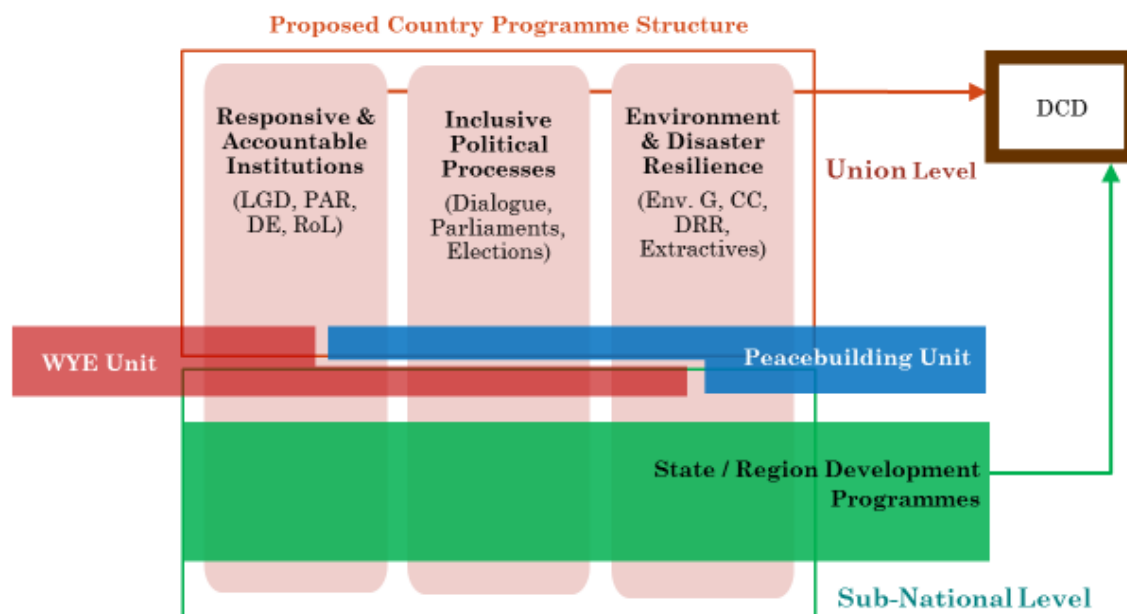
The legend for the figure above is presented in footnote.⁹⁵

The area-based approach is called “soft” because it does not foresee integrating all UNDP inputs under one single project but providing a model anchored at S/R level to link various types of support provided at sub-national level by the country programme, whether on rule of law, environmental resilience, parliamentary support, and more, with the future LGLD programme that would focus on core local governance functions and mechanisms. This means, for example, making sure that the different UNDP expertise and resources can be programmed at the local level through the S/R and township planning processes and PFM mechanisms strengthened by the LGLD programme.

The proposed structure is fitted with a proposal to organize the next country programme organized around three main pillars: Responsive & Accountable Institutions, Inclusive Political Processes,

⁹⁵ WYE = women & youth empowerment, PAR = public administration reform (deconcentration), IPP = Inclusive Political Processes (elections, S/R parliaments), RoL = rule of law, ER = environmental resilience.

Sustainable Environment & Resilience and two cross-cutting themes (each managed by small units) on Women & Youth Empowerment and Peacebuilding. Cross-cutting thematic units provide specialized expertise to each pillar in mainstreaming the theme concerned in its approach, output work plans and indicators, and also have a budget to lead seminal / innovative programming linked to the theme and linked to pillar-level work. The figure below gives an idea of the proposed articulation between pillars, union-level and S/R level work and cross-cutting thematic units.



An alternative to the three pillars shown here is a two-pillar model whereby all governance related aspects form one pillar (institutions and political processes), while a second pillar focuses on sustainable development with environmental and DRR aspects, financial inclusion and possibly a new portfolio of projects on micro-entrepreneurships (in particular for women & youth) and/or value-chains, implemented in partnerships with other relevant UN players and linked to the financial inclusion work.

2. Programme content: within the vision and proposed structure for an integrated local governance and local development model as sketched above, the OEM highlights the following interventions.

- **Core local governance functions:** as already planned by Output 1 (with SDC and DfID funding), UNDP's current support township planning & budgeting and the township grant remains the foundational intervention from which, gradually and guided by opportunities, UNDP expands to support to a broader range of PFM mechanisms and capacities as well as beyond the township level, by including W/VT administrations and S/RGs and administrations. This expanding coverage could include supporting policy coordination at the S/RG Cabinet Level, own revenue mobilization (e.g. property tax & urban fees), internal accountability frameworks; the delivery of services (focusing on Schedule 2 & OSS). The OEM sees particular potential in supporting a quick loop PFM process involving own-revenue collection and urban service delivery, through the Development Affairs Department, focusing on urban services delivered by municipal administrations and linked with social accountability initiatives carried by local CSOs. UNDP would continue working on the state/society interface, with the objective of institutionalizing further information-sharing, consultative, co-decision, co-production, oversight and grievance-handling mechanisms involving the citizenry, including through CSOs. This would be done from the point of views of sub-national authorities, developing their capacities to design and handle such mechanisms.
- **Integrated territorial development planning & SDG localization:** at S/R level to increase the relevance of bottom-up planning towards broader development goals of environmental protection, natural resource management, economic development and resilience urbanization, among others, defined on a territorial basis at the S/R level and using spatial planning tools. Focus should be on defining territorial "visions" of minimum 10 years, based on SWOT analysis involving all sectors and townships, civil society and private sector, rather than multi-year infrastructure wish lists narrowly defined by individual sectors. Related to this, the SDG framework is a powerful tool to

guide integrated planning and UNDP could start focusing on a few relevant SDGs per target S/R, such as SDG 11 (urbanization), SDG 10 (reduced inequalities) or SDG 15 (life on land), which are more relevant to mandated functions of S/RGs, and help define targets and action plans. S/R development plans can serve as indicative frameworks for lower-level bottom-up planning to start with, while UNDP supports a gradual reform of the regulatory framework around multi-level development planning in Myanmar.

- **Decentralization reform:** in order to feed the policy debate that will, sooner or later, resume on decentralization (in the wide sense, hence involving deconcentration and devolution), UNDP could partner with other influential DPs in this area (TAF, WB) to produce a Local Government Options Study to define and compare options for creating local governments, at which level, with which functions, political and administrative bodies, etc. against political, fiscal, developmental and other considerations. The study would be conducted under the oversight of an inter-ministerial committee (using the same model as for the MAP/Financial Inclusion Road map), which could later on become a decentralization reform coordination body. The Options Study would be a preliminary piece of work that needs to be complemented by other kinds of support provided currently by UNDP at Union Level on the broader Public Administration Reform file. As an alternative, such type of study could be restricted first to proposing different options to S/RGs for reforming municipal governments (e.g. current move by Yangon Region to reform the YCDC). The LGLD programme would then be used as a vehicle to test in live certain of the proposed options and monitor their impact to inform future policy decisions (see UNDP/UNCDF in Timor-Leste 2004-2012).
- **Peacebuilding through local governance:** peacebuilding needs to reflect and respond to changing environments and to happen in a context where there was historically no democratic local governance, limited formal capacity building or inclusion mechanisms and little opportunity for engagement with government structures. This not only takes time but also requires trust, opportunity, and capacity. Good local governance holds to the principles of participation, inclusion and responsiveness, can reduce drivers of conflict and contribute to building effective local infrastructures for peace that help address tensions early on to prevent violent conflict and resolve conflict legacies from the past. UNDP is in a unique position to help bridge the gap therefore between a top-down peacebuilding embodied by the national dialogue process and local-level peacebuilding that demonstrates the values of consensus-building and inclusiveness in decision-making and accessing goods and services as a means to restore confidence between groups and with the state. Some pointers to possible specific actions are listed below:
 - use UNDP’s comparative advantage as a neutral partner and accumulated knowledge during the LGP, to negotiate and pilot further customized local governance initiatives in conflict-affected areas with a focus on reaching non-Burmese speaking populations, including through mixed administration arrangements with EAOs if relevant;
 - strengthen local peace architectures (building upon the social cohesion network experience);
 - facilitating the emergence of local peace agendas, proposing territorial visions (at smaller level than S/Rs if needed), addressing conflict drivers specific to each area in particular for land and natural resources, as well as other problems such as resettlement, reparations, etc. A good example of building local coalitions for peace through local planning mechanisms is given by the work done by UNDP in Colombia with the [Territorial Partnership for Peace](#) programme.
- **Women & youth empowerment:** the next programme should continue to work for ensuring that women’s participation is inclusive and genuine especially in regards to decision making processes, not just at community level but at all the steps of the governance ladders. Continued dedicated resources in terms of research, advocacy, developing tools and reforming legal frameworks to encourage women to grow into more substantial leadership roles in local governments and in local administrations should be a priority.⁹⁶ In particular, successful forms of women’s organizing for social and economic empowerment supported by the LGP, namely the SRGs/TLGs/MDK should be better connected to UNDP’s work on local governance in the next programme. Similarly, a specific youth engagement strategy in local governance and local development needs to be devised

⁹⁶ The Gender Empowerment in Public Administration (GEPA) study slated for 2016 but not conducted that year should be carried out in GAD and S/RGs in the new programme.

(where it was missing from the LGP), using the age-disaggregated data from the LGM as a baseline and building upon existing lessons learned of youth empowerment in the LGP (e.g. CSO networks, rural technologies, social cohesion networks). As with gender, socio-cultural shifts need to be made in how youth are perceived within their communities and their role as nation builders. They need to be encouraged to participate in all levels of local governance & local development as well as be provided with leadership training to challenge the existing stereotypes. Regular leadership courses should be offered to women and youth champions from UNDP's projects.

- **Urbanization & rural/urban linkages:** considering the rise of urban poverty, exclusion and related human security issues, and taking note as well of recent research and policy work at the global level showing how urbanization in developing countries can be engines of growth, stability and governance innovation for fragile countries. Myanmar remains a rural country in majority but the urbanization trend seems unavoidable and urban governments need assistance now to help prevent intractable situations of unplanned urban growth tomorrow. UNDP could help address better the urban dimension of LGLD in next programme, in partnership with UN-HABITAT for example, and considering the urban dimension within a broader appreciation of rural-urban linkages for territorial development.
- **Mainstream resilience-building** at all levels: in relation to climate change, disasters, economic shocks and conflict. This needs conducting resilience diagnostics in target communities to see how traditionally Myanmar villages and towns deal with risks and existing coping mechanisms and gaps and how administrations are organized to reduce vulnerability to risks. Such work could build upon the initial experience of UNDP supporting early recovery capacities in Union government. UNDP should also start using simple risk analysis methods in township and S/R planning processes so as to raise awareness on how local investments can also increase community and territorial resilience.

3. Programme delivery modality:

- **S/R level as main entry point** to build local governance / local development capacities downstream (township, W/VT) and build pressure upstream for reform. The center of gravity of UNDP's future LGLD programme should be more at S/R level and build upon experience and agreements established in LGP in Mon State and Bago Region, or with Rakhine State during the SEDP exercise, for example. This does not change the priority of building township-level capacities to plan and deliver services; but it will put the S/RGs more in the driving seat for organizing such support and make it coherent within S/R strategic priorities (e.g. S/R territorial development plans). Concretely, this means that UNDP could:
 - sign State/Regional Development Programme documents directly with S/RGs, after explicitly identifying them as implementation partners in the CPD, and hence establishing the participation of targeted S/RGs in the programme's governance board;
 - locate advisory units in S/R administrations, with only a few staff, so as to keep UNDP's footprint light and work, as far as possible, through S/R systems (as for the TDF);
 - run a capacity development facility to provide on-demand training and on-the-job coaching to a range of S/R Departments (and not just GAD or Planning) and to link up S/RA staff with training opportunities elsewhere in Myanmar and internationally;
 - establish a Local Development Facility (LDF), using national ISOs and secondees from S/R Departments, outside of S/RAs for greater flexibility and cost-effectiveness, to provide training and facilitation support to township and W/VT levels planning and delivery operations, as well as support specific local economic development planning work. LDFs could become gradually self-funded and co-funded by S/RGs, with the long-term possibility of becoming State/Regional Development Agencies.
- **Keep diversity in staff** both in gender and in regards to non-dominant religions and ethnic groups at the field level.
- **Outsource part of the monitoring & evaluation** work, especially for perception indicators, for great reliability and efficiency.

ANNEX 1: BIBLIOGRAPHY

- Gatti, Eleonora, “An Inspiring Myanmar Story: iWomen Inspiring Women Mobile Application”, Annual Report 2016, UNDP Myanmar.
- Government of the Republic of the Union of Myanmar, “Road to Rural Development”, Presentation at a workshop in 2012, Department of Rural Development.
- Government of the Republic of the Union of Myanmar, “Nay Pyi Taw Accord for Effective Development Cooperation”, Ministry of Planning and Development Cooperation, January 2013.
- Myanmar Country Programme – CPAP 2013-2017, “Independent Midterm Evaluation”, September 2015.
- MAP, *Myanmar Financial Inclusion Road Map 2014-2010, Summary*.
- Mercy Corps, *Learnings from the Innovative Technologies for Rural Communities Project*, March 2015 – August 2016.
- Nixon, Hamish, Joeline, C. “Fiscal Decentralization in Myanmar”, Discussion Paper No.5, The Asia Foundation & MDRI, June 2014.
- *Social Cohesion for Stronger Communities*, Search for Common Ground / UNDP, 2015
- Shotton, Roger, “One Stop Shops in Myanmar: An entry point to improve local public service delivery and local governance”, UNDP/GAD, July 2016.
- Sida Helpdesk on Human Security, “Analysis and Comments on Conflict Sensitivity Issues of the UNDP Country Programme for Myanmar”, June 2014.
- Steinberg, David, “[Re-examining growth and poverty in Myanmar](#)”, The Asia Foundation, June 2014 (accessed January 2, 2016).
- Swanson, Glen, “Independent Assessment Mission on the Human Development Initiative Myanmar covering the period June 2011 to May 2012”, UNDP Myanmar.
- TNS, “Results Assessment for UNDP Support to Livelihoods Skills Trainings and Enterprise Start-up Training and Grants”, Summary Report, 2015.
- UN Country Team in Myanmar, *United Nations Strategic Framework 2012-2015*.
- UNDP, *Outcome-Level Evaluation*, December 2011.
- UNDP Myanmar, *The State of Local Governance: Trends in Myanmar. A Synthesis of people’s perspectives across all States and Regions*. 2015.
- UNDP Myanmar, “Project Factsheet: The Human Development Initiative in Myanmar”.
- UNDP Myanmar, “Country Programme Action Plan (2013-2015) between the Government of the Republic of the Union of Myanmar and the UNDP”, April 2013.
- UNDP Myanmar, “Pillar 1 / Output Board 1-2-4-5 Reports 2013, 2014, 2015, 2016 (draft)”.
- UNDP Myanmar, “Output 1-2-4-5 Annual Work Plans 2013, 2014, 2015, 2016, 2017 (draft)”.
- UNDP/UNCDF, “Local Development Background Study”, June 2012.
- UNDP/UNCDF, “Local Governance Programme Document”, 2012.
- UNDP, *Handbook On Planning, Monitoring and Evaluating for Development Results*, 2009.
- UNDP, *Guidelines for Outcome Evaluators*, Evaluation Office, Monitoring & Evaluation Companion Series # 1, 2002.
- UNDP, *Women and Local Leadership*, 2015.
- UNEG, *Quality Checklist for Evaluation Reports*, UNEG/G (2010)/2.
- UNEG, *Code of Conduct for Evaluation in the UN System*, March 2008.
- UNEG, *Ethical Guidelines for Evaluation*, March 2008.
- UNEG, *Integrated Human Rights and Gender Equality in Evaluation- Towards UNEG Guidance*, February 2011.

ANNEX 2. ACHIEVEMENTS TRACKING TRABLE (as of Nov. 2016)

INDICATOR	BASELINE 2013	TARGETS	ACHIEVEMENTS
OUTCOME: Community driven development institutions that support local governance in service delivery and inclusive growth, including agricultural development and enhancement of employment opportunities for women and men			
<u>Outcome Indicator 1:</u> A participatory methodology for area-based township planning developed and demonstrated jointly with national partners ready for replication	No methodology exists	2016: A model for participatory annual and strategic planning tested 2017: A model for participatory annual and strategic planning tested	PARTIALLY ACHIEVED <u>Indicator value:</u> Demonstration in process in 2 townships (2016) <u>Source of evidence:</u> Annual Report 2015, Output 1 interviews and Field visits <u>Narrative:</u> The first two pilots for TS development planning took place in 2 nd semester 2016 in Bilin (Môn) and Kawa (Begu). The approach consisted in improving existing methodology for annual TS planning and plans are to be issued by Dec 2016. Improvements consisted in: (i) greater bottom-up participation through W/VTAs; (ii) adding more strategic analysis; (iii) identifying priorities for LGP discretionary funds (township grants). Completion of target delayed first by withdrawal of UNCDF partnership at start of project, then time needed to complete LGM and then elections in 2015 which disturbed national planning cycle.
<u>Outcome Indicator 2:</u> Nationwide baseline on the quality of local governance established and disseminated (as state of governance reports)	No data available	2015: Nationwide data on sub-national governance capacity collected and made available 2016-2017: Id.	ACHIEVED <u>Indicator value:</u> LGM baseline established for 14 states/regions and dissemination completed (2015) <u>Source of evidence:</u> Publications, Local Governance Forum Reports, MTR <u>Narrative:</u> LGM reports and results disseminated and discussed in a national Good Governance forum (May 2015) and State/Region during which action plans were defined. Video titled “Voices of the People” produced and on-line infographics available. The reports provide baseline data for a number of other development initiatives.
<u>Outcome Indicator 3:</u> Number of times a UNDP approach to community social cohesion building has been replicated by partners	0	2015: 1 replication 2016: 3 replications 2017: Id.	UNKNOWN <u>Indicator value:</u> 1 (2015) <u>Source of evidence:</u> Interview with Output 5 lead and implementing partners <u>Narrative:</u> Anecdotal and verbal evidence that UNDP’s early recovery approach in Rakhine State, which is also infused with social cohesion building dimension, has now pervaded several donor programmes in the same area.

INDICATORS	BASELINE 2013	TARGETS	ACHIEVEMENTS (Source of evidence)
OUTPUT 1: Strengthened institutional capacity of State/ Region and Township administrations for inclusive service delivery and participatory local development planning			
<u>Output Indicator 1.1</u> # of states and regions for which LG mapping reports and related baselines are established	No systematic mapping of sub national governance exists and no usage of findings	2015: 13 States/Regions and at least 1 District and 1 township in each.	ACHIEVED <u>Indicator value:</u> 14 (2015) <u>Source of evidence:</u> Output reports, LGM reports <u>Narrative:</u> fully completed for 14 states/regions and within these, 56 townships and 112 villages (representing 8500 citizens polled, 3000 gov staff). Methods consisted of citizen report cards, community dialogues and interviews. Reports launched at Myanmar Good Governance Forum in Feb 2015 with 350 participants.
<u>Output Indicator 1.2:</u> # of usages (by government officials and MPs) of the mapping findings for local development reform (# of downloads of the baseline study, # of mentions in speeches or documents, etc.).	No Systematic mapping of sub national governance exists and no usage of findings.	2015: At least 20 additional usages of the mapping in local development reform	PARTIALLY ACHIEVED <u>Indicator value:</u> over 66 downloads and evidence of usage (2015) <u>Source of evidence:</u> Output reports <u>Narrative:</u> Mention of reports in President's Office Minister on various occasions. Reports used in IDA & UCSB trainings and for training of Permanent Secretaries.
<u>Output Indicator 1.3:</u> Improved public expenditure management cycle tested in targeted pilot townships.	No performance-based public expenditure management system at township level	2015: Improved public expenditure management cycle in place in at least 12 TSPs in at least 2 states targeted townships.	NOT ACHIEVED <u>Indicator value:</u> n/a (2016) <u>Source of evidence:</u> Output reports and AWP <u>Narrative:</u> Activity put on hold following decision (2014) to delay TDF activities that should have been implemented by UNCDF.
<u>Output Indicator 1.4:</u> Mechanisms and guidelines for citizens' participation and increased horizontal coordination for development planning at township level developed and tested	Basic participatory structures at township and village tract level established but not yet fully functional	2015: Mechanisms and guidelines for citizens' participation and increased horizontal coordination for development planning at township level expanded to all states and regions targeted by the UNDP program.	PARTIALLY ACHIEVED <u>Indicator value:</u> partially achieved (2016) <u>Source of evidence:</u> Output reports <u>Narrative:</u> Operational guidelines for TDSCs produced and approved by GAD, but TDSCs cancelled by incoming government. In 2016, guidelines for participatory development planning at township level developed and tested in 2 townships (Môn and Begu).
<u>Output Indicator 1.5:</u> # of townships (out of 12) improving their performance in delivering pro-poor services and infrastructure	Performance-based system for townships service delivery not introduced yet	2015: TBD based on results of testing of public expenditure management cycles in Y2	NOT ACHIEVED <u>Indicator value:</u> preparatory activities (2013); <u>Source of evidence:</u> Output reports <u>Narrative:</u> Not achieved as TDF not completed in 2013

INDICATORS	BASELINE 2013	TARGETS	ACHIEVEMENTS (Source of evidence)
projects based on the performance based grant system.			
<u>Output Indicator 1.6:</u> ⁹⁷ % of people in selected areas who know about One Stop Shop provided services (sex disaggregated data)	No (or very little) knowledge about service provision in One Stop Shops (in 2015)	2016-2017: At least 75% of interviewed citizens know about services provided in the One Stop Shop.	UNKNOWN (but probably unachieved) <u>Indicator value:</u> n/a (2016) <u>Source of evidence:</u> n/a <u>Narrative:</u> No survey planned for 2016 but rather end of 2017. # of people knowing about OSS increasing slowly.
<u>Output Indicator 1.7</u> Minimum service standards applied across all One Stop Shop	No minimum service standards in use (2015)	2016-2017: At least 95% of existing One Stop Shops are using minimum services standards.	UNKNOWN <u>Indicator value:</u> n/a (2016) <u>Source of evidence:</u> n/a <u>Narrative:</u> Not measured. OSS still have variations in both number of services they deliver and the quality and standard; ongoing policy dialogue on how to set minimum service standards.
<u>Output Indicator 1.8:</u> # of annual and strategic plans developed in a participatory manner submitted to Township Management Committee (TMC)	No model for participatory annual and strategic planning exists	2016-2017: A model for participatory annual and strategic planning tested.	ACHIEVED <u>Indicator value:</u> One model tested in 2 townships for annual planning (2016) <u>Source of evidence:</u> Output reports <u>Narrative:</u> Organized 4 training workshops in participatory planning techniques in Kawa (147 participants; 12 F and 135 M) and Bilin (125 participants; 31 F and 94 M) townships to develop township plans in an inclusive manner. Total number of participants was 229 male and 43 female.
<u>Output Indicator 1.9:</u> # of townships that are using a performance management system	No Performance Management System (PMS) exists (0 TS in 2015).	2016-2017: At least 100 townships have tested a performance management system	NOT ACHIEVED <u>Indicator value:</u> 0 (2016) <u>Source of evidence:</u> Output report <u>Narrative:</u> There is no such system in place yet but it is part of the thinking of the government as a whole to introduce PBS and for OSS in particular
<u>Output Indicator 1.10:</u> Instance of take forward, referencing or replications of practices for township level planning developed beyond initial target area (including at policy level).	No replication or take forward to date as models/ practices for township level planning are being developed	2016-2017: At least 5 uptakes of practices/models for township level planning taken forward	NOT ACHIEVED <u>Indicator value:</u> n/a (2016) <u>Source of evidence:</u> Output report <u>Narrative:</u> No instance of taking forward yet but the township planning pilot is expanding to 8 more townships in 2017

⁹⁷ Indicators in red were added during the programme revision in 2015.

INDICATORS	BASELINE 2013	TARGETS	ACHIEVEMENTS (Source of evidence)
OUTPUT 2: Citizens, communities and CSOs role in local governance and for monitoring of service delivery strengthened			
<u>Output Indicator 2.1</u> # of Township Community Centers/Community Multimedia Centers established	No TCCs / CMCs established	2016: 8 TCCs/CMCs. 2017: 12	PARTIALLY ACHIEVED <u>Indicator value:</u> preparatory work (2013); 0 (2014); 2 (2015); 6 (2016) <u>Source of evidence:</u> Output reports <u>Narrative:</u> 3 TCC/CMCs in 2015/2016 with IPRD to ease access to public information in remote areas (Hakka, Falam, Putao); 1 CSO-led Dialogue & Community Learning Centre in Hakka implementing community-gov dialogues on various issues, 2 CSO-led TCC in Mawlamyine and Kyeikmayaw in Mon State, but primarily providing free space for NGO meetings and hope to renew dialogue sessions with SG soon.
<u>Output Indicator 2.2:</u> # of consultations with citizens, CSOs and CBOs at Township level on service delivery per targeted area.	No consultations have taken place	2016: 2 / year 2017: 2 / year	ACHIEVED <u>Indicator value:</u> preparatory work (2013); 13 (2014); 20 / 500 pp 75% f (2015); 21 / 976 pp 46% f (2016). <u>Source of evidence:</u> Output reports <u>Narrative:</u> In total, 54 consultations involving more than 1500 people with women over 50%. In addition, 18 large state-wide consultations between CSOs, SG and State Hluttaw, led by CSO networks since 2015, gathering nearly 2000 people (and 40% female).
<u>Output Indicator 2.3:</u> % of local CSOs in targeted areas that are engaged in advocacy for improvement in public services with local authorities.	No systematic, state-based mapping of CSO advocacy engagement as of 2012	2016: 30% increase 2017: 35% increase	ALMOST ACHIEVED <u>Indicator value:</u> 28% (2015) <u>Source of evidence:</u> Output reports, based on CSO network surveys <u>Narrative:</u> 43% of local CSOs engaged in advocacy for improvement of public services (compared to 33% baseline in 2013).
<u>Output Indicator 2.4:</u> % of local CSOs in targeted areas that report that they participate in mechanisms to share information with other CSOs.	No systematic, state-based reporting of CSO information-sharing as of 2012	2016: 40% increase 2017: 50% increase	PARTIALLY ACHIEVED <u>Indicator value:</u> 29% <u>Source of evidence:</u> CSO network surveys <u>Narrative:</u> Estimation as 2013 survey will be repeated in early 2017.
<u>Output Indicator 2.5:</u> % of SRGs sensitized for registrations and/or cooperative formation engaging in registration and/or formation of cooperatives	0%	2016: 20% cumulative 2017: 20% cumulative	ACHIEVED <u>Indicator value:</u> 25% (2013); 20.3% (2014); 20.3% of SRGs, 90% of 31 TLGs (2015) <u>Source of evidence:</u> Output reports <u>Narrative:</u> All newly-created TLGs have filed for registration under the Association Law, with 28 (90%) having completed it.

INDICATORS	BASELINE 2013	TARGETS	ACHIEVEMENTS (Source of evidence)
<u>Output Indicator 2.6:</u> % of Township Leading Groups classified as achieving 'high recognition' as valued local development actors by society ('social recognition' index)	2012: No data on TLGs' social recognition status. 2015: 0% of 31 TLGs	2016: 60% 2017: 75%	ALMOST ACHIEVED <u>Indicator value:</u> 20% (2014); 48% (2015) <u>Source of evidence:</u> Output reports <u>Narrative:</u> 87% of SRG members have increased income, 72% received training for increased employment opportunities. All 31 women-led TLGs increased their 'social recognition' (i.e. status and responsibilities) over 2013 baseline, with approximately 50% now achieving in "high" social recognition category.
OUTPUT 4: Improved financial inclusion and entrepreneurship development through support for national coordination and sustainable market development			
<u>Output Indicator 4.1</u> A national diagnostic on financial inclusion in Myanmar developed	No baseline on financial inclusion	2016: National financial inclusion roadmap approved and launched 2017: N/A	ACHIEVED <u>Indicator value:</u> Baseline available (2013); n/a (2014); Financial Inclusion Road Map (2015) <u>Source of evidence:</u> MAP study, FI Road Map, Output Reports <u>Narrative:</u> The MAP Diagnostic was completed over a sample of 5,300 HH and followed by the drafting of a Financial Inclusion Road Map launched on April 1 st , 2015.
<u>Output Indicator 4.2:</u> Number of clients being reached by the newly introduced leading microfinance service providers from Asia Region	One leading MFSP provider from Asia Region	2016: 71,000 clients for 3 partner MFSPs with 50% of women 2017: 100,000 clients with min. 50% women	ACHIEVED <u>Indicator value:</u> 3 MFSP with 9,200 clients (2014); 40,000 clients, incl. 90% women and 37% rural (2015); 124,606 clients, incl. 83% women and 49% rural (2016) <u>Source of evidence:</u> Output reports <u>Narrative:</u> Highest performer is ASA with 76,258 clients; Alliance with 32,230 clients and ACCU with 16,118 clients. All three partners have exceeded the 50% female client threshold.
<u>Output Indicator 4.3:</u> Microfinance operations and ownership transferred to the selected financial intermediary.	Microfinance operations and ownership currently with UNDP	2016: Microfinance operations and ownership transferred to selected financial intermediary 2017: Id.	ACHIEVED <u>Indicator value:</u> MF operations fully transferred to PGMF (2013) <u>Source of evidence:</u> PGMF Report to the Transfer Oversight Committee (2016) <u>Narrative:</u> PGMF received assets & liabilities from UNDP in 2014 for an estimated total of 92 m USD and a portfolio of 360,000 active clients (420,000 for savings). The transfer agreement provides for PGMF reversing USD 12,683,151 in tranches over 5 years to the MF sector development in MM. It is estimated that PGMF has been able to increase outreach to 70,000 more clients since the transfer was done.
<u>Output Indicator 4.4:</u> Number of vocational training institution for which capacity assessment, strategic plan and partnership strategy have been developed.	No capacity assessment of vocational training institutions carried out	2016: Saunderson Weaving School's implementation partnership strategy developed 2017: At least 1 additional VT institution undergoes capacity assessment and developed long term plan.	PARTIALLY ACHIEVED <u>Indicator value:</u> 1 (2013), n/a (2014), n/a (2015), Project document for Saunderson Weaving School's Partnership Strategies approved (2016). <u>Source of evidence:</u> Output reports <u>Narrative:</u> Strategic plan and work plan for turning Saunderson Weaving School into a Weaving Center of Excellence developed and handed over to SSID for resource mobilization. No other VT institution will be assessed.

INDICATORS	BASELINE 2013	TARGETS	ACHIEVEMENTS (Source of evidence)
<u>Output Indicator 4.5:</u> Number of Financial Service Providers receiving loans and introducing new products.	No institutionalized Market Development Facility providing lending in local currency and capacity building for Financial service providers	2016: Market Development Facility starts to initiate support to at least one MFI 2017: MDF has given loans to at least 3 institutions and 2 of them have launched new financial products.	ACHIEVED <u>Indicator value:</u> 0 (2013-15), 1 st loan issued in December (2016) <u>Source of evidence:</u> Output report <u>Narrative:</u> MDF is run as a project of UNCDF (not own legal identity) and is issuing a first loan of 200,000 USD in local currency to one local MFI in Dec 2016. MDF also supports extending access to finance through use of digital services to rural areas (phone-based).
<u>Output Indicator 4.6:</u> The financial inclusion strategic action plan and M&E Framework is developed and adopted	No coherent strategy or action plan on financial inclusion exists	2016: Implementation & ME plans for financial inclusion roadmap approved and promoted. 2017: Initiatives implemented in at least 2 priority areas.	ACHIEVED <u>Indicator value:</u> IMC established (2015); Implementation Strategy and M&E FW principally adopted (2016) <u>Source of evidence:</u> Output reports <u>Narrative:</u> Inter-ministerial Committee for FI with 15 ministries and a Secretary led by FRD. The actual implementation phase of the Road Map was delayed by the change of government.
<u>Output Indicator 4.7:</u> Percentage of adult population financially included	2014: 30% percent of the adult population in Myanmar is financially included.	2016: Approximately 32% of Myanmar's adult population is financially included (MAP refresh). 2017: 34% (Finscope 2018).	UNKNOWN <u>Indicator value:</u> 30% (2014) <u>Source of evidence:</u> Demand, Supply, Policy and Regulation Study (Cenfri, Finmark Trust, UNCDF). <u>Narrative:</u> MAP Study found in 2014 that 30% of the 39 million adults use regulated financial services, but most (24% of adults) use only one service. Fewer than 5% of adults have bank accounts. MAP Refresh delayed until 2017 and next wide study by Finscope in 2018.
OUTPUT 5: Target communities and institutions have increased capacities for social cohesion, sustainable livelihoods, and improved opportunities for peace			
<u>Output Indicator 5.1</u> Increase in # of women representatives in community-led governance structures in target locations	25% of women representatives in community-led governance structures in target locations	2016: 45% women representatives 2017: 50% women	ACHIEVED <u>Indicator value:</u> 25% (2013); 35.5% (2014); 47% (2015) <u>Source of evidence:</u> Output reports <u>Narrative:</u> 47% of CBO members are women. By end-year, as the result of the activities in Pa La Na, women's participation in CBOs was at a ratio of 36%;
<u>Output Indicator 5.2:</u> % of persons targeted for livelihood assistance reporting increased income-levels in target locations 06 months after having received support (disaggregated by gender).	0%	2016: 70% 2017: 70%	ACHIEVED <u>Indicator value:</u> 96.8%, 95.5% F - 79.2%M (2014); 89%, 85% F - 90% M (2015) <u>Source of evidence:</u> Output reports <u>Narrative:</u> 89% of those receiving capital assistance for agriculture, livestock and fisheries reported an increase in income six months following the receipt of support. 100% men and 100% women.

INDICATORS	BASELINE 2013	TARGETS	ACHIEVEMENTS (Source of evidence)
<u>Output Indicator 5.3:</u> % of persons targeted for micro-enterprise support reporting sustaining their enterprises at least 6 months after having received support (disaggregated by gender)	0%	2016: 80% 2017: 80%	ACHIEVED <u>Indicator value:</u> 91.7%; 91.7% F - 91% M (2014); 100% (2015) <u>Source of evidence:</u> Output reports and independent evaluation <u>Narrative:</u> 100% reporting sustaining businesses at least 6 months after having received support (Men: 100%; Women: 100%).
<u>Output Indicator 5.4:</u> # of persons using/accessing constructed/ rehabilitated infrastructure (by gender).	None	2016: 300,000 cumulative 2017: 300,000 cumulative	ACHIEVED <u>Indicator value:</u> 212,750; 51% F – 49% M (2014); 29,119; 52% F – 48% M (2015); 166,629; 53% F – 47% M (2016). <u>Source of evidence:</u> Output reports <u>Narrative:</u> Total 408,498 (2014-2016)
<u>Output Indicator 5.5:</u> % increase in # of households reporting ‘more than 5’ occasions for interacting with a member from another village/ethnicity in past 06 months as a result of UNDP's interventions in target locations.	31% households (gender, age and ethnicity)	2016: 55% 2017: 60%.	ALMOST ACHIEVED <u>Indicator value:</u> 52% (2014); 54%; 48% F and 60% M (2015) <u>Source of evidence:</u> Output reports <u>Narrative:</u> 47.8 HH (54% increase) in number of persons reporting ‘more than 5 occasions for interacting with other village/ethnicity members. 50% more persons reported having “more than five occasions” for interacting with a member of a different village Men: 49.6 HH (60% increase); Women: 45.9 HH (48% increase)
<u>Output Indicator 5.6:</u> % of households reporting perceptions of increased unity between people from other villages/communities in the past 6 months as a result of UNDP's interventions target locations.	0%	2016: 55% 2017: 60%	ACHIEVED <u>Indicator value:</u> 77% (2014); 82%; 85% F - 81% M (2015) <u>Source of evidence:</u> Output reports <u>Narrative:</u> In 2016, 82% of persons reported perceptions of increased unity of people from different communities in last 6 months.
<u>Output Indicator 5.7:</u> % of trained participants who successfully apply the knowledge and skills on social cohesion gained from training initiatives into their work. (disaggregated by gender).	2016: 0%	2016: 35% 2017: NA	ACHIEVED <u>Indicator value:</u> 97% <u>Source of evidence:</u> End of activity report (SFCG) <u>Narrative:</u> 1,167 people from government, non- state actors and CSOs completed the course, of whom 52% were women. UNDP also organized Community of Practice workshops for the pool of trainers (40) from all six target states to help identify options to continue promoting social cohesion at the local level (2016).
<u>Output Indicator 5.8:</u> % of people surveyed who report that their level of trust toward others have increased as a result of their	2016: 0%	2016: 35% 2017: NA	ACHIEVED <u>Indicator value:</u> 89% <u>Source of evidence:</u> End of activity report (SFCG) <u>Narrative:</u>

INDICATORS	BASELINE 2013	TARGETS	ACHIEVEMENTS (Source of evidence)
participation in training initiatives (disaggregated by gender).			
<u>Output Indicator 5.9:</u> % Households purchasing technologies reporting an improved perception of women and youth as a result of market transactions facilitated by the programme (disaggregated by men and women) (Mon, Kayin and Shan)	2015: 30%	2016: 40% 2017: NA	ACHIEVED <u>Indicator value:</u> 92% for women 99% for youth <u>Source of evidence:</u> Activity evaluation report <u>Narrative:</u>
<u>Output Indicator 5.10:</u> # of ER strategies developed and implemented (Union/Rakhine/Kachin)	0	2016: 3 2017: 3	ACHIEVED <u>Indicator value:</u> 3 <u>Source of evidence:</u> Output report <u>Narrative:</u> With the LGP support, a Post-Floods and Landslides Needs Assessment was led by Government and a Recovery Coordination Center and Recovery Coordination Committees established under the Ministry of Construction, to respond to floods in Rakhine and Kachin States in 2017.
<u>Output Indicator 5.11:</u> Early Recovery principles integrated in humanitarian sector/ cluster response plans	No integration of ER principles	2016: ER principles integrated 2017: Id.	ACHIEVED <u>Indicator value:</u> ER principles integrated <u>Source of evidence:</u> Output reports, ACTED interview <u>Narrative:</u> Other INGOs (NRC, DRC and IR) are replicating UNDP's approach to early recovery in conflict areas and more UN agencies are doing ER in their regular humanitarian response programmes.

ANNEX 3: LIST OF INFORMANTS MET DURING THE MISSION

UNDP Myanmar

- Peter Batchelor, Country Director
- Christian Hainzl, Team Leader, Pillar 1
- Allison Moore, Output 2 Lead, Pillar 1
- Daw Khin May Shin, Program Analyst, Financial Inclusion, Output 4, Pillar 1
- Dilrukshi Fonseka, Output 5 Lead, Pillar 1
- Emma Morley, Team Leader, Pillar 3
- Hyeran Kim, Development Planning and Effectiveness Specialist, Pillar 3
- Masha Matthews, Programme Specialist, Rule of Law, Pillar 3
- Christopher Politis, Chief Technical Advisor, Public Administration Reform, Pillar 3
- Dania Marzouki, Monitoring and Evaluation Specialist
- Daw Ni Ni Aung, Area Coordinator, Mawlamyine Office

UNCDF

- Paul Luchtenburg, Output 4 Lead, Pillar 1
- Blandine Le Magnen, UNV for Financial Inclusion, Output 4, Pillar 1
- William Naing, Programme officer, Output 4, Pillar 1

Other UN Organisations

- Anne-Cécile Vialle, Chief of Mawlamyine Field Office, UNICEF
- Dominik Horneber, UNICEF.

Development Partners

- Ann Stodberg, Head of Development Cooperation, Embassy of Sweden
- Maria Suokko, Deputy Head of Mission, Diplomatic Mission of Finland
- Dr. Ben Powis, Social Development Adviser, DfID
- Ann Hassberger, Head of Local Governance Domain, Embassy of Switzerland
- Nikolaus Myint, Senior Social Development Specialist, World Bank
- Kelsey Crowley, Country Representative, ACTED
- Robert Barclay, Country Representative, International Alert
- Isla Glaister, Country Representative, Search for Common Ground
- Kelly Flynn, Senior Advisor Peacebuilding, Joint Peace Fund
- Dr. Khin Zarli Aye, Country Director, FHI 360
- Matthew Pietz, Senior Technical Advisor, FHI 360
- Dindo A. Meroy, Training and Development Officer, ACCU

Union of Myanmar Government

- U Ko Ko Maung, Director, Financial Regulatory Department
- Dr. Min Zaw Oo, Team Leader, Technical Secretariat, Joint Ceasefire Monitoring Committee
- San Wei, Director for Progress of Border Areas and National Races, Ministry of Border Areas
- U Ye Naing, Permanent Secretary, Ministry of Border Areas

State/Regional Governments

- Bago Regional Government

Township Administrations

- Kawa Township

Ward and Village Tract Administrations

- Kawa VTAs
- Bilin VTAs

National NGOs and Think-Tanks

- Daw Cho Aye, Chairwoman, Mae Dow Kabar / TLG Kyaiktho

State/Regional and Township Level CSOs

- Kyaiktho Township Leading Group
- Kawa CSOs
- Karen Baptist Convention
- Mon CSO Network
- Kayin CSO Network
- Paung Social Cohesion Network
- Bilin CSOs
- Kyaw San Win, National Enlightenment Institute
- Shan State CSO
- Southern Shan Media Network
- Chin State CSO Network
- Chin State Media Network

ANNEX 4. EVALUATION MATRIX

Criteria	Key Questions	Sub-Questions	Data sources	Data collection
RELEVANCE	<ul style="list-style-type: none"> • To what extent is UNDP's engagement a reflection of strategic considerations, including UNDP's role and comparative advantages in Myanmar? • To what extent does the intended outcome and the outputs address national priorities at the time of design, both thematically and geographically, and how flexible was the programme structure to accommodate rapid changes in the country's context and needs? • To what extent the programme followed a clear theory of change built with stakeholders? • Which of the existing programme areas are the most relevant and strategic for UNDP to consider going forward? • How the integration of local governance, local development and peacebuilding work can be strengthened for the next program cycle? 	<ul style="list-style-type: none"> - Was UNDP's continuing involvement in Local Governance and Local Development (LGLD) recommended after the HDI evaluation and if so, does the LGP design reflect lessons learnt and recommendations made in it? - Had UNDP prior experience working with State/Reg Govts and Township administrations? - Is UNDP's engagement in 13 states/regions (out of 14) a reflection of the lack of other development partners' engagement at the level of State/Reg Administrations? - Was UNDP's integrated approach to local development (service delivery, LED, social cohesion, civic space) called for by UNDP global approach to LGLD and/or by clear comparative advantages in these areas in Myanmar and/or by government demands? - Has the LGP approach been further aligned with the National Strategy for Rural Development & Poverty Alleviation and the National FW for Economic and Social Reforms when they came out in 2013, or other strategy documents that may have come out since? - How has Myanmar's progress on MDGs shaped programme priorities at the time of design? - Is the LGLD model proposed in the LGP broadly aligned with the new legal framework for decentralisation and devolution? - Has a problem tree been developed when preparing the programmatic response and causal / programmatic assumptions been clarified to support the linking of outputs to outcomes? - Has the option of testing different LGLD delivery models / options to inform policy formulation been envisaged? - How is Myanmar's SDG strategy relevant to the future of the LGLD programme? - Has the LGP strategy been revisited with the new Government following the 2016 elections and adjustments made? Have priorities been identified for future programming? What are the key context changes and future challenges to be considered for future programming? 	<ul style="list-style-type: none"> ▪ Programme Document ▪ CPD/CPAP & their reviews ▪ UNDAF ▪ HDI Impact Assessment Report ▪ Donor mapping ▪ Minutes of donor coordination meetings on LGLD/CDD ▪ Documents produced during LGP design ▪ Local Governance Mapping ▪ Decentralisation legal framework ▪ National Strategy for Rural Development & Poverty Reduction ▪ National FW for Economic & Social Reforms ▪ Other government reports pre-2016 ▪ MDG progress report (2012) ▪ Human Development Report ▪ WB Systemic Country Diagnostic ▪ New strategy documents post 2016 elections ▪ UNDP staff (3 pillars) ▪ Pillar Board ▪ Government partners ▪ UN Resident Coordinator ▪ UNCT ▪ Development agencies, in particular WB and ADB 	<ul style="list-style-type: none"> ➤ Desk reviews of secondary data ➤ Outcome model workshop ➤ Semi-structured interviews ➤ Focus groups

Criteria	Key Questions	Sub-Questions	Data sources	Data collection
EFFECTIVENESS	<ul style="list-style-type: none"> • To what extent has progress been made towards outcome achievement and what have the key results and change been? • What has been UNDP's contribution to change? • How broad geographically has progress at outcome level been realized? • Have the intended beneficiaries of the outcome change been reached? • Has UNDP best utilized its comparative advantage (at country, regional and global levels) in delivering the planned outcome and outputs? • Has UNDP's partnership strategy and implementation approach been appropriate and effective in contributing to the outcome? • How has the programmatic approach (single programme vs. individual projects) been effective, or ineffective, in ensuring progress towards the outcome? • Have potential inter-pillar collaborations in achieving the outcome been realized and if so, how did they impact UNDP's contribution to the outcome? • What have been the main limiting factors constraining the programme's effectiveness? How were they mitigated by the Programme? How are likely are these factors to remain applicable in the next programming period? 	<ul style="list-style-type: none"> - How does progress tracked using outcome indicators look like? Do these indicators provide a good enough measure of the explicit and implicit dimensions of the outcome? What other proxy indicators (incl. UNDP SP, SDGs, PSGs)⁹⁸ could be used to derive progress achieved and what picture do they paint in terms of outcome results? - What are the key policy decisions, capacities, processes or partnerships that have led to outcome-level changes? Can any be linked directly to output results of UNDP or other types of UNDP support (policy dialogue, access to regional and global knowledge networks, advocacy, partnership facilitation, etc.)? - What percentage of the output level results has been achieved? - Have the changes made during implementation to output structure and content increased the effectiveness of UNDP support? - In addition to UNDP initiatives, what other factors may have affected the results at outcome level? - Are there any unintended results(s) of UNDP results (+/-)? - Did the programme contribute as well to other outcomes and how? - Has progress been achieved over different areas of the country (e.g. rural / urban, at peace / cease-fire / conflict) and what have been the differences observed and why? Which of the key interventions have shown most adaptability and relevance to different contexts? - In achieving the outcome results, what type(s) of beneficiary (government /civil society, community/TS/state/union) has been most instrumental? Has the strategy of reaching communities through subnational actors worked? - Which partnerships have proven most effective in achieving progress (content-wise and geographically)? Where did UNDP direct implementation make a positive difference? Has UNDP made optimal use of available partnerships? - Have all planned and emerging cross-output synergies been realized? Did the single programme approach help maintain the coherence of the overall approach to the outcome? - Can the most impactful UNDP interventions be linked to previous UNDP work in the country? Have UNDP regional and global comparative knowledge, networks and tools been mobilized during implementation and how did they shape UNDP's contribution? - Have there been efforts to create strong links with pillars answering other basic elements of local development (disaster resilience, climate change, access to justice, community security, etc.)? 	<ul style="list-style-type: none"> ▪ Government reports and statistics on key indicators of fiscal / admin & political decentralization. ▪ Recent government policies related to LGLD ▪ Pillar and Output Reports (narrative) and M&E matrices. ▪ UNDP CPD mid-term review ▪ Pillar and Output board meeting agenda and minutes. ▪ Programme location map ▪ Local Governance Mapping ▪ MDG progress report (2015) ▪ Human Development Report ▪ WB Systemic Country Diagnostic ▪ New strategy documents post 2016 elections ▪ Minutes of donor coordination meetings on LGLD/CDD ▪ UNDP staff (3 pillars) ▪ Pillar Board & Output Boards ▪ Government partners ▪ State/Reg governments (admin / parliaments) ▪ District / Township administrations ▪ Beneficiary and non-beneficiary CSOs / NGOs ▪ Village authorities and CBOs ▪ Other implementing partners ▪ UN Resident Coordinator ▪ UNCDF ▪ UNCT ▪ Development partners 	<ul style="list-style-type: none"> ➢ Desk reviews of secondary data ➢ Compilation of programme statistics ➢ Compilation of government statistics ➢ Semi-structured interviews ➢ Outcome model workshop ➢ Focus group ➢ Field observations

⁹⁸ UNDP SP = UNDP Strategic Plan 2014-2017, PSGs = Peacebuilding & Statebuilding Goals (New Deal)

Criteria	Key Questions	Sub-Questions	Data sources	Data collection
EFFICIENCY	<ul style="list-style-type: none"> • Have resources (funds, expertise, time, staffing) available to the program been used in the most appropriate and economic way possible towards the achievement of results? • Was the delivery of interventions timely and could their sequencing as needed for effectiveness, be respected (in and across outputs)? • Has the programme governance set-up (pillar board / output boards) allowed achieving an accountable and efficient use of programme resources? • To what extent did monitoring systems provide data that allowed the programme to learn and adjust implementation accordingly? • Has a programme based approach (relying on un-earmarked resource mobilization) been an efficient way to achieve results? • Has the choice of implementing modalities (direct & through implementing partners) reflected a good value-for-money approach? • Have UNDP operational capacities and procedures been adapted to implementation goals and challenges? 	<ul style="list-style-type: none"> - Has UNDP initiated the programme implementation timely (duration of start-up phase)? Was a time extension required to achieve the programme outputs and why? - Has UNDP experienced over-expenditure or under-expenditure for the respective outputs? - Could UNDP hire the appropriate staff and in a timely fashion in order to implement efficiently? - Were field offices opened as per scheduler? Was their location the most efficient in reaching programme objectives while achieving economies of scale? How has the UNDP field presence for this programme been retooled from HDI and to what impact? - What impact had political changes (electoral period, change of government, peace process) and security context in certain regions on delivery timelines? - Are resources concentrated on the most important initiatives rather than spread thinly across initiatives and across target areas? - Did the pillar board and output boards meet as required, were inclusive enough and could they fulfill their TORs? Did the boards have full decision-making power on activity and budget planning? Were decisions taken by the programme boards rapidly and efficiently implemented (in particular Pillar board decisions reflected in Output board decisions)? - What mechanisms does UNDP have in place to monitor implementation, both in terms of efficiency and effectiveness? Are these effective? Are they transparent and inclusive? - How regularly did the M&E system measure programme performance at output-level (achievements against targets) and outcome-level? - Were the several changes made to indicators a reflection of change in approach, priorities, search for more effectiveness and/or difficulty to collect data fitting the initial set of indicators? How did the change of indicators affect the quality of the M&E work? - Which justification related to efficiency pushed UNDP to move from a project-based, as for the HDI, to a programme-based approach? Did this prove correct? - Did the un-earmarking of funds allow more flexibility to adapt to context / priority changes? Did it not make changing AWP's and budget revisions too easy, hence difficulty to maintain a steady programme approach? Were all outputs funded at a reasonable level vs. planned budget as a result? - How were costs saved by building delivery synergies between outputs and between pillars, and with other partners, while supporting results? 	<ul style="list-style-type: none"> ▪ Programme document ▪ Annual Work Plans ▪ Annual Reports/Quarterly Report ▪ Consolidated expenditure reports at output level ▪ Monitoring Reports ▪ Evaluation reports ▪ ATLAS reports ▪ Board meeting minutes and reports ▪ UNDP staff (pillar/output teams, PMSU, operations) ▪ Pillar Board members ▪ Output board members ▪ Government partners ▪ Development partners 	<ul style="list-style-type: none"> ➢ Desk reviews of secondary data ➢ Compilation of programme statistics ➢ Semi-structured interviews

Criteria	Key Questions	Sub-Questions	Data sources	Data collection
SUSTAINABILITY	<ul style="list-style-type: none"> • What are the main threats and, conversely, opportunities on the sustainability of the achieved outcome-level change? • What indications are there that achievements so far will be sustained (e.g. national ownership, commitment of national partners, national systems and structures, individual capacity) • To what extent has engagement in Triangular and South-South Cooperation and knowledge management contributed to the sustainability of the programme? • How will partnerships and current approaches to resource mobilization sustain the programme? • What could be done to strengthen sustainability? 	<ul style="list-style-type: none"> - How was sustainability analyzed in the programme document and to what extent the implementation approach reflect risks to sustainability? What unanticipated threats emerged during implementation and which corrective measures were taken? How were opportunities to improve the sustainability of results seized through implementation? - What is the exit strategy of the programme and to what extent does it take into account political, financial, social and technical factors? - How many and which of the programme deliverables show the highest rate of institutionalization and scaled-up use whether via government or civil society channels and what were the key influencing factors in that process? - In general, did new structures and processes piloted by the programme survive? What is the chance that they remain after the programme has stopped and without external funding / technical support? - Is the sustainability of particular results the same all over the programme locations? If not, why? - How far did the capacity development model / approach used at the onset of the programme factor in the sustainability imperative? What were the key methods / tools that helped increase the sustainability of capacity gains? Are these similar in public institutions and in civil society? Has the turn-over of officials - Has government stepped up its funding of the programme and/or committed larger efforts in mobilizing donor resources for it? If so, does government funding (direct or donor-based) follow a clear sustainability / upscaling purpose? - How many and which SS/TRC initiatives led to sustainable peer relations between Myanmar stakeholders and regional/global development actors? Have these links helped introduce innovations in Myanmar that will have a positive impact on the sustainability of outcome changes? - What has been the resource mobilization pattern of the programme years (resources mobilized per year)? Is there a clear indication that programme success has led to larger resource mobilization (including from government)? Have resources made available to achieve the outcome outside of UNDP channels increased? How far are these resources programmed along an approach similar to that of UNDP? 	<ul style="list-style-type: none"> ▪ Government reports and statistics. ▪ Recent government policies related to LGLD ▪ Pillar and Output Reports (narrative). ▪ UNDP CPD mid-term review ▪ New strategy documents post 2016 elections ▪ Donor mapping ▪ Minutes of donor coordination group on LGLD ▪ UNDP staff (3 pillars) ▪ Pillar Board & Output Boards ▪ Government partners ▪ State/Reg governments (admin / parliaments) ▪ Township administrations ▪ Beneficiary and non-beneficiary CSOs / NGOs ▪ Village authorities and CBOs ▪ Other implementing partners ▪ UN Resident Coordinator ▪ UNCDF ▪ UNCT ▪ Development partners ▪ SS/TRC partners (present in Myanmar) 	<ul style="list-style-type: none"> ➢ Desk reviews of secondary data ➢ Compilation of programme statistics ➢ Compilation of government statistics ➢ Semi-structured interviews ➢ Focus groups ➢ Field observations

Criteria	Key Questions	Sub-Questions	Data sources	Data collection
GENDER EQUALITY & HUMAN RIGHTS (GE / HR)	<ul style="list-style-type: none"> • How relevant is the programme vis-à-vis the main determinants of the limited access to local governance, public services and livelihood opportunities (including microfinance) of women and traditionally-marginalized groups in Myanmar? • How does the portfolio promote the principles of gender equality and human rights based approach? • To what extent the results both at the outcome and output levels benefit women and men equitably? • To what extent the results both at the outcome and output levels benefit marginalized groups? • To what extent has the allocation of resources (financial, human) in the programme taken into account the need to prioritize GE and HR? • Has the general enabling or adaptable environment (including institutional capacities) for more opportunity and real sustainable change in women's and marginalized groups participation in LGLD and access to derived benefits been strengthened? 	<ul style="list-style-type: none"> - To what extent is the programme aligned with international instruments, standards and principles, regional conventions and national policies and strategies on GE and HR and contribute to their implementation? - To what extent is the programme informed by substantive human rights and gender analyses that identify the main underlying causes and barriers? - Have UNDP/UNCDF applied a human-rights based approach and gender mainstreaming strategy during programme design? How is this reflected in the programme's theory of change & RRF? - To what extent is the programme informed by needs and interests of diverse groups of stakeholders through in-depth consultations? - How relevant has the participation of stakeholders representing the interests of women and marginalized groups been in the implementation of the programme? - What have been the key programme results and learning towards the realization of gender equality and human rights and did they contribute to reducing the underlying causes of inequality and discrimination and empowerment? - Have women and marginalized groups' voices gained higher ground in LGLD mechanisms and decision-making? Have these groups in conflict-affected areas been empowered to play a bigger role in peacebuilding? - Have women and MGs been effectively prioritized in capacity development opportunities proposed by the programme? - Were adequate resources provided for integrating GE and HR in the programme? What enhanced benefits could have been achieved for more investment (i.e. enough budget to produce disaggregated data)? - How was women's role in the governance and implementation of the programme promoted? - Has there been institutional change conducive to systematically addressing GE and HR concerns as a result of the programme? - Are there signs of an attitudinal and behavioural change conducive to GE and HR at subnational level (in particular communities) beyond the immediate impact of awareness-raising campaigns? - Has an accountability and oversight system developed between rights holders and duty bearers? - Has capacity been developed of targeted rights holders to demand their rights and duty bearers to fulfill these demands? 	<ul style="list-style-type: none"> ▪ Programme Document ▪ CPD/CPAP & their reviews ▪ UNDAF ▪ HDI Impact Assessment Report ▪ Donor mapping (2012) ▪ Minutes of donor coordination meetings on LGLD/CDD ▪ LGP design mission documents ▪ Local Governance Mapping ▪ Decentralisation legal framework ▪ National Strategy for Rural Development & Poverty Reduction / National FW for Economic & Social Reforms ▪ CEDAW, UNSCR 1325 ▪ AI/HRW/OHCHR/UNFPA Reporting ▪ Asia Foundation reporting re: women's participation ▪ Myanmar National Human Rights Commission Reports ▪ Myanmar Gender Equality Network reports ▪ HRGE Handbook ▪ MDG progress report (2012 & 2015) ▪ Human Development Report ▪ New strategy documents post 2016 elections ▪ UNDP staff (3 pillars) ▪ Pillar Board & output boards ▪ Government partners ▪ UN RC/ UNCT, Development partners ▪ State/Reg governments, District / Township administrations ▪ SRGs/TLGs ▪ Village authorities and CBOs ▪ May Doe Kabar network 	<ul style="list-style-type: none"> ➢ Desk reviews of secondary data ➢ Compilation of programme statistics ➢ Compilation of government statistics ➢ Semi-structured interviews ➢ Outcome model workshop ➢ Focus group ➢ Field observations

Criteria	Key Questions	Sub-Questions	Data sources	Data collection
CONFLICT-SENSITIVITY	<ul style="list-style-type: none"> • How relevant is the outcome to conflict-related dynamics in Myanmar? • How far has UNDP's involvement in conflict-affected areas built on its comparative advantages? • Does the programme design address key drivers of conflict and reduces the possibility of negative impacts on conflict dynamics? • How far has outcome-level change been achieved in conflict-affected areas vs. in non-conflict areas? • Have intended objectives been met with respect to peacebuilding and immediate or secondary outcomes' relation to peacebuilding and conflict dynamics? • What are the effects of the pillar strategy and allocated resources on the related drivers of conflict or instability? • How did UNDP organize itself to minimize the impact of conflict conditions on its capacity to achieve the intended results and impact of the programme implementation parameters on the conflict? • How sustainable are outcome-level changes achieved in conflict-affected areas? • How could the local governance & local development model used by UNDP contribute more to peacebuilding in the future? 	<ul style="list-style-type: none"> - Was a conflict-related development analysis conducted to inform programme design and updated in response to context changes? - What is the theory of change behind the impact of improved LGLD on peacebuilding and social cohesion? - What signaling effects does the choice of strategic priorities and partners have in relation to the context? - Has the programme design been responsive and adaptable to the conflict context? In what ways? Have any developments in the conflict made some interventions inappropriate? - Which lessons learnt from UNDP's HDI in conflict-affected areas were used for the LGP design? - How is programme relevant to UNDP's mandate on early recovery? - What elements of the conflict challenge the feasibility of the outcome in conflict-affected areas? How is the programme effectiveness challenged by conflict? - What are the perceptions of the beneficiaries and wider stakeholders of the programme in terms of reducing conflict? - What enhanced benefits could have been achieved with more investment in conflict analysis and training on conflict sensitivity? - To what extent has the allocation of resources prioritized those most marginalized by conflict dynamics? - Are there gaps in group coverage that increase tensions or aggravate grievances? If so, to what extent these impact on willingness and ability of minorities to participate in LGLD structures? - Has the operational plan been adapted and/or changed in light of the conflict context? How were operational risks related to conflict contexts analyzed and mitigated? - How have programme choices regarding where to work, partnerships, beneficiaries, procurement, staff and timing affected key sources of tension and opportunities for peace in the area? - Has behavior by staff/partner organisations sent implicit messages that reinforce dynamics of conflict (i.e. impunity, discrimination, non-transparency, lack of respect, hostility)? - What measures have been taken to reduce the risks of the conflict undermining the sustainability intervention? - Does the focus or modality of the intervention undermine government capacities or responsibilities for governance and conflict resolution? - How far have the programme outputs at community-level in conflict-affected areas reinforced long-term peacebuilding dynamics? 	<ul style="list-style-type: none"> ▪ Programme Document ▪ CPD/CPAP & their reviews ▪ UNDAF ▪ Humanitarian Response Plan ▪ HDI Impact Assessment Report ▪ Donor Mapping (2012) ▪ Minutes of donor coordination meetings on LGLD/CDD ▪ Minutes of Early Recovery Cluster ▪ LGP design documents ▪ Saferworld and other INGO/NGO reports ▪ Monitoring and Evaluation Guide to Conflict Sensitivity ▪ MDG Report (2012 & 2015) ▪ Human Development Report ▪ WB Systemic Country Diagnostic ▪ 2016 Peace Process documents ▪ PBF documents ▪ UNDP staff (3 pillars) ▪ Pillar Board & output boards ▪ Government partners ▪ UN RC /UNCT / HCT ▪ Humanitarian & Development partners ▪ PBF staff ▪ State/Reg governments, District / Township administrations ▪ Early Recovery Cluster ▪ State-level Early Recovery coordination structures ▪ Village authorities and CSOs/CBOs 	<ul style="list-style-type: none"> ➢ Desk reviews of secondary data ➢ Compilation of programme statistics ➢ Compilation of government statistics ➢ Semi-structured interviews ➢ Outcome model workshop ➢ Focus group ➢ Field observations

ANNEX 5: FIELD VISIT ITINERARY

First Part: Mon State, Kayin State and Bago Region

Mission Members:

1. Nicolas Garrigue, Team Leader
2. Marla Zapach, Team Member
3. U Kyaw Thu, Team Member
4. U Tin Maung Maung Ohn, Interpreter
5. Ni Ni Lwin, Area Office Coordinator, UNDP

Day 1 (27 November 2016)

- Meeting with Mae Doe Kabar (UNDP organized rural women network)

Day 2 (28 November 2016)

- Meeting with Township Administration in Bilin
- Focus Group Discussion with Ward and village tract Administrators and CSO
- Visit One Stop Shop in Bilin
- Meeting with Mon State Government Cabinet

Day 3 (29 November 2016)

- Meeting with Yin Nyein village committee at Kalarchaung Damayone
- Meeting with Technology Innovation Sales Agents, Yein Nyein
- Meeting with Paung Social Cohesion Network
- Meeting with Mon State CSO Network
- Meeting with Southern Myanmar Journalist Network

Day 4 (30 November 2016)

- Meeting with TaKaungBo village committee, Kayin State
- Meeting with Social Cohesion Course Trainer, Hpa-An
- Meeting with Kayin State CSO Network

Day 5 (1 December 2016)

- Meeting with Township Administration in Tha Nat Pin (including TPIC)
- Meeting with W/VTAs and civil society

Day 6 (2 December 2016)

- Meeting with ACCU in Bago City
- Visit to OSS Office at Bargo Township Administrative Office
- Meeting with Township Administration in Kawa
- Meeting with Kawa W/VTAs and CSOs
- Meeting with Chief Minister and Cabinet, Bago Region Government

Second Part (Nay Pyi Taw)

Day 1 (6 December 2016)

- Meeting with Senior Management of General Administrative Department
- Meeting with Deputy DG of Information and Public Relationship Department (IPRD)

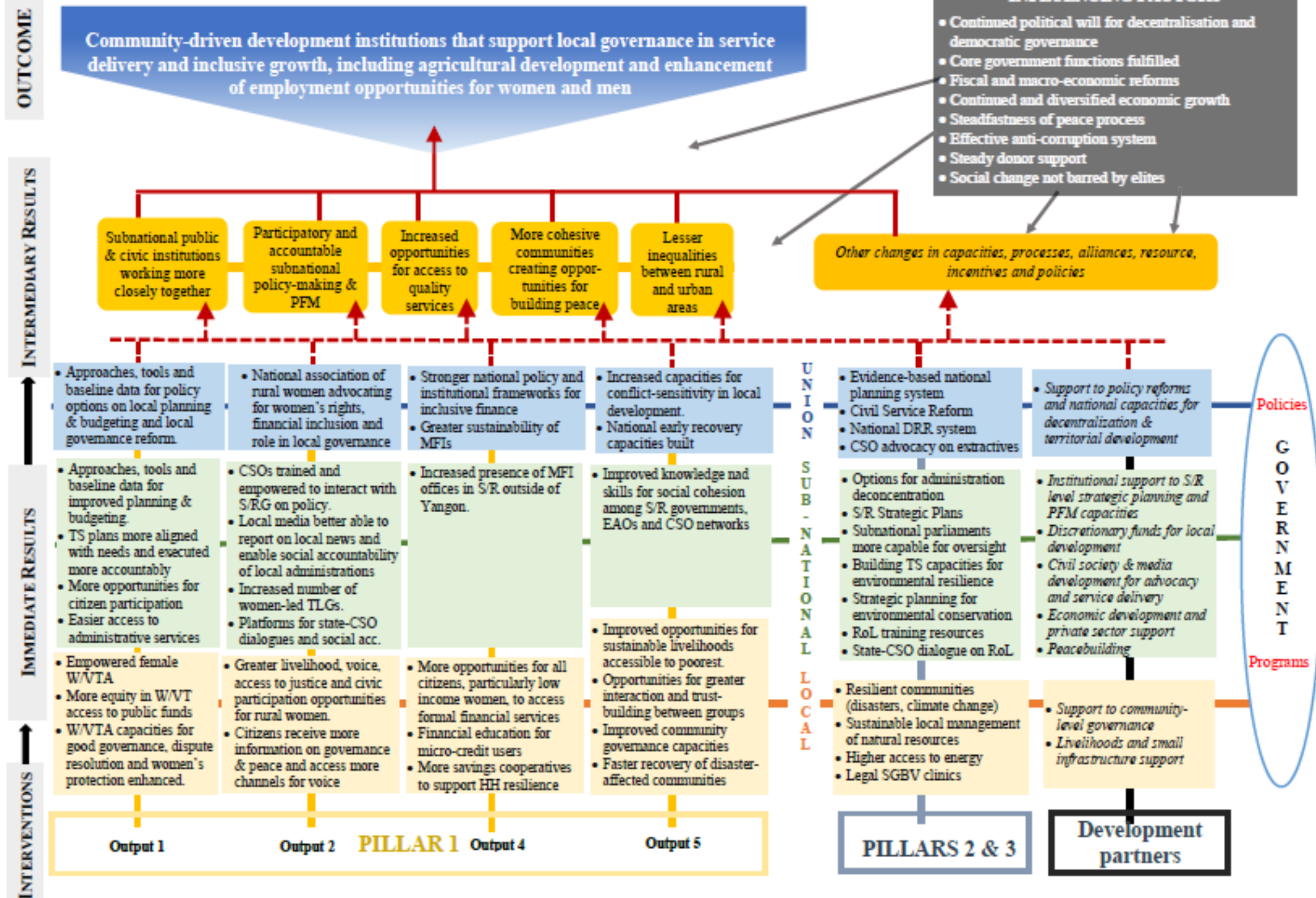
Day 2 (7 December 2016)

- Meeting with Christ Politis, CTA, Public Administration Reform (PAR) / Pillar 3
- Meeting with DG and senior management of Department of Border Area Development

ANNEX 6. MAIN CHANGES TO THE LGP RRF BETWEEN 2013 AND 2015

Original Programme Document (2013)			Revised RRF (2015)		
Outputs	Activity Results	Indicators	Outputs	Activity Results	Indicators
1) Strengthened institutional capacity and organisational management of State/Division, District and Township administrations for area-related development planning, responsive and effective public service delivery, and conflict prevention.	<p>1.1: Adequate information systems for planning, identifying priorities and coordinating development</p> <p>1.2: Enhanced capacities of State, District and Township administrations and State Parliaments to plan, budget and monitor and develop regulatory frameworks.</p> <p>1.3: Strengthened capacities of service deliverers, including public-private partnerships.</p>	4	1) Strengthened institutional capacity of State/Region and Township administrations for inclusive service delivery and participatory local development.	<p>1.1: Adequate information and management systems for planning and budgeting, identifying priorities and coordinating local development supported.</p> <p>1.2: Enhanced capacities of selected State, District and Township administrations to establish participatory and responsive planning, budgeting, and monitoring mechanisms.</p>	5
2) Strengthened institutional capacity of civil society organizations to provide community services including civic and legal awareness and advocacy on human rights.	<p>2.1: Enhanced capacity of civil society to coordinate and engage public and private sector in provision of services</p> <p>2.2: Strengthened capacities of communities to monitor and evaluate service delivery and inform decision-making</p> <p>2.3: Civic awareness for empowerment</p>	3	2) Citizens, communities and CSOs role in local governance and for monitoring of service delivery strengthened.	<p>2.1: Local CSO network capacities developed and activities initiated for dialogue, community outreach and sustainability (targeted areas)</p> <p>2.2: Women's engagement and leadership in local governance increased, and support provided to township and regional/national networks of rural women (Key partners: 31 township level federated self-reliant groups.</p> <p>2.3: More informative and responsible local media coverage and increased community access to media (targeted areas)</p>	6
3) Strengthened capacity of local media institutions in support of local development and civic awareness at the district and state/region levels and reintegration programmes.	<p>3.1: Pilot Community Multimedia Centres established in each States/Region</p> <p>3.2: Enhanced capacity of local media actors in support of democratic governance</p> <p>3.3: One pilot community broadcasting institution in each S/R</p>	3			
4) Strengthened institutional capacity to support sustainable livelihoods.	<p>4.1: Increased institutional capacity to promote inclusive rural financial services</p> <p>4.2: Enhanced institutional capacity to analyse employment and market trends and employable skill development (for women and youth)</p> <p>4.3: Enhanced institutional capacity to foster entrepreneurship (on farm and off-farm).</p>	3	4) Improved financial inclusion and entrepreneurship development through support for national coordination and sustainable market development.	<p>4.1: Increased institutional capacity to promote inclusive financial services</p> <p>4.2: Enhanced institutional capacity of targeted vocational training institutions to service the market and create employment opportunities, particularly for women and youth.</p>	8
5) Livelihood support and social cohesion.	<p>5.1: Social protection and inclusion mechanisms in place for poorest households at the community level.</p> <p>5.2: Rural communities, community based organizations and other civil society organizations have acquired knowledge and skills for social cohesion, representation and participation in local decision making and local development processes.</p> <p>5.3: Livelihoods stabilized for the conflict affected people through livelihood asset replacement, skill enhancement and income generation opportunities.</p>	2	5) Target communities and institutions have increased capacities for social cohesion, sustainable livelihoods and improved opportunities for peace.	<p>5.1: Social protection (SP) mechanisms in place for poor households at community level.</p> <p>5.2: Target communities have increased capacities and opportunities for social cohesion and livelihoods.</p> <p>5.3: National and local institutions and actors have increased capacities for conflict sensitivity, social cohesion and peace-building.</p> <p>5.4: Strengthened early recovery processes in place in target locations.</p>	11

ANNEX 7: OUTCOME MODEL (POST-FACTO)



ANNEX 8: PROGRAMME EXPENDITURES PER ACTIVITY RESULT

Output	2013	2014	2015	2016	TOTAL
Output 1 - Local Administrations					
AR 1.1: Adequate information and management systems for planning and budgeting, identifying priorities and coordinating local development supported.	370751	1046950	741168	106468	2265337
AR 1.2: Enhanced capacities of selected State, District and Township administrations and State Parliaments to establish participatory and responsive planning, budgeting, and monitoring mechanisms.	225992	365500	1510871	598332	2700696
Programme management, Running and Operation	630427	1011606	486670	354332	2483035
OUTPUT 1 TOTAL	1227170	2424056	2738710	1059132	7449068
Output 2-Civil Society Organizations and Media					
AR 2.1: Local CSO network capacities developed and activities initiated for dialogue, community outreach and sustainability	242947	524808	690286	650456	2108497
AR 2.2: Women's engagement and leadership in local governance increased and support to township and regional/national networks of rural women	0	0	761753	405195	1166949
AR 2.3: More informative and responsible local media coverage and increased community access to media	486	65950	357988	764828	1189252
Programme management, Running and Operation	30854	317743	352238	386438	1087273
OUTPUT 2 TOTAL	274287	908501	2162265	2206917	5551970
Output 4: Livelihoods Institutions					
AR 4.1: Increased institutional capacity to promote inclusive rural financial services	1143194	1704849	2294597	1811445	6954085
AR 4.2: Enhanced institutional capacity to create employment opportunities particularly for women and youth.	0	22389	75261		97650
MF Transition	7184187	40392			7224579
Strengthen Civil Society by MF (Delta SRGs)	665673				665673
Programme management, Running and Operation	110257	231303	191253	43933	576746
OUTPUT 4 TOTAL	9103311	1998933	2561111	1855378	15518733
Output 5 Livelihood Support and Social Cohesion					
AR 5.1: Social protection (SP) mechanisms in place for poor households at community level	868143	114536	21189	207	1004075
AR 5.2: Target communities have increased capacities and opportunities for social cohesion and livelihoods	3946759	4742893	2435516	1019639	12144807
AR 5.3: National and local institutions and actors have increased capacities for conflict sensitivity, social cohesion and peace-building	0	222944	1128454	1373803	2725202
AR 5.4: Strengthened early recovery processes in place in target locations	22284	562195	840681	90551	1515711
Programme management, Running and Operation	1295947	1784781	1118728	514053	4713509
OUTPUT 5 TOTAL	6133133	7427349	5544568	2998253	22103303
HDI Transition	2630540				
Pillar 1 TOTAL	19368441	12758839	13006653	8119680	50623074

Formula used for calculating supply and demand sides expenditures:

	Output 1		Output 2			Output 4		Output 5			
	1.1	1.2	2.1	2.2	2.3	4.1	4.2	5.1	5.2	5.3	5.4
Supply	50%	100%	10%	0%	0%	100%	100%	0%	0%	50%	100%
Demand	50%	0%	90%	100%	100%	0%	SRGs	100%	100%	50%	0%

ANNEX 9: LGP STAFFING TABLE

Includes all staff categories (fixed-term, SC, consultants, JPOs, UNVs, UN Fellows) for long-term positions.

Staff Category	2013	2014	2015	2016	2017
OUTPUT 1					
International - YGN	2	2	2	1.5*	1
National – YGN	1	2	4	4	4
International – Area Offices	0	0	0	0	0
National – Area Offices	0	0	0	0	0
Sub-Total O1	3	4	6	5.5	5
OUTPUT 2					
International - YGN	2	2	2	2	2
National – YGN	1	2	3	3	4
International – Area Offices	0	0	0	0	0
National – Area Offices	6	6	6	4	4
Sub-Total	9	10	11	9	10
OUTPUT 4					
International - YGN	1	1	2	4	2
National – YGN	1	1	1	2	3
International – Area Offices	0	0	0	1	0
National – Area Offices	0	0	0	0	0
Sub-Total	2	2	3	7	5
OUTPUT 5					
International - YGN	1	2	1	1	1
National – YGN	1	3	2	2	2
International – Area Offices	0	0	5	1	0
National – Area Offices	6	6	4	3	0
Sub-Total	8	11	12	7	3
Pillar Coordination					
International – YGN	1	1	1	2	2
National - YGN	1	1	1	1	1
Sub-Total	2	2	2	3	3
TOTAL					
Intl – YGN	7	8	8	10.5	8
National – YGN	5	9	11	12	13
Sub-TOTAL HQ	13	17	19	22.5	20
Intl – AOs	0	0	5	2	0
Natnl-AOs	12	12	10	8	4
Sub-Total AOs	12	12	15	10	4
TOTAL	24	29	34	32.5	24

* 50% of an FTA.

ANNEX 10: LGP FUNDING SOURCES

Source of Fund	2013	2014	2015	2016	2013-2016	%	2017	2013-2017	%
TRAC1/2 (0400)	5153146	4 177 692	5 262 417	3 579 901	18 173 156	31%	2 790 000	20 963 156	29%
BCPR	200 000	550 217	51 131	52 608	853 956	1%		853 956	1%
ER BCPR(29641)		307 000	459 008		766 008	1%		766 008	1%
Non-core (Japan)	6916346	5 793 154	1 191 943		13 901 443	24%		13 901 443	19%
Non-core (LIFT)	8243827	33 170			8 276 997	14%		8 276 997	11%
Non-core (USAID)	936975	-			936 975	2%		936 975	1%
Non-core (Danida)		566 604	2 629 014	8 727	3 204 345	5%		3 204 345	4%
Peace Dev Fund (PDF)		40 000	1 374 595	32 957	1 447 552	2%		1 447 552	2%
Non-core (Sida)			54 340	797 368	851 708	1%	1 577 688	2 402 586	3%
Finland				1 270 628	1 270 628	2%	919 377	2 190 005	3%
KOICA				110 000	110 000	0,2%	80 000	200 000	0,3%
Norway					-		107 999	159 028	0,2%
RBAP pipeline				500 000	500 000	1%		500 000	1%
SDC					-		2 606 000	2 606 000	4%
JMC pipeline					-		4 000 000	4 000 000	6%
Total UNDP	21 450 294	11 467 837	11 022 448	6 352 189	50 292 768	86%	12 081 064	62 408 051	86%
					-			-	
Core (UNCDF)			51 164		51 164	0%		51 164	0,1%
Non-core LIFT	1 937 810	2 480 485	433 580	1 284 552	6 136 427	11%	869 835	7 006 262	10%
Non-core PGMF (revenue sharing from MF transition)			702 490	1 245 117	1 947 607	3%	1 264 564	3 109 057	4%
Total UNCDF	1 937 810	2 480 485	1 136 070	2 580 833	8 135 198	14%	2 031 285	10 166 483	14%
					-			-	
TOTAL UNDP + UNCDF	23 388 104	13 948 322	12 158 518	8 933 022	58 427 966	100%	14 112 349	72 574 534	100%

(areas shared in green are un-earmarked funding)

ANNEX 11: CONTEXTUAL THREATS & OPPORTUNITIES TO SUSTAINABILITY

Threats	Opportunities
<ul style="list-style-type: none"> - Lack of policy directions and stability in GoM - Tensions among ministries involving the role of GAD - Lack of institutional capacities for taking up and replicating successful pilots (Union & S/R) - High turnover of senior staff in local administrations - Instability, competition between and politicization of civil society networks - Societal expectations for rapid change not managed, creating tensions and backlash in local administrations - Insufficient number of professional intermediary support organizations, including capacity development institutions, to assist with replicating successful models - Lack of funding to continue iteration of pilots, in particular for township planning - Resurgence of conflict and long-lasting humanitarian crisis - Repeats of natural disasters, distracting funding and efforts from long-term endeavors - Climate change affecting reliability of agricultural production and rural income 	<ul style="list-style-type: none"> - Current government priorities on service delivery and accountability - Improvement of policy framework for civil society and media underway - Overall positive ownership among stakeholders of LGP results and positive impression on UNDP's role - New generation of local elected leaders (S/RGs, W/VTAs) willing to do learn how do govern differently, i.e. with more participation and accountability - A new cadre of non-profit and for-profit support organizations emerging - Rise of city power bringing up innovations for social and governance change - Rise of national networks less elite-centered and more capable of pulling up local civil society - Increasing donor presence and funding, including for core governance functions - Economic reforms under way including better environment for MSME development and banking sector, creating demand for microfinance services - Women's empowerment under way - Peace process