

## ROM report

Type of ROM review	Projects and Programmes
Project title	Capacity Development for Local Government (GDLG)
Project reference	C-410680
Delegation in charge	Sri Lanka
Status	Draft
Report date	17/12/2021

Project - Key Information	
Domain (instrument)	Asia & Central Asia
DAC Sector	Decentralisation and support to subnational government
Zone Benefitting from the Action	Sri Lanka
Action Location	Northern, Eastern, North-Central, Uva Provinces and at national level
Type of Project/Programme	Geographic
Geographic Implementation	Single-country
Entity in Charge	DIRECTORATE C - Middle East, Asia and Pacific
OM in Charge	SPACCA EDOARDO
Contracting Party	UNITED NATIONS DEVELOPMENT PROGRAMME

Project - Financial data on 27/10/2021			
Total budget	10,000,000 €		
EU contribution	10,000,000 €		
Paid Amount	5,193,407 €	Date of last payment	05/03/2021

Project - Dates				
Contractor Signature Date	31/10/2019			
Activities	Start Date	01/11/2019	End Date	31/10/2023
Final Date for Implementation (FDI)	30/06/2025			

ROM review - Key information				
Reason for ROM review	Yes			
ROM expert(s) name(s)	WORTELBOER Valentijn			
Field phase	Start Date	23/11/2021	End Date	03/12/2021

## Executive Summary

Local governments in Sri Lanka are seen to have an important role to play in addressing local needs and priorities of the people, stimulating local economic development and through improved local governance contribute to social cohesion and peaceful co-existence among the ethnic communities. A more accountable, inclusive and responsive local government would increase public trust in institutions and contribute to addressing some of the root causes of the conflict. With this objective in mind, Sri Lanka embarked on a decentralisation process.

The objective of the Capacity Development for Local Government (CDLG) intervention is to strengthen the capacities of local government, namely Provincial Councils (PCs) and Local Authorities (LAs), to be inclusive, responsive and accountable, and be able to plan, enhance resilience, and deliver better services. The intervention is part of the EU's action on "Strengthening Transformation, Reconciliation and Inclusive Democratic Engagement" (STRIDE) and works in the North, North Central, Eastern and Uva provinces of Sri Lanka.

The intervention design and implementation continue to be relevant to the stakeholders' needs and priorities. The intervention is well suited to the capacities of stakeholders and makes an important contribution to the realisation of the government's strategy for the digital transformation of local governments. Consequently, the government demonstrates a strong commitment for the intervention.

CDLG coordinates well with the other interventions under the STRIDE Programme and demonstrates clear complementarity and synergy with these, particularly the Local Development Support Project (LDSP). The Support to Effective Dispute Resolution (SEDR) intervention started its implementation in 2021. Strong STRIDE governance is provided by the EU Delegation (EUD) to Sri Lanka.

Mid-way through its implementation, CDLG is well on-track, both in terms of its programme and financial execution, which currently stands at 47%. While work is progressing under the Outputs and positive developments are visible to indicate changes in the field, it has been a challenge to assess the actual effect of CDLG in achieving the expected Outcome and Impact. The COVID-19 crisis presented the intervention with significant challenges, but the United Nations Development Programme (UNDP) adequately addressed these and rapidly adapted its capacity development approach to a digital working environment. Positive (albeit indirect) contributions are noted towards strengthening gender and disability, environmental risks and climate change. The intervention's peacebuilding dimension remains largely unexplored.

Progress achieved so far in the implementation of the intervention leads to a positive outlook towards the technical and financial sustainability of the results. Focus will need to be placed on supporting local governments in increasing income-generation.

EU communication and visibility is adequately secured by CDLG and contributes to positioning the EU as supporter of local governance and decentralisation.

Key recommendations include: i) timely inform the EUD about significant deviations in budget planning and execution; ii) share emerging lessons learned with the SEDR intervention to timely inform their implementation strategy; iii) use the Political Economy Analysis (PEA) developed by the SEDR intervention; iv) discuss frequently and directly with the Ministry of Provincial Councils and Local Government Affairs the planning of intervention activities to facilitate closer operational coordination; v) revise the logframe by rephrasing results statements, enriching/ updating indicators, so as to be able to measure the changes in capacities resulting in from the intervention; vi) prioritise support to PCs and LAs to increase capacities on income-generation; vii) enhance the work through community centres and local civil society organisations (CSOs) to further stimulate citizen participation.

## Project Synopsis

### Description of the context with a focus on the problematic to be addressed by the action

Sri Lanka is an upper middle-income country with a population of 21.9 million people. The human development of the country is based on steady economic growth, transitioning the economy from a predominantly rural-based economy towards an economy organised around manufacturing and services. Notwithstanding the recent high human development, there are significant inequalities (also gender related) within Sri Lankan society that have been exacerbated by the three decades long ethno-political war in the country, which ended in 2009. In addition, the country is highly vulnerable to climate change-related risks. The North, East and Uva provinces are characterised by high rates of poverty and vulnerability. A high public debt has meant that critical social services, such as health, education and social protection, have been underfunded.

The Sri Lankan state is organised at the central, provincial, district and division levels. Local governments hold significant responsibilities, for example by offering a range of public services such as health (native, i.e. Ayurveda) and pre-school education, and providing land and building permits and waste collection and disposal. Provincial Councils (PCs) are the second layer of local government. These were established by the 13th amendment to the Constitution in 1987. There are in total 9 PCs in the country, of which 4 fall within the geographical area of the intervention. PCs are considered part of the 'devolved' structure, which exists alongside the 'deconcentrated' structure of the central line Ministries, which continue to this day to have presence at the local level. There is much overlap between the devolved and deconcentrated structures, with the majority of funding from the central budget being channelled through deconcentrated units for service-delivery on key areas, such as health and education.

Local Authorities (LAs) are the third layer of local government. They are distinguished between Municipal Councils (MCs), established by the MC Ordinance in 1947, Urban Councils (UC), established by the UC Ordinance in 1939 and Pradeshiya Sabhas (PS), established by the PS Act in 1987. While all are considered LA, the difference is that municipal/ urban authorities have more than 30,000 inhabitants and are otherwise prioritised based on land size, economic contribution and infrastructure.

While the Sri Lankan constitution foresees more power and autonomy to the provinces (which can at their discretion transfer power and responsibilities further downwards to LAs at the district and division levels), in practice most public funding is still channelled through devolved units of the central government institutions. It is understood that a greater role for LAs in providing public services, revenue generation and resource allocation, would better support local economic growth and inclusive and responsive local governance systems. This would also provide a space for local communities, civil society organisations (CSOs) and community-based organisations (CBOs) to participate in local development planning and decision-making to ensure that the voices of the people, including marginalised groups, such as women and youth are included. Stronger LAs would strengthen local resilience to shocks and promote peaceful co-existence. Empowered LA can thus be potentially a stabilising factor amidst economic and political disturbances.

As it currently stands, however, LAs hold little power. There is limited integration and linkages between LAs and the local (deconcentrated) government institutions, leaving LAs in a marginal role with blurred lines of responsibilities between both actors. It is against this background that the Capacity Development for Local Government (CDLG) intervention has been developed, implemented by the United Nations Development Programme (UNDP). To this end, the EU Delegation (EUD) applied the indirect management modality and signed a corresponding Contribution Agreement with UNDP.

## Description of the intervention logic

The intervention logic of CDLG as presented in the logframe included in the Description of the Action of the Contribution Agreement is as follows:

Impact: To strengthen the process of decentralisation in the targeted province and the dialogue between people and the state thereby contributing to the resolution of critical underlying causes of conflict and prevention of escalation of local disputes; with indicators:

- 1: Subnational government share of expenditure and revenue (% of total government expenditure/revenue) in the targeted provinces - baseline (B) and target (T) not available;
- 2: Percentage of reduction in number of ethnic related incidents in the targeted areas - B and T not available;
- 3: Number of grievance cases effectively addressed and resolved by mediation boards and community interventions before they escalate (individual cases disaggregated by sex) - B and T not available;
- 4: % of people in the targeted provinces that perceive increase in efficiency and performance in the local authorities services - B and T not available.

Outcome: Efficient, inclusive, gender-sensitive and accountable service delivery at elected local government level; with indicators:

- 1.1: Number of local authorities that achieve improved performance standards measured by province - B: zero; T: 100
- 1.2: Presence of participatory mechanism at local authority level with evidence of women's voice taken into consideration - B: no final value established; T: 100;
- 1.3: Number of people involved, with participatory planning (sex disaggregated) - B: zero; T: not yet established;
- 1.4: Number and type of accountability measures adopted and implemented through the grant scheme - B: zero; T: not yet established;
- 1.5: Proportion of seats held by women in local government - B: 22%; T: 25% (annually).

The intervention is part of the EU's action on "Strengthening Transformation, Reconciliation and Inclusive Democratic Engagement" (STRIDE). STRIDE Output 1 (which is essentially an Outcome of the intervention): Roles of local authorities for development, service delivery and reconciliation enhanced; with indicators:

- 1.1.1: Number of people benefitted by the performance Grant scheme - B: zero; T: not set;
- 1.1.2: Percentage of community members (disaggregated by sex) satisfied with local authorities' sub-projects (measured by provinces) – B: 25%; T: 60% by end 2023;
- 1.1.3: Number of LAs projects designed and implemented through participatory approaches – B: zero; T: 60%;
- 1.1.4: Number of people trained (Government, Non-Government, Civil Society) (sex disaggregated) – B: zero; T: 12,000;
- 1.1.5: Number of Policies/Acts/legal framework cases amended, formulated to increase efficiency of the service delivery – B: 37 - T: not set;
- 1.1.6: Number of sub-national institutions and officials (sex disaggregated) with a positive change in planning approaches and delivery of public services – B: 25% T: not set;
- 1.1.7: Number of people belonging to vulnerable groups who express voices in decision making on local development – B: zero; T: not set.

Output 1: Improve local planning and budgeting cycles and service delivery and ensure that they are responsive to gender and marginalisation issues; with indicators:

- 1a: No. of LAs covered through training/capacity building programmes – B: zero T: 134;
- 1b: Number of people involved in participatory planning (disaggregated by sex and ethnicity) – B: zero; T: 1,340 (10 people per LA);
- 1c: Percentage of LAs that are using the introduced tools effectively – B: zero; T: 75%;
- 1d: No. of LAs meet the basic and performance grant criteria – B: zero; T: 60% of the LAs;
- 1e: No of LAs with improved grievance and feedback mechanisms – B: zero; T: 100;
- 1f: Number of profiles and reports produced to inform planning and budgeting processes – B: zero; T: not set;
- 1g: Number of interventions/ activities supported by women officials reflected in local plans and budgets – B: zero; T: not set.

Output 2: Strengthen the local governance system to be innovative and provide inclusive and responsive services that address multi-dimensional challenges; with indicators:

- 2a: No. of social innovation projects designed, of which Number of projects implemented (disaggregated by PS/MC/UC) – B: zero T: not set;
- 2b: No. of people (including from vulnerable groups) participating in social innovation workshops (sex disaggregated) – B: zero; T: not set;
- 2c: Percentage of LAs mainstream disaster risk reduction strategies and environmental standards in local plans and services – B: zero; T: not set;
- 2d: Percentage increase in revenue generation – B: 0.02%; T: not set;
- 2e: No. of LAs participating in exchange events organised – B: zero; T: 134.

Output 3: Strengthen legal and policy framework to execute decentralisation functions; with indicators:

- 3a: No. of follow-up actions taken by central and provincial institutions to inform LAs and ensure implementation of new directives, guidelines, and regulations – B: zero; T: not set;
- 3b: Percentage of LAs supported to meet audit recommendations – B: high; T: not set;
- 3c: Percentage of LAs following new procurement guidelines – B: High; T: not set.

The Key Activities organised per Output include:

- 1.1. Conduct capacity mapping and develop capacity plan;
- 1.2. Conduct capacity building on planning, budgeting and for utilisation of basic and performance transfers;
- 1.3. Develop and utilise tools to enhance participatory, responsive and accountable service provision and simplify and visualize planning and budgeting processes;
- 1.4. Build capacities for data management;
- 1.5. Execute targeted capacity development programmes for women and youth officials (Elected and Administrative);
- 2.1. Build capacities for innovative service delivery;
- 2.2. Build capacities to support gender-inclusive local resilient development;
- 2.3. Targeted support MCs/ UCs to address urban challenges;
- 3.1. Conduct advocacy and learning exchange programmes;
- 3.2. Improve collaboration between different levels and units of central, deconcentrated and devolved government.

## Description of the target group(s) and final beneficiaries

The intervention will work in the North, North Central, Eastern and Uva provinces of the country. These provinces have been selected as the geographical areas of the planned activities based on their poor socio-economic indicators on human development, as well as levels of service delivery. All provinces present vulnerabilities due to the effect of the civil war, drought and flash floods (North, North-Central and Eastern provinces) and because of social and geographic exclusion (Uva province).

The main target groups of the intervention are as follows: A) Ministry of Provincial Councils and Local Government Affairs (MPCLGA): The Ministry is the state institutions responsible for the second (PC) and third (LA) layers of local government. The Ministry is also the implementing partner for the Local Development Support Project (LDSP).

B) The Sri Lanka Institute of Local Governance (SLILG): The institution is the leading training centre at central level for PC and LA. It also functions as Project Director (PD) for the CDLG intervention.

C) Provincial Councils (PCs): There are in total 9 PCs in the country, of which 4 fall within the geographical area of the intervention. They oversee the functioning of and provide support to the LAs within the province.

D) LAs: Out of a total of 341 LAs in the country, the intervention targets 134 LAs within the geographical area of the intervention. A total of 12,545 staff of LA are targeted through the intervention.

E) Elected members: The intervention covers in total 2,756 persons elected to the local councils of the LAs, including 612 women. Together with the communities, whom they represent in the LAs, they are the end-beneficiaries of the intervention.

F) Community members: At the community-level, the intervention furthermore targets youth, women, socially excluded groups and CBOs in order to involve these groups into the local planning and budgeting process in LA. They are end-beneficiaries of the intervention.

Other main target groups include the provincial level Management Development Training Units (MDTU), Finance Commissions, key functionaries at the provincial (e.g. commissioner for local government), district (e.g. assistant commissioner for local government) and divisional level (LA-level councillors and staff), as well as CSOs, CBOs and local communities.

CDLG pays special attention to women and youth. The intervention provides targeted capacity development support towards female elected officials to empower them in their roles and encourage women's community leadership. Peer learning trajectories are designed to allow women to learn from each other and provide mentorship and advisory support between them. Similarly, attention is given to youth leaders and their expectations towards local government.

Important stakeholders are the World Bank (WB), the British Council (BC) (responsible to implementing the Support to Effective Dispute Resolution, SEDR intervention), the Federation of Sri Lanka Local Governments Association (FSLGA) and The Asia Foundation (TAF).

## Findings

### 1. Relevance

The ROM review has confirmed the continued relevance of the intervention. Government stakeholders representing the intervention's target groups as well as the end-beneficiaries have indicated during interviews conducted that they consider the CDLG intervention highly relevant for their ongoing needs and priorities. Similarly, they also express a high degree of ownership of the intervention's activities and expected results. This strong stakeholder buy-in can be ascribed to the design strategy of the intervention, which followed an inclusive and participatory consultation process, involving the main stakeholders in the identification of the needs and priorities to be addressed and the validation of the intervention design.

The capacity development approach taken by UNDP for designing the CDLG intervention can be considered exemplary. While the intervention design confirmed the stakeholders' overall needs and priorities for strengthening local governance and service-delivery, in order to detail the main results and activities proposed within the intervention logic, the inception phase of the intervention in 2020 focused on establishing clear baselines for support by investing in capacity assessments in all 4 PCs and 134 LAs within the scope and geographical areas of the intervention. These capacity assessments were conducted by The Asia Foundation (TAF), contracted by UNDP in the context of the intervention. This has allowed the PCs and LAs to agree on customised capacity development support packages, tailored to the specific needs and priorities, as outlined in the respective capacity development plans. These plans were also validated by PCs and LAs, which explains the high levels of relevance and ownership demonstrated by PCs and LAs on the planned capacity development support initiatives.

The intervention's design is well aligned with the government policies, strategies and plans to strengthen local governance. The intervention builds on the mandates of local governments defined by the 13th amendment of the Constitution in 1987 and the respective ordinances governing the functions of LAs. The intervention responds to the strategy of the MPCLGA, which is the government institution responsible for supporting the functions of local governments. Government stakeholders at central level (MPCLGA and SLILG) and at local level (PC) emphasised during the remote ROM review mission interviews that they consider CDLG as an important opportunity to make significant advances in the capacity building of local governance, as CDLG makes available significant funding to this end. This positive attitude furthermore explains the strong commitment to the intervention demonstrated by government stakeholders.

The COVID-19 crisis, which fully hit Sri Lanka in March 2020 with the first issuance of an island-wide lockdown, forced the intervention to revise its capacity development approach in light of the restrictions on movement and physical meetings and address the challenges local governments were imminently facing to deal with pandemic related health and socioeconomic risks. CDLG responded in two ways: First, understanding that local governments needed to show citizens their ability to responsibly respond to the crisis and simultaneously ensure business continuity and service-delivery, the intervention procured personal protection equipment (PPE) and sanitation kits to keep PCs and LAs safe for interaction between authorities and citizens; Secondly, understanding that movement restrictions would likely persist and potentially severely affect the intervention's planned capacity development support activities, CDLG procured virtual communication equipment (laptops, teleconference software licenses, etc.) for all 4 PCs and 134 LAs to enable them to work digitally and establish an operational basis for continuity of capacity development work. This work was closely coordinated with the government, in particular the Information Communication and Technology Agency (ICTA), which was responsible for establishing fibre-connectivity across all PCs and LAs. This 'digital transformation' within local governments had been a longstanding government strategic objective. While not initially foreseen in the intervention design, the government highly appreciated the intervention's response to address this emerging challenge in an opportune way.

CDLG is highly regarded and appreciated by all involved stakeholders. Interviews with government, target groups and end-beneficiaries evidenced a strong appreciation for the experience, expertise and capacities of the UNDP mobilised implementation team at central and field levels. The good coordination and communication with the intervention was oftentimes highlighted. The ROM review mission considers this has much to do with the individual qualities of UNDP intervention staff, who have a professional background and track-record of working within the field of local governance, decentralisation and peacebuilding.

The intervention design is well adapted to the capacities of the target groups and end-beneficiaries. Considering that CDLG is in essence a capacity development intervention implemented largely through national institutions, the target groups are simultaneously both providers and receivers of the capacity development support. Notwithstanding the capacity needs identified through the assessments at the start of the intervention, the capacities of government institutions are deemed sufficiently robust to carry out the planned activities, as the institutions have the minimal technical systems, expertise and tools in place to design and implement the trainings. The ROM review mission notes that capacities of national institutions in their role as duty-bearers appear to be stronger from the outset of the intervention than the capacities of local councillors and community members in their role as rights-holders. Improved awareness and citizen participation should lead LAs to become more responsive through the local planning and budgeting process and subsequent service-delivery. The ROM review mission notes that the support provided by CDLG to improving citizen participation is still incipient and has not yet demonstrated visible and tangible changes. Overall, it can be confirmed that the capacities of both duty-bearers and rights-holders are adequate for receiving and applying the capacity development support delivered by the intervention. However, increased capacities on the side of duty-bearers will undoubtedly raise people's expectations on service-delivery, which will then need to be continuously met through a sustained performance of PCs and LAs. Interviews with stakeholders also revealed that they consider there is still a gap between these expectations and the actual quality of public service-delivery by PCs and LAs. As strengthening governance mechanisms involves increasing capacities both on the "supply-side" and on the "demand-side", capacity development support should address equally both duty-bearers and rights-holders.

The ROM review mission notes a tension between the capacity development of local government and the future potential increased role PCs and LAs can play for addressing people's needs and priorities through improved service-delivery. While LAs can perform a number of functions, their institutional mandates are curtailed by the legal framework regulating their functions. Most 'critical' service-delivery on areas such as health, education, security and justice is conducted by the central government through its deconcentrated units. Finally, whereas the EU STRIDE Action Document clearly describes the peacebuilding dimension of the decentralisation process, this is little emphasised in implementation or articulated through the CDLG planned activities. Since stakeholders recognise and acknowledge the role LAs can play in that regard, the intervention should focus on the peacebuilding dividends that strengthened local governance can produce. Partners within STRIDE have valuable knowledge in that regard and can support CDLG in understanding where service-delivery interfaces with peacebuilding.

## 2. Coordination, complementarity and EU added value

The STRIDE programme has been designed around two key outputs: output 1 focuses on enhancing the roles of local authorities for development, services delivery and reconciliation and output 2 focuses on strengthening local mediation boards. The CDLG and LDSP interventions contribute to output 1 whereas the SEDR intervention contributes to output 2. Both LDSP and CDLG have been designed with their complementarity and synergy in mind. LDSP allocates funding to LAs to support public investment projects, based on the ability of LAs to meet performance criteria. CDLG has been designed to support the capacity development of PCs and LAs, in the way that local governments improve their local planning and budgeting process, are better able to address the multi-dimensional development challenges through improved and innovative service-delivery, and enhance their accountability. The ROM review mission found various practical examples of this complementarity and synergy, like the development of by-laws and disability audits through CDLG support, which respectively have supported the formulation of market development and infrastructure projects supported through LDSP.

The STRIDE Steering Committee is the governance mechanism established to oversee the work of interventions within the STRIDE programmatic framework. Stakeholders from UNDP, government and partners of the STRIDE interventions, have confirmed during interviews that the Steering Committee is functioning well in providing strategic coordination, advice and guidance to the interventions. Technical coordination meetings are organised between the MPCLGA, WB and UNDP on a monthly basis to ensure complementarity of workplans and activities.

The three implementing partners of the STRIDE interventions in Sri Lanka, WB, UNDP and BC, and the government counterparts have confirmed that the coordination is functioning as intended. While the representatives of MPCLGA interviewed are content with the overall quality of coordination and communication with the CDLG intervention, they expressed that they want to be informed earlier on planned activities so that they can coordinate these more closely with government activities in the field.

Beyond the STRIDE programmatic framework, UNDP also ensures that the CDLG intervention is well coordinated with the other UNDP projects that fall within the Sustainable Development Goal (SDG) 16 Platform. The respective SDG 16 Platform Board, which meets semi-annually, oversees the work of projects within this portfolio. A certain level of overlap in the mandates of the STRIDE Steering Committee and the SDG 16 Platform Board can be assessed through an analysis of their respective Terms of Reference (ToRs). Internally, the CDLG implementation team works together with the UNDP-funded Citra Social Innovation (Citra) Lab.

Finally, the role of the EU as donor is highly regarded by the STRIDE interventions' implementing partners, including UNDP as well as the stakeholders in the country. The EU is credited to have played an important part in the design of the STRIDE programme and in ensuring that coordination between the interventions has started on good footing from the outset. The EU, represented by the EU Delegation (EUD) to Sri Lanka has demonstrated its convening power when dealing with the politically-sensitive request from the government to channel STRIDE funding through the Government of Sri Lanka (GoSL) Treasury instead of transferring this to PCs. Under EUD leadership, this issue was amicably discussed and resolved without creating further tensions with the government. This attests to the importance decentralisation plays within the EU's development agenda for Sri Lanka. This also highlights the added value the EU as donor can play for these technically complex and politically sensitive development cooperation programmes.

The EUD is currently the only donor supporting decentralisation and local government in Sri Lanka. The added value of EU action therefore lies in the critical integrated approach presented through the STRIDE programme in delivering international technical and financial assistance to the GoSL for strengthening decentralisation through improved local governance.



### 3. Intervention logic, Monitoring & Learning

The CDLG design presented in Annex 1: "Description of the Action" of the Contribution Agreement includes a comprehensive logframe articulating the intervention logic from impact to activity level and a detailed outline of activities under each of its key areas of work (Outputs). The logframe is considered robust and well-defined. However, the ROM review mission noted concerns on the ability of the intervention's monitoring framework to assess whether it is achieving its intended results and generating the expected changes in line with the stated Outcome.

CDLG has made good use of the available knowledge and lessons learned to inform the intervention design. The precursor of the LDSP and, to an extent, the CDLG interventions, namely the WB-managed North-East Local Services Improvement Project (NELSIP) has provided the main lessons for the design and implementation of CDLG. In addition, UNDP had also established an institutional knowledge and practice-base for working on local governance, through various prior experiences in the decades before the start of CDLG. These lessons are clearly documented in Annex 1: Description of the Action (DoA) of the CDLG Contribution Agreement. NELSIP's key lesson focused on securing government commitment and support at the central, PC and LA levels. This was applied by CDLG during the design phase by investing heavily in a consultative design process to build the intervention strategy on the needs and priorities of the national stakeholders. During the implementation phase, this was applied by designing a capacity development approach that involved the national stakeholders in the identification of capacity needs at PC and LA-level and jointly validate the subsequent capacity development plans to address these needs. The ROM review mission has confirmed that this approach has been key to securing a high level of government buy-in, commitment and support to the intervention's activities. The overall sense of ownership of the involved stakeholders in the country of the intervention's activities and results is evident. The intervention also focuses on strengthening the vertical linkages between central and local government and horizontal linkages between local governments. As discussed with representatives of the British Council, the SEDR intervention, which will start its implementation phase in 2022, is expected to benefit from the lessons emerging from the CDLG intervention.

The planned outputs of CDLG demonstrate a rational organisation of work. This is evidenced in a clear vertical logic connecting these outputs with the outcome and impact statements. The 3 identified outputs present clearly defined areas of work, which are to an extent logically sequenced. Therefore, once capacities for local planning and budgeting processes and service-delivery mechanisms are strengthened (Output 1), the intervention will support PCs and LAs to enhance their capacities for improving service-delivery to address the multi-dimensional development challenges in their localities (Output 2), which will provide the intervention and its stakeholders with an evidence-base to showcase successes of local governance in an effort to improve the policy dialogue at central level around decentralisation (Output 3). However, they are phrased as results, which are not under the direct control of the intervention and would rather be suitable for the outcome level. What is actually implied at output level, and may be the subject of a possible logframe revision, is that all three outputs refer to the strengthening of capacities of target groups, which will in turn improve mechanisms that deliver better services to the end-beneficiaries. Risks and assumptions are well defined at the level of outcome and outputs. Risks and assumptions are also monitored and reported on through the annual reporting process.

The logframe includes a number of indicators which are logically linked to the results statements providing thus a sound horizontal logic. However, the ROM review mission has raised concerns with the usability of these indicators. The way in which the indicators are currently designed allows CDLG to measure the extent and volume of support provided through the planned activities, i.e. the number of LAs covered through training, the number of people involved in participatory planning, the number of social innovation projects designed, the number of LAs supported to meet audit recommendations, etc. While this type of measurement is useful to track whether the intervention is meeting its milestones in the implementation of work, the defined indicators at output-level provide no insights into the actual changes produced in the target groups and beneficiaries. As CDLG is a capacity development intervention, the purpose of trainings is to gradually improve the knowledge, attitudes and practices (KAP) of PC and LA staff in their role as duty-bearers (output), which will logically lead to improvements in the quality (and quantity) of service-delivery (outcome), in turn better addressing the needs and priorities of citizens in their role as rights-holders (outcome). CDLG is currently not able to measure the change in citizens' perception that local plans and budgets better reflect people's needs and priorities (Output 1), the change in citizens' perception that service-delivery effectively addresses people's needs and priorities (Output 2) and the uptake of legislative and policy proposals by central government (Output 3). The intervention is thus currently not able to ascertain whether this change is happening through a feedback-loop that measures the improved capacities of both duty-bearers and rights-holders. Although Impact indicator 4 measures the perceived increase in efficiency and performance in the LA services, this indicator is not directly tracked and reported on by CDLG. While the intervention has initiated Focus Group Discussions (FGDs) to collect feedback from participants, it needs to ensure that these data collection and analysis exercises provide the intervention with the metrics to adequately measure impact.

Another identified deficiency also related to data collection and reporting is that the current level of measurement of indicators is too low to be of real use to the intervention. By November 2021, out of the 31 indicators, only 9, or 29% of the indicators, were measured. In addition, the ROM review mission determined that reporting is still mostly activity-based, i.e. focusing on the production of deliverables instead of providing a comprehensive analysis what the obtained progress and observed changes mean for realisation of the intended outputs and in turn of the planned outcome.

CDLG has dedicated sufficient capacities to Monitoring and Evaluation (M&E) responsibilities and tasks and has defined a suitable internal monitoring system. In addition to the 31 logframe indicators, the implementation team has defined an additional set of 109 sub-indicators to measure progress at a more detailed level. These indicators have mostly emphasised an activity-based focus and/or measure deliverables and therefore do not address the issues noted above. The implementation team includes 1 dedicated staff member (M&E specialist), who is aided by 1 Research, Reporting and Communications specialist and 10 field staff for data collection and providing field observations. The government institutions and CSOs implementing intervention activities provide monthly monitoring reports on progress. The UNDP country office complements the M&E capacity by conducting quality assurance and data quality assessments during their quarterly visits to the field. The implementation team is responsible to preparing the annual (narrative and financial) progress report, to be submitted to the EUD in November each year.

MPCLGA has requested that all implementing partners within the STRIDE programme work towards developing an integrated results framework. The ROM review mission considers this will present an opportune moment to update the intervention logic and revise the indicators of the existing CDLG logframe.



#### 4. Efficiency

The CDLG intervention can be considered to be on-track as regards the efficient use of its resources.

The governance structure of CDLG is well established. In fact, CDLG is subjected to two governance bodies, namely the STRIDE Steering Committee and the SDG 16 Platform Board, which provide strategic advice and guidance on its implementation. Stakeholders have confirmed during interviews that both bodies meet on semi-annual basis and function well, although as observed by the ROM review mission there is an overlap in their mandates. While this has not led in practice to the issuance of contradictory instructions for the management and implementation of the intervention, also because the EUD sits on both bodies, the ROM review mission considers that it is important to clarify which body holds the ultimate decision power regarding CDLG. Gender and human rights expertise is represented within both bodies.

CDLG resources as provided through the Contribution Agreement are sufficient to fully fund all planned activities. The UNDP service-level agreements with SLILG and 4 PCs (in total 5 signed Letters of Agreement) and with TAF, the Federation of Sri Lankan Local Government Authorities (FSLGA) and 4 CSOs (in total 6 signed Responsible Party Agreements) are fully funded through the CDLG budget. Stakeholders interviewed confirmed that they have sufficient resources to carry out the activities assigned to them under the intervention. The responsibilities and activities are well outlined under each respective service-level agreement. The intervention implementation team maintains close coordination with the partners (government institutions, national organisations and CSOs) to monitor the implementation of the work. The ROM review mission has not highlighted any issues regarding the application of EC rules and procedures.

While CDLG has not encountered significant delays that impact on the feasibility to complete the activities within the intervention's 4-year timeline, the lockdowns imposed by the GoSL in response to the COVID-19 crisis have forced the implementation team to re-think its approach to capacity development and to reprioritise its workplan accordingly. Significantly, the lockdowns forced the intervention to transition capacity development activities from classroom-based, in-person training to virtual training. To this end, CDLG procured virtual communication equipment for PCs and LAs, which allowed for the continuation of training activities. In parallel, this gave the opportunity to the GoSL to take an important step forward in the 'digital transformation' of local governments. Government stakeholders revealed during the remote ROM review mission interviews that the speed and flexibility with which UNDP was able to obtain the virtual communication equipment for PCs and LAs was highly appreciated and was seen as pivotal for local governments to maintain service-delivery to the public under the constraints imposed by the COVID-19 crisis. However, government stakeholders did raise concerns whether the virtual trainings would be able to achieve the same impact as in-person training. While the continuation of training activities under Output 1 has continued to a large extent, the intervention was forced to reprioritise work, which has led to activities under Outputs 2 and 3 to be reprogrammed. Although this does not affect the feasibility of completing the activities under Outputs 2 and 3 within the remaining timeline of the intervention, the ROM review mission notes that this leaves CDLG in effect with a compacted timeline to realise these outputs.

Mid-way its implementation, the intervention can be considered to be on-track in its execution. By November 2021, 84% of activities were either completed (26% of all activities) or ongoing (56% of all activities). The remaining 16% of activities had not yet been initiated, mainly under Output 2 (with 47% of activities not yet initiated). Another proxy for measuring implementation is the training rate. Out of the total of planned 792 trainings to be delivered across all 4 PCs and 134 LAs, by November 2021 a total of 208 trainings had been delivered, or 26% of the total planned trainings. While this would appear to be low, this is deemed consistent with the current phase of CDLG as the first year (2020) was considered an inception phase, where the focus was on conducting the capacity assessments and designing the capacity development plans prior to the training taking place.

By November 2021, the financial execution of the intervention is on-track with USD 5,160,831 spent out of a total budget of USD 10,935,000. This puts the budget execution rate at 47%. The EU has transferred two tranches to UNDP, as per the provisions of the Contribution Agreement, for a combined disbursed amount of EUR 5,193,407.09. This means that CDLG by November 2021 had utilised approximately 91% of the disbursed amount so far. The ROM review mission considers that the overall financial execution is within healthy parameters.

Based on the draft 2021 annual financial report, budget execution at the level of outputs shows a different picture, but consistent with the intervention execution as detailed in the draft 2021 annual narrative report. Output 1 by November 2021 had reached a budget execution rate of 76%, or USD 3,499,605 out of a budgeted USD 4,630,988. The relatively high budget execution rate is mostly due to overspending due to the procurement of PPE, sanitation kits and virtual communication equipment. Output 2 by November 2021 had reached a budget execution rate of 29%, or USD 1,003,708 out of a budgeted USD 3,502,431. The main reason for the relatively low budget execution under this output is because the majority of activities are sequentially planned to build on progress achieved under Output 1, i.e. innovations in service-delivery will follow once service-delivery is based on a functioning system for local planning and budgeting. Output 3 by November 2021 had reached a budget execution rate of 15%, or USD 319,894 out of a budgeted USD 2,086,207. The main reason for the relatively low budget execution under this output is similar to Output 2, namely that activities under Output 3 are sequentially planned to build on progress achieved under Output 1, i.e. cross-collaboration between PCs and LAs, collective learning and advocacy can take place once local governance systems are functional and demonstrating results.

While the budget execution rate under Outputs 1, 2 and 3 could imply that a budget revision will need to be considered at one point to accommodate the (unforeseen) expenditures under activity 1.3, interviews with UNDP revealed that they expect budget changes between outputs to stay within the 25% tolerance level agreed with the EUD (as specified in the Contribution Agreement General Conditions, article 11.3) and therefore can be made without receiving prior approval from the EUD. During 2020, budget revisions were also communicated to the EUD through the 2020 revised Annual Work Plan (AWP). UNDP forecasts some savings under activity results 2.2 (grants for women-led initiatives partially to be funded under LSDP) and activity result 3.2 (coordination mechanisms to be funded by PCs' own resources) so that budget revisions will stay within the overall budget ceiling. While foreseen budget revisions between outputs fall within the 25% tolerance-level agreed with the EUD, the ROM review mission considers these deviations from the original budget quite high.

While no specific analysis on the perceived cost effectiveness of the intervention's budget is available, the ROM review mission has not identified any issues during the desk review or interviews conducted that would indicate that there are any concerns in that regard UNDP General Management Support (GMS) costs for CDLG are established at 7%, which is confirmed in the Contribution Agreement with the EU.

## 5. Effectiveness

As noted, the current reporting available based on the logframe indicators of the intervention does not allow for adequate measurement of progress and impact of implementation, as CDLG was able to measure 9 out of 31 indicators, or 29%, by November 2021. This limited ability to measure results, together with the identified emphasis on measurement of the extent and volume of support delivered by the intervention, makes it difficult to gauge the impact the activities are having on strengthened local governance and improved service-delivery. However, the following highlights in terms of intervention implementation progress can be summarised. Under Output 1, 16 training modules have been developed, 7,535 people were trained, and PPE, sanitation kits and virtual communication equipment was procured for 4 PCs and 134 LAs. Under Output 2, 4 Green City master plans were developed. Under Output 3, evidence-based research was conducted on 4 technical areas (service-delivery and revenue generation, female participation, provincial budget allocations; and duplication of services between deconcentrated and devolved structures) and 21 by-laws were developed for LAs. Representatives of UNDP, government institutions and end-beneficiaries confirmed during ROM review mission interviews that the quality of progress under the outputs is overall perceived to very good. However, government stakeholders did express concerns whether the virtual trainings would be able to produce the same learning impact as in-person trainings.

Below is an overview of the intervention's progress against the indicators.

For the Outcome: 1.1 "Number of local authorities that achieve improved performance standards measured by province" – Baseline (B): zero; Target (T): 100 by end of 2022 – Current value (C): no data; 1.2 "Presence of participatory mechanism at local authority level with evidence of women's voice taken into consideration" – B: no final value established; T: 100 by end of 2023 – C: no data; 1.3 "Number of people involved with participatory planning (sex disaggregated)" – B: zero; T: not set – no data; 1.4 "Number and type of accountability measures adopted and implemented through the grant scheme" – B: zero; T: not set – C: no data; 1.5 "Proportion of seats held by women in local government" – B: 22%; T: 25% - C: 22% measured (same as baseline).

For STRIDE output 1 (essentially a second Outcome): 1.1.1 "Number of people benefitted by the performance Grant scheme" – B: zero; T: not set – C: no data; 1.1.2 "Percentage of community members (disaggregated by sex) satisfied with local authorities' sub-projects (measured by provinces)" – B: 25%; T: 60% by end 2023 – C: no data; 1.1.3 "Number of Local Authorities projects designed and implemented through participatory approaches" – B: zero; T: 60% - C: no data; 1.1.4 "Number of people trained (Government, Non-Government, Civil Society) (sex disaggregated)" – B: zero; T: 12,000 – C: 6,323 people trained out of which 2,552 are female – note that CDLG was able to provide updated figures during the desk research and interviews; 1.1.5 "Number of Policies/Acts/legal framework cases amended, formulated to increase efficiency of the service delivery" – B: 37; T: not set – C: 150 by-laws are currently being developed and/or amended; 1.1.6 "Number of sub-national institutions and officials (sex disaggregated) with a positive change in planning approaches and delivery of public services" – B: 25%; T: not set – C: no data; 1.1.7 "Number of people belonging to vulnerable groups who express voices in decision making on local development" – B: zero; T: not set – C: no data.

For Output 1: 1a "No. of LAs covered through training/capacity building programs" – B: zero; T: 134 – C: 134 LA are covered; 1b "Number of people involved in participatory planning (disaggregated by sex and ethnicity)" – B: zero; T: 1,340 (10 people per LA) – C: no data; 1c "Percentage of LAs that are using the introduced tools effectively" – B: zero; T: 75% - C: no data; 1d "No. of LAs meet the basic and performance grant criteria" – B: zero; T: 60% of the LA – C: no data; 1e "No of LAs with improved grievance and feedback mechanisms" – B: zero; T: 100 – C: draft mechanism presented to 134 LA for feedback; 1f "Number of profiles and reports produced to inform planning and budgeting processes" – B: zero; T: not set – C: 4 reports produced, ready to be printed; 1g "Number of interventions/ activities supported by women officials reflected in local plans and budgets" – B: zero; T: not set – C: no data.

For Output 2: 2a "No. of social innovation projects designed, of which Number of projects implemented (disaggregated by PS/MC/UC)" – B: zero; T: not set – C: no data; 2b "No. of people (including from vulnerable groups) participating in social innovation workshops (sex disaggregated)" – B: zero; T: not set – C: no data; 2c "% of LGs mainstream disaster risk reduction strategies and environmental standards in local plans and services" – B: zero; T: not set – C: 4 climate vulnerability assessments completed; 2d "% increase in revenue generation" – B: 0.02%; T: not set – C: no data; 2e "No. of LAs participating in exchange events organized" – B: zero; T: 134 – C: 16 LA (from Northern province) participated in exchange events.

For Output 3: 3a "No. of follow-up actions taken by central and provincial institutions to inform LAs and ensure implementation of new directives, guidelines, and regulations" – B: zero; T: not set – C: no data; 3b "% of LAs supported to meet audit recommendations" – B: high; T: not set – C: 2 LA supported; 3c "% of LAs following new procurement guidelines" – B: high; T: not set – C: no data.

While no substantial change can yet be observed against the intervention's Outcome, the ROM review mission was able to collect anecdotal evidence from the interviews with target groups and end-beneficiaries to determine that positive developments are taking place. For example, while citizen participation in local planning and budgeting processes is still incipient without substantive changes from the baseline situation, the work through the community centres is reaching community leaders (including women, youth and marginalised groups). Stakeholders revealed during the ROM review mission interviews that they are positive about citizen participation in local planning and budgeting processes to improve, but that representation of women and youth in these participatory mechanisms still needs to be strengthened further. The UNDP-funded Citra Lab has obtained valuable experience working with women and youth as 'change agents' in the public sector. The front-office system introduced in LAs is making LAs more responsive and transparent, which end-beneficiaries regard as an important development. Audit committees in LAs are also functioning well, as well as the public grievance mechanism ("Mankiwwa" App developed by ICTA) piloted in certain LAs, which improves accountability.

CDLG explicitly tries to inform government policy and action on local governance and decentralisation through Output 3. However, the impact of this work remains to be seen, as the government's position on decentralisation is clear, with limited expectation that further funding from the central budget will be channelled through PCs soon. There is thus limited possibility that PC and LA budgets will be increased through central budget transfers. The effect of the intervention's support on the government's policy objective of realising the digital transformation in local government has been clear. While CDLG does not specifically target human rights, non-discrimination, violence against women and girls (VAWG) and environment, it has produced positive contributions on these areas, for example through the climate vulnerability assessments, Green City master plans, shelters and legal aid for women and girl victims of domestic violence.

Positive unintended effects can be observed. The intervention has effectively secured an enabling technological environment for PCs and LAs to work digitally, with significant benefits to connecting PCs and LAs amongst each other. Also, there are signs that LAs are becoming more attentive and responsive to community needs and priorities. There are examples of LA leaders establishing cooperation, transcending traditional political party allegiances, to jointly address these community challenges. The ROM review mission did not identify examples of negative unintended effects.

## 6. Sustainability

The CDLG intervention demonstrates a positive outlook towards the technical and financial sustainability of the results delivered. Government stakeholders emphasised during the ROM review mission interviews that the support provided through CDLG funding has given local governments an important opportunity to make important inroads into strengthening their training and service-delivery capacities.

The institutional and human capacities of PCs and LAs are being strengthened. An important part of the capacity development support is resulting in strengthened institutional 'systems', in the form of developed training modules and the Learning Management System (LMS) for enhanced government training capacity, but also through the development of by-laws, work manuals and front-offices for improved LA performance and service-delivery. Government stakeholders have emphasised the need to ensure the institutionalisation of support provided through CDLG, in order to sustain the results achieved by the end of the intervention. The ROM review mission notes that the involved governance institutions consciously and actively pursue the sustainability of the intervention's support. This also includes the contribution provided by CDLG to the digital transformation of local governments, which is in line with ongoing government reforms and therefore will be further developed through government funding. The emphasis on institutional systems' strengthening is also important in light of the uncertainty that strengthened capacities at the individual level will remain. As PCs and LAs follow the policy that civil servants change position every 5 years and are transferred to other locations, there is little certainty that civil servants will assume new posts that match their acquired capacities.

Financial sustainability will be secured through funding future training to local governments through the institutional budget of the involved government institutions. For PC and LA service-delivery, government stakeholders indicated that fees may be charged for certain services, such as engineering and Geographical Information System (GIS) services provided through the PC Engineering Labs. The Engineering Labs within PCs are responsible for delivering engineering services to citizens and LAs, developing architectural plans and structural designs, providing professional training for engineers and material testing for constructions. Certain trainings may also become fee-based, if needed, for cost-recovery purposes. Government stakeholders consider that future training needs can be met through the current budget allocations to the institutions, without need for additional donor support.

The intervention strives to showcase "success" of local governments by demonstrating that they are able to meaningfully address people's needs and priorities through improved service-delivery. However, as indicated this will likely have little impact on the government's position regarding decentralisation. It is thus difficult to foresee whether the intervention will be able to effectively influence the government's policy on this area. The planned results do effectively contribute to ongoing governance reforms, for example, on digitalising LA administration and service-delivery.

In the current country context, local government cannot realistically expect future allocations to PCs through the central budget to increase. Therefore, PCs and LAs will depend on their own income-generation activities to be able to increase their own institutional budgets in order to sustain improved service-delivery. Interviews with government stakeholders revealed that this will principally mean strengthening the revenue-base of PCs and LAs, e.g. through improving the collection of property tax, which is the main source of income for LAs.

While CDLG does provide support on this area, as assessed by the ROM review mission, the need for an exit-strategy that foresees strengthening PC and LA capacities to pursue further income-generation activities on their own beyond the end of the intervention, is evident. This would also mean closely tracking the performance of PCs and LAs on this area (related to lograme indicator 2d). The intervention is cognisant of this need and has already planned support in this regard. As improved service-delivery will raise citizens' expectations for these services, local governments must have the necessary resources to sustain these improved levels of service-delivery. If not, the public trust won might be lost.

The CDLG intervention has contributed to increased resilience to shocks and pressures, specifically those related to environmental risks and climate change, e.g. through the Green City master plans and climate vulnerability assessments, and to a lesser extent to socioeconomic development and fragility. Direct socioeconomic improvements resulting from improved service-delivery by local governments have not been observed yet, mainly because critical services (such as health, education, security and justice) fall outside of the mandate of LAs as these lie with the deconcentrated units of the central line ministries. The intervention is also showing tentative effects on improved dialogue between political actors at the local level.

## 7. Cross-cutting issues

The CDLG intervention effectively addresses a number of cross-cutting issues. CDLG has prioritised gender equality as a cross-cutting theme throughout its implementation and has a Gender marker 2, which would indicate that the intervention significantly contributes to gender equality. The intervention has gender focussed activities, such as the empowerment of female councillors and female community leaders. During the COVID-19 crisis, CDLG supported the establishment of shelters and legal aid for women and girls, who were suffering domestic violence during the ensuing lockdown. While it is the expectation that women's voices will become better represented in local councils and in local planning and budgeting processes, leading to improved gender-responsive service-delivery, interviews with stakeholders evidenced that no observable changes had yet taken place to denote changed gender roles and relations as a result of the intervention. CDLG has also focused on disability, for example by conducting feasibility studies for public investment projects and building permits to assess the accessibility for people living with disabilities. Anecdotal evidence suggests that this has resulted in heightened awareness in a number of LAs on disability, but this work is incipient and therefore tangible and visible evidence has not become available yet to determine its impact.

CDLG applies a rights-based approach throughout its activities. This is evidenced for example by its focus on both duty-bearers and rights-holders. Capacity development focuses on increasing awareness and strengthening skills. Support on citizen participation in the local planning and budgeting processes enables people to effectively access information and holding duty-bearers accountable through exercising their rights based on the Right to Information act. While the DoA does not specifically outline how a rights-based approach informs the CDLG activities, this is inherent to the capacity development approach proposed by the intervention.

Regarding environmental constraints and opportunities, CDLG does not provide direct, but rather indirect support to this cross-cutting issue. CDLG has provided support to 4 LAs on developing Green City master plans (in Bandarawela Municipal Council, Mannar Urban Council, Kattankudy Urban Council and Thalawa Pradeshiya Sabha). These plans identify environmental challenges within the urban areas, such as water pollution, unsafe building constructions, traffic congestions and improper solid waste management. Particularly the intervention's contribution to LA capacity on waste management will be important, because dumping waste is becoming a widespread practice carrying significant environmental risks. Improving solid waste management will have both development impacts (in addressing people's concerns) and environmental impacts, as there are clear beneficial effects on the well-being and health of communities. This will also improve natural resource management, the sustainable use of natural resources and biodiversity and overall environmental conditions in the provinces.

Regarding climate change, CDLG has supported PCs and LAs with the development of climate vulnerability assessments for each province, identifying "climate hotspots" and developing a climate database to be used by PCs and LAs for planning purposes. Disaster management cells have been established in the respective PCs. The intervention thus proactively seeks to anticipate the adverse effects of climate change and support the PCs and LAs in taking appropriate action to prevent and minimise damage.

CDLG does not have dedicated activities to support peacebuilding. The intervention did not conduct a conflict analysis at the start to inform its design. However, relevant activities are taking place on a small scale. In the Northern province, for example, CDLG has facilitated an exchange visit with community members from the Uva and Eastern provinces to see how LAs in the provinces are contributing to social understanding and reconciliation. The CDLG implementation staff are highly sensitive towards ethnic differences within the provinces. They strive to secure inclusiveness within the target groups and end-beneficiaries, in observance of the "Do No Harm" principle. While the intervention observes that local leaders in LAs are becoming more attentive and responsive to people's needs, these gains must be consolidated to ensure that politics do not regress again to the exclusionary trends of the past. Local governments and communities acknowledge that LAs can play a role in reducing local conflict, but their mandate for service-delivery is limited, which currently curtails the type of support they can provide in this regard.

## 8. Communication and visibility

The CDLG intervention has developed a communication and visibility plan in line with EU communication and visibility guidelines with technical support provided from the EUD.

The communication and visibility plan is coherent with the intervention and focuses on raising awareness on the planned objectives and on involving stakeholders within CDLG. The plan's key messages are: (A) Improving the capacity of elected institutions for development and service delivery is key to developing a more accountable, inclusive and responsive local government; (B) A more responsible local government will help to increase public trust in institutions and help address some of the root causes of the conflict; (C) Delivering better services is critical to promoting peace and ensuring sustainable development. The ROM review mission notes that these messages, especially (B) and (C), indicate that both the EUD and the implementing partner understand that strengthening local governance and decentralisation takes place within an evident peacebuilding dimension.

CDLG has generated a significant output of communicational products throughout the first two years of implementation. This has been consistent with the priorities set for the first year (introductory videos, brochures and infographics) and second year (highlighting the intervention's progress and results). To date, CDLG has produced an introductory video explaining the intervention (in Sinhalese, Tamil and English languages), infographics on the role of local government (in Sinhalese, Tamil and English languages), newsletters on the intervention's activities, a large number (24) of social media posts, blogs (on digitalisation within PCs and LAs and on shelters) and a video on the development of the Green City Master Plan developed for 4 LAs.

The remote ROM review mission has confirmed that these communicational products feature the EU logo with a visible disclaimer that CDLG is funded by the EU. The communicational output of CDLG effectively contributes to positioning the EU as a key development partner in supporting local governance and decentralisation.





























The CDLG implementation team updates the EUD on its communication and visibility activities in the annual reports and also during the coordination meetings with the EUD Operational Manager (OM). UNDP considers the EU communication and visibility guidelines to be clear, useful and straightforward. If in doubt on how to apply these, the implementation team consults with the EUD. UNDP received feedback from the EUD on the first annual report from 2020 that the EU's visibility was limited, but this was understandable considering that limited (visible) intervention activities had taken place during the first year due to the COVID-19 crisis. No further feedback has been received from the EUD since then. Notwithstanding, the EUD understands that the CDLG intervention is considered by UNDP as a flagship programme within Sri Lanka, which may lead to a tendency to overemphasise UNDP's role in the intervention.



Conclusions	
N°	Conclusion
C1	Relevance: Intervention design and implementation continues to be relevant to the needs and priorities of the stakeholders, is adapted to stakeholders' capacities and is in line with relevant government policies. Government, at both central and local levels, demonstrates a high degree of ownership of the intervention.
C2	Coordination, complementarity and EU added value: Clear complementarities and synergies exist among the interventions under the STRIDE programme, particularly between LDSP and CDLG. This complementarity is by design and has been proven in practice. The EU as donor is ensuring strong STRIDE governance.
C3	Intervention logic, monitoring & learning: The CDLG logframe is well coherent and logically structured with a clear horizontal and vertical logic. However, Output statements are mostly phrased as Outcomes and the STRIDE Output 1 is more suitable as a second Outcome. Certain deficiencies have been identified regarding the measurement and consequent usability of the logframe indicators at all results levels. Sufficient capacity of the implementation team is dedicated to M&E.
C4	Efficiency: The available resources for the implementation of CDLG are assessed as adequate by both the implementing partners and the involved stakeholders. The intervention responded adequately to mitigate risks of implementation, especially due to the COVID-19 crisis, by investing in digital capacities of local governments, ensuring implementation continuity. The current financial execution of the intervention is at 47% and can be assessed as on-track and within healthy parameters.
C5	Effectiveness: Work under all outputs is progressing, with adequate reported quality. The measurement of the actual changes resulting in from the intervention's activities is weak. No substantial changes have materialised yet at the outcome-level, although positive developments are observed. Citizen participation has not substantially increased. The overall activity work plan execution is on-track for the effective delivery of outputs.
C6	Sustainability: CDLG demonstrates a positive outlook towards the technical and financial sustainability of the results. Continuation of the intervention activities can be largely financed through government funding after the intervention ends. Further growth of LA service-delivery will depend on income-generation activities.
C7	Cross-cutting issues: CDLG makes positive (albeit indirect) contributions towards strengthening gender and disability, environmental risks and climate change. The potential for peacebuilding remains underexplored.
C8	Communication and visibility: The CDLG communication and visibility strategy has been designed in line with EU guidelines with the support of the EUD. The developed communicational output contributes to the positioning of the EU as supporter of local governance and decentralisation. However, some weaknesses have been noted by the EUD during the initial stages of implementation.

Recommendations					
#	Linked to	Recommendation	To whom	Priority	Importance
R1	4	Timely inform the EUD about significant deviations in the budget planning and execution at output and activity level. UNDP should maintain here as a standard the 10% tolerance level at activity-level established by UNDPs Programme and Operations Policies and Procedures.	UNDP	Short term	High
R2	3	Share lessons learned emerging from the CDLG intervention with the SEDR intervention to timely inform their implementation strategy.	UNDP	Short term	High
R3	1	Use the Political Economy Analysis (PEA) developed by the SEDR intervention to create an understanding of the "root causes of conflict" and determine where LAs can play a positive role and create development impact through targeted service-delivery.	UNDP	Short term	Medium
R4	2	Discuss frequently and directly with MPCLGA the work planning of intervention activities to facilitate closer operational coordination between the intervention and government activities in the field.	UNDP; MPCLGA	Short term	Medium
R5	3	Revise the logframe by rephrasing results statements as per the current Project Cycle Management Logical Framework Approach (PCM/LFA) methodology, enriching/ updating indicators, so as to be able to measure the changes in KAP of duty-bearers and rights-holders and to identify missing baseline and target values.	UNDP	Medium term	High
R6	6	Prioritise support to PCs and LAs to increase capacities on income-generation as part of the intervention's exit-strategy.	UNDP	Medium term	High
R7	1	Support PCs and LAs to focus their service-delivery on concerns commonly shared by people and communities so that LA performance can demonstrate clear peacebuilding dividends.	UNDP	Medium term	Medium
R8	5	Enhance the work through community centres and local CSOs to further stimulate citizen participation.	UNDP	Medium term	Medium
R9	5	Involve Citra Lab to apply innovative methodologies within government participatory methods.	UNDP, CITRA Lab	Medium term	Medium

## Scoring overview

Relevance	1.1	1.2	1.3	1.4	
					
Coordination, complementarity and EU added value	2.1	2.2			
					
Intervention logic, Monitoring & Learning	3.1	3.2	3.3	3.4	3.5
					
Efficiency	4.1	4.2	4.3	4.4	
					
Effectiveness	5.1	5.2	5.3	5.4	5.5
					
Sustainability	6.1	6.2	6.3	6.4	
					
Cross-cutting issues	7.1	7.2	7.3	7.4	7.5
					
Communication and visibility	8.1				
	