



TR2015/DG/02/A1-01/001

**LOCAL ADMINISTRATION REFORM PROJECT
LAR Phase III**

INCEPTION REPORT

January 8th, 2018

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List of Acronyms (in alphabetical order)

CGLA	Consultative Group of Local Authorities
CFCU	Central Finance and Contracts Unit
DoA	Description of the Action
EC	European Commission
EUD	Delegation of the European Union to Turkey
EU	European Union
FAFA	Financial and Administrative Framework Agreement
IPA	Instrument for Pre-Accession Assistance
LAR	Local Administration Reform
MM	Metropolitan Municipalities
MMM	Monthly Management Meetings
MoEU	Ministry of Environment and Urbanization
MoTF	Ministry of Finance and Treasury
MoI	Ministry of Interior
PAR	Public Administration Reform
PSC	Project Steering Committee
PT	Project Team
SBO	Strategy and Budget Office of Presidency
SDGs	Sustainable Development Goals
SGL	Support Group on Legislation Drafting Process of MoI
SPD	State Personnel Department
SPA	Special Provincial Administrations
TGNA	Turkish Grand National Assembly
UMT	Union of Municipalities of Turkey
UPS	Union of Provincial Services
UNDP	United Nations Development Programme



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1 Introduction

1.1 Project Synopsis

Project Name	Local Administration Reform in Turkey (LAR Phase III)
Contract No.	TR2015/DG/02/A1-01/00
Location	Ankara, Turkey
Contract Amount	5,449,904.79 EUR
Project Duration	24 months
Project Start Date	28.06.2018
Project End Date	27.06.2020
Status	End of Inception Period
Overall Objectives	The overall objective of the Project is to ensure effective, inclusive, accountable and participatory local governance in Turkey, in particular through support to further implementation of the LARs undertaken between 2003-2013, in line with international standards.
Direct Beneficiary	Ministry of Interior, Directorate General for Provincial Administrations
Co-Beneficiary	Ministry of Environment and Urbanization, Directorate General for Local Authorities
Target Groups	Ministry of Interior, governorates, district governorates, municipalities, special provincial administrations, unions of municipalities and elected representatives and professionals serving in these institutions.
Final Beneficiaries	Policy makers and administrative staff of local authorities and population benefiting from the local services
Expected Results	R.1.1. Administrative and operational capacities for efficient and quality provision of local services enhanced, R.2.1. Administrative and operational capacities of the new metropolitan municipalities for the implementation of new Metropolitan Municipality Model strengthened, R.2.2. Institutional capacity of the local authorities in terms of quality service delivery and adoption of the principles of governance enhanced, R.2.3. Public awareness on urbanization enhanced through institutional and individual capacity enhancement programmes, R.3.1. Efficiency of the local services enhanced through online managements





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Main Components	Component 1: Effective and Quality Local Service Delivery Component 2: Capacity Building for New Metropolitan Municipality Model and Inclusive Local Governance Processes Component 3: Online Management Information Systems
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1.2 Project Status

Upon the signature of the Contribution Agreement between CFCU and UNDP on 28 June 2018, UNDP has been entrusted with the task of providing the necessary technical assistance within the scope of the project.

As of the cut-off date, the inception period of the project has been completed. During the inception period, in collaboration and cooperation with the project beneficiary and co-beneficiary, as well as the key project partners; UNDP has worked on the development of a more updated and detailed activity and resource plan which is aligned with the current needs and expectations of the project stakeholders through a Project Appraisal Study. As a result of this study, certain changes have become necessary in the DoA, which are reflected in the Inception Report.

The Inception Report has been elaborated by UNDP to describe the progress made in the project since the signature of the Grant Agreement, as well as to provide the main project partners, most notably the Ministry of Interior, with a methodology and framework for the implementation of project activities. In this respect, the report demonstrates the results of the work carried out by the UNDP with regard to the adjustment of the original work plan to the existing conditions, needs and expectations and sets out the commitments on the part of UNDP and the Ministry of Interior as the main beneficiary vis-a-vis the implementation of the project.





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2 Executive Summary

As the continuation of the first (2005-2007) and second phases (2009-2011); Local Administration Reform in Turkey Project (LAR Phase III) (“the Project”, hereinafter) is an EU-funded project. The Project is being implemented by UNDP within the scope of a Grant Agreement, signed between Central Finance and Contracts Unit (CFCU) and UNDP on 28 June 2018. The direct (lead) beneficiary of the Project is the Ministry of Interior (MoI), General Directorate of Provincial Administrations. In line with the institutional roles and responsibilities of the Ministry of Environment and Urbanization in light of the Presidency government system, Ministry of Environment and Urbanization has been proposed to be the co-beneficiary of the Project. The process has been initiated by the MoI through a request of change, where the formal response is awaited as of writing.

The target groups include Ministry of Interior, Ministry of Environment and Urbanization, UMT, , MoTF, governorates, district governorates, municipalities, special provincial administrations, unions of municipalities and elected representatives and professionals serving in these institutions. The former State Personnel Presidency was included as co-beneficiary in the Description of Action, however as this institution currently doesn’t function, it has been taken out from the Project’s management structure.

The overall objective of the Project is to ensure effective, inclusive, accountable and participatory local governance in Turkey, through support to further implementation of the local administration reform process undertaken between 2003-2013, in line with international standards.

The specific objective of the project is to develop and strengthen the administrative capacity and cooperation of Ministry of Interior (MoI) and Local Authorities themselves in the task of ensuring the effective implementation of the new local administration model in line with principles of democratic governance.

The Project will be implemented by a team including a chief technical advisor, two senior technical key experts on (i) municipal service delivery and (ii) local governance processes, a project manager, a project associate and a project assistant. A number of international and local consultants will be engaged to assist the project team with the carrying out of the project activities.

The first phase (LAR Phase I) of the Project, which was also financed by the EU through a cooperation agreement with UNDP, started in August of 2005 and was completed in November 2007. Financed by the EU, the second phase of the Project (i.e. LAR Phase II) was implemented by the MoI and UNDP between 2009-2011.





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The present Project's intervention logic leverages on the experience gained in Turkey since the reform initiatives were first launched in early 2000s and during the execution of the LAR Phases I and II. Accordingly, the project focuses on the results of:

- R.1.1. Administrative and operational capacities for efficient provision of local services enhanced,
- R.2.1. Administrative and operational capacities of the local authorities for the implementation of new Metropolitan Municipality Model strengthened,
- R.2.2. Institutional capacity of the local authorities in terms of service delivery and adoption of the principles of democratic governance enhanced,
- R.2.3. Public awareness on urbanization enhanced through institutional and individual capacity enhancement programmes,
- R.3.1. Efficiency of the local services enhanced through online managements systems.

The Project is composed of the following three Components:

- Component 1: Effective Local Service Delivery
- Component 2: Capacity Building for New Metropolitan Municipality Model and Inclusive Local Governance Processes
- Component 3: Online Management Information Systems

In line with the overall objective and intervention modality of the Project, the current report introduces some modifications to the structure presented above, details of which are provided in the Component based descriptions.

During the inception phase, the MoI facilitated establishment of a Project Steering Committee (PSC), which will review progress, provide macro-level inputs for the successful realization of the Project, and act as a platform for promoting inter-agency cooperation and collaboration. Upon its establishment, the PSC will be chaired by the MoI and will consist of Ministry officials, project partners, and line institutions relevant to the scope of the project, including the Strategy and Budget Office of Presidency, EUD, CFCU and UNDP.

During the inception phase, a comprehensive stakeholder analysis was conducted by the UNDP. The key project stakeholders continued to demonstrate a considerable level of commitment and interest. During the inception phase, the newly launched presidency system led to significant changes in the roles and responsibilities of the ministries, including the Ministry of Interior. As such, the Directorate General for Local Authorities within the auspices of MOI has been abolished, while a new Directorate General for Local Authorities has been established within the Ministry of Environment and Urbanization. In this sense, with a view to improving the impact of the Project as well as maintain institutional ownership for and sustainability of the project results/outputs, MoEU has been proposed to be mandated as the co-beneficiary of the LAR Phase III Project. As of writing, the formalization process for the co-beneficiary status of MoEU is formalized by end 2018.





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During the inception period, the Communication Plan of the Project has been revisited/updated and the scope of the visibility services which are required for successful implementation of the Project have been determined. These services include designing, setting up and maintaining a bi-lingual (Turkish and English) Project website and designing project newsletters, business cards, banners, posters etc. for the Project.

Following table summarizes the *minor modifications* to the Project that do not affect the main purpose of the Project

1. In line with the recently launched and adopted Presidential Government System in Turkey and the new roles and responsibilities attributed to the ministries and related public institutions; the *management structure of the Project* is proposed to be modified through the Inception Report. In this sense;
 - a. *Ministry of Environment and Urbanization* has been proposed to be the co-beneficiary of the Project during the Inception Phase. As of writing, the formal approval of the MoEU as the co-beneficiary of the Project is expedited.
 - b. The former *State Personnel Department*, which was included as co-beneficiary in the Description of Action, has been taken out from the Project's management structure as this institution currently doesn't function.
2. In the original DoA, Activity A.1.1.1 foresees establishment of a *Legislation Drafting Committee* under the chairmanship of MoI, specifically for the Component 1 activities which will include substantive studies on legislative proposals and amendments. As the legislation making in Turkey is based on a formal bureaucratic process with the primary role of the Grand National Assembly of Turkey; instead of a Legislation Drafting Committee, through the Inception Report, this committee is proposed to be referred as *Support Group on Legislation Drafting Process*.
3. In select project activities (i.e A.1.1.2; A.1.1.3; A.1.1.9; A.1.1.10; A.1.1.12) DoA foresees development of *draft secondary legislation (regulation)*. In line with the main justification provided in item 2 above; through the Inception Report, the outputs to be developed in the context of these activities have been proposed to be in the form of *policy recommendations for beneficiaries* for development of draft legislations in these specific policy areas.
4. *Activity schedule* has been aligned/updated in line with the sequence and complementarity of the project activities.
5. The *budget of the project* has been subject to a modification, which has been proposed in accordance with Article 11 of the General Conditions
6. *Expert working days* have been revised/updated based on the scope of activities and provisions of the revised budget.





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3 Background and Context

3.1 Policy and Programme Context

The legal framework regulating public management in Turkey has gone through a large overhaul since 2002. Laws regulating the budget, financial management, personnel and the organization of public entities have changed. All the concepts of a result oriented, transparent and accountable public management have been hired in these reforms; strategic planning, medium term budgeting, performance management, management information systems, accrual accounting, internal audit have found their way among local administrations. Major laws regulating the local administration sphere including the Law on Municipalities, Law on Metropolitan Municipalities, Law on Special Provincial Administrations, Law on Unions of Local Administrations were renewed since 2004.

These reform laws a) complemented the public management reforms at the central and local levels b) overhauled the system by regulating the issues accumulated in the more than 70 years old implementation of the former municipal laws..

Municipal amalgamations and expansion of metropolitan municipality model which came into force in 2014 constitute another critical milestone in the legislative reform history.

The new presidential system came into force after the election of the president in 2018 is starting a new era for the local administrations. The establishment of presidential policy board on local administrations and the transfer of GDLA from MoI to MoEU demonstrate the motivation to strengthen the policy agenda of the government on local administrations. After the forthcoming local elections in March 2019 a new term for municipalities will start. As the new structures of presidential system operationalizes local administration reform agenda will be of paramount importance.

UNDP has been supporting the local administration reform process of Turkey more than two decades. Several phases of Local Agenda 21 Projects which introduced and empowered City Councils in Turkey between 1997-2011. UNDP provided technical assistance for local administration reform process through Support to Further Implementation of LAR in Turkey Phase I (2005-2007) and Phase II (2009-2011) projects co-financed by the EU and the Turkish Republic. At this critical phase of local administration reform UNDP will be carrying out the LAR Phase III.

The Project is geared towards providing technical assistance to effective and quality municipal service delivery at local level, capacity Building for new metropolitan municipality model, inclusive local governance processes as well as improving central government capacity to monitor municipalities.





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The main objective of the Act No:6360 which was enacted in 2014 was to improve public service quality at the local level through expanding metropolitan municipality boundaries to provincial boundaries for management, planning and coordination purposes. This is expected to utilize economies of scale and increase efficiency at the metropolitan municipal level where there are more than one settlement and administrative units.

The law increased the metropolitan municipality coverage. The law increased number of metropolitan municipalities from 16 to 30. This change increased total population that had been served by the existing metropolitan municipalities to 57.2 million from 34.8 in 2014 with 14 newly established metropolitan municipalities. In terms of spatial coverage, the law increased metropolitan area to 395,000 square km. This represents 77% of the population and 51% of the Turkey's land.

The intention of the law to rationalize the local administration system has radically decreased the total number of local administrations. It shut down a) the special provincial administrations in 30 provinces b) some 16500 village administrations in 30 provinces c) some 1000 municipalities across the country which has registered population less than 2000. The small municipalities and village administrations within the metropolitan area was merged into the district municipalities as "neighborhoods" which do not enjoy any budgetary power. The small municipalities in other provinces out of metropolitan municipality coverage were transformed into villages. The functions of the special provincial administrations were shared between municipalities and governorship.

The law introduced a model based on the metropolitan structure of Istanbul and Kocaeli. In these two cities, the metropolitan municipal boundaries were the same as provincial boundaries since 2004. The experience of these cities was claimed to be successful in improving the quality of service delivery. Both Istanbul and Kocaeli were the top two high density provinces in terms of population with respectively smaller surface areas. Moreover, in both provinces' settlements are sprawled in close proximity to the provincial centers. Expansion of this model in other with large and mainly rural area such as Konya, Sanliurfa, Ankara and Erzurum proved to be challenging in the last 5 years.

The conventional metropolitan model was an exception since it establishes hierarchies over subordinate municipalities, which was deemed to be necessary to manage the coordination problems in big urban agglomerations. Starting from Istanbul, Ankara and İzmir in 1984 the number of metropolitan municipalities was increased to 14 by 1993. However, after the law, metropolitan model became a rule rather than an exception, which requires the establishment of metropolitan municipalities in provinces with a population of 750.000 not necessarily having a metropolitan character (e.g. The population of central Mardin is around 88.000 which constitutes only %11 of the provincial population).

The change in revenue transfer formula and establishment of 14 new metropolitan municipalities made 0.21% increase as a share of GDP based on realizations in 2013 and 2015. The share of

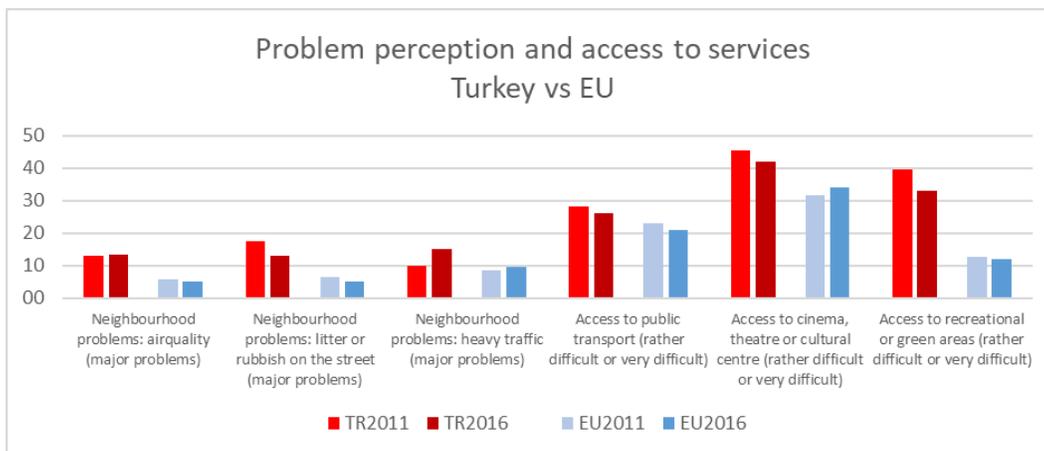




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own revenues of the municipalities decreased after the metropolitan municipality reform which changed the revenue sharing formula increasing the share of transfers to local administrations. According to data of Directorate General for Accounting based on three-year period averages own revenue share of all municipalities dropped to 40.3% (2015-2017) from 45.9% (2012-2014), metropolitan municipalities' own revenue share dropped to 25.3% from 31.6% respectively.

In terms of perceived quality of neighborhoods Turkey scores lower than the European Union. According to the European Quality of Life Survey's results on problems or services related with municipal services households in Turkey report more problems in their neighborhoods and access to services are more difficult than EU averages. When 2011 survey is compared with that of 2016 it is promising to note that difficulty in accessing services is decreasing as well as the reported problems on litter or rubbish on the street. Although there are many other factors applying some part of this improvement could be attributed to the 2014 reform.



Source: Eurofound, European Quality of Life Surveys, 2011, 2016

There is also qualitative evidence that the new metropolitan system as well as amalgamations have been successful. Municipality representatives attending various events by the Ministry and UMT have expressed positive opinions on the overall evaluation. Further analysis is required on the citizen side. On the other hand, major problems were confronted in the last 5 years. such as rural area management, relations and sharing of responsibilities between tiers of municipalities and decreasing motivation to collect or generate own revenues. Mobilizing quality human resources became more evident in the new model.

There are also pending issues as for the challenges faced by the municipalities. By the public financial management framework municipalities are asked to develop outcome measures which they do not feel accountable for. Increasing the life quality of dwellers or attaining sustainable development goals at the local level require coordinated effort with central government departments and between tiers of municipalities. However the local governance system lacks





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tools for results based management. Coordination between central and local government are carried out at operational level in an ad hoc basis through many provincial boards organized under themes and sectoral lines of government. Spatial plan is another potential tool for coordination. Spatial plans up to 1:25000 scale are prepared by municipalities in urban areas. There are also coordination failures between metropolitan municipality and district municipalities.

Local administrations have also difficulties in implementing strategic management framework. According to the PFMC law municipalities with a population over 50.000 are obliged to implement strategic management framework. However, a decade of practice demonstrates mediocre results. The planning, programming and budgeting functions of the strategic management framework do not work coherently. The Presidency of Strategy and Budget published a draft guide on strategic planning for municipalities and planning to be finalized before the election in March 2019. Another guide on performance programming tailored to municipalities shall be expected in due course. The establishment of the Presidency of Strategy and Budget is promising on this matter as the new unit under the Presidency brought together strategic planning, performance programming and budgeting coordination which used to be shared between two ministries.

Ministry of Environment and Urbanization has taken over the responsibility for implementing government policy on local administrations including strategic management. The ministry prepares an annual report on the general activities of local administrations but the report fail to include commentaries on the performance of municipalities as the PFMC law requires. There are 341 municipalities implementing strategic management framework and Ministry has to build capacity to monitor their progress.

There have been failed attempts to monitor the performance of municipalities. MoI has experienced to install and maintain a municipal performance monitoring system, also known as BEPER between 2003-2007 and YERELBİLGİ system to collect all necessary data from municipalities afterwards. Well-defined and well-communicated municipal performance monitoring policy is needed to make the efforts sustainable. An EU funded technical assistance project implemented between 2011-2013 piloted the implementation of a benchmarking tool where service level performance indicators are developed, and performance is assessed as a learning experience with the representatives of municipalities in joint meetings. Benchmarking is also needed to be integrated in national data systems.

ICT technologies herald great advantages for the governance of cities. Digitalization of services and service related data facilitates city management, provides efficiency gains and creates possibilities for local administrations to be more open, accountable, and responsive to citizens. Municipalities in Turkey are increasingly investing in ICT technologies. Computer and software related expenditures of all municipalities are increased to 21 per thousand in 2017 from 16 per thousand in 2007. Information systems and applications in spatial development, tax collection, traffic planning etc. are increasingly employed, yet in different speeds according to the size and





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priorities of municipalities. Efforts for development standards for city information systems are carried out at the central level. UMT has been developing MIS systems for the use of municipalities, MoI have also started developing similar systems for the use of municipalities and will hand over to MoEU in due course.

Except the TCA's audit role and some public procurement provisions the level of good governance regulations and practice of MOEs fall behind municipalities themselves. MOEs manage considerable amount of resources. The expected revenues of municipal companies of Istanbul Metropolitan Municipality is as big as the Istanbul. The municipal company model had been an exception and did not exist in all municipalities. However, the model is supposed to become a standard after the employment of outsources employees to municipal companies by the regulation in 2018. Municipalities who did not have companies have to establish so as to abide the regulation. There are municipal companies corresponding to every line of service especially in major cities which my risk failing to comply with fair competition rules and harm local economic development.

Turkey is no exception to the global trends in urbanization and establishing a supportive framework by strengthening local administrations is vital. The world is witnessing the emergence of cities. 55% of the world's population lives in cities and according to UN 68% of the world population projected to live in urban areas by 2050. While one in eight people live in 33 megacities worldwide, close to half of the world's urban dwellers reside in much smaller settlements with fewer than 500,000 inhabitants. Understanding the key trends in urbanization likely to unfold over the coming years is crucial to the implementation of the 2030 Agenda for Sustainable Development. Many countries will face challenges in meeting the needs of their growing urban populations, including for housing, transportation, energy systems and other infrastructure, as well as for employment and basic services such as education and health care. Integrated policies to improve the lives of both urban and rural dwellers are needed, while strengthening the linkages between urban and rural areas, building on their existing economic, social and environmental ties.





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3.2 LAR Phase I, II and the Intervention Modality of LAR Phase III

The Project is developed in the light of gains from LAR Phases I and II. As such most of the activities build on and/or complement the activities that have been realized within LAR Phase II with a view to further the LAR and increase the impact. Within the scope of the LAR entrusted with the MoI, both phases of LAR projects addressed the core pillars of the ongoing overall reform process in Turkey by strengthening the local administration system as a whole and improving the institutional capacities of local authorities and individual capacities of relevant staff. The projects have been designed and implemented to strengthen the basis and human and institutional capacities for citizen-centered local administration with an increased responsiveness to the expectations and immediate needs of local communities.

A number of recommendations, which could be taken into consideration while designing the Project at hand, were addressed by LAR Phase II. Integrated, long-term, reform projects that simultaneously work with both the central government (and other stakeholders) on policy issues and with local authorities (and other stakeholders) on improving public services are defined to be key for the design of this Project.

Apart from that, the lessons learned from LAR Phase II, which will be utilized in the implementation of this Project can be summarized as follows:

- The needs assessments and fact-finding field studies are indispensable tools that ensure effective and efficient design of the activities.
- Continuous and conscious involvement of the project stakeholders and the final beneficiaries into the process of strategy and action plan development; stimulates ownership and enhances effectiveness and sustainability.
- A single LAR support project aiming to serve the needs of local administrations at all of national and local levels weakens the likelihood of early impact.
- Limited national and local level training strategies for sustainability of the related activities conducted by different organizations.
- Substantially improving the delivery of complex local services are non-trivial undertakings that typically require both significant legislative reform and significant changes in the way local authorities organize, finance and regulate these services.
- The difficulties involved in efforts to reform complex areas of local public service delivery and the risks of which such efforts inevitably entail should be realistically assessed. One possibility is to build efforts to improve multiple types of municipal services into larger, integrated, and longer-term public administration reform projects.
- Efforts should be focused on, and executed through intermediary institutions like municipal associations, research institutes, and universities, both to thicken the reform policy environment and to ensure that something is left behind if national reform efforts stall for political reasons.





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- In a country as large as Turkey, efforts at the local level should be concentrated in a small number of relatively large and politically significant metropolitan municipalities. Pilot interventions at the local level should be designed as much to produce sound policy proposals as to produce local institutional change.

The Final Report of the LAR Phase II is attached to the present report with a view to provide a fully fledged framework of the key achievements and main results under LAR Phase II.

The present Project's intervention is based on the experience gained in Turkey since the reform initiatives were first launched in early 2000s and during the execution of the LAR Phases I and II. Accordingly, the Project focuses on the results of:

- R.1.1. Administrative and operational capacities for efficient and quality provision of local services enhanced,
- R.2.1. Administrative and operational capacities of the local authorities for the implementation of new Metropolitan Municipality Model strengthened,
- R.2.2. Institutional capacity of the local authorities in terms of quality service delivery and adoption of the principles of governance enhanced,
- R.2.3. Public awareness on urbanization enhanced through institutional and individual capacity enhancement programmes,
- R.3.1. Efficiency of the local services enhanced through online managements systems.





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4 Project Objectives, Components and Activities

4.1 Objectives to be achieved

The overall objective of the Project is to ensure effective, inclusive, accountable and participatory local governance in Turkey, through support to further implementation of the local administration reform process undertaken between 2003-2013, in line with international standards.

The specific objective of the project is to develop and strengthen the administrative capacity and cooperation of Ministry of Interior (MoI) and Local Authorities themselves in the task of ensuring the effective implementation of the new local administration model in line with principles of democratic governance.

4.2 Components and Activities (Overall Work Plan)

This section provides an update of the status of some of the project activities and introduces details to the project activities.

The Project is composed of 3 Components and 31 activity groups. With a view to improve the relevance, impact and sustainability of the project outputs and results; the Inception Report introduces some modifications/improvements to select project activities, details of which are provided in the following Component based descriptions.

4.2.1 Component 0: Establishment of the Project Setting and Management Structure

A.0.1. Mobilization of the Project Staff and Establishment of the Project Office

The recruitment process for the project staff has partially been completed, with the exception of KE2 (Key Expert on Local Service Delivery), where the first round of applications didn't generate a sufficient pool of qualified candidates. As of writing the Project Associate and Project Assistant are on board, whereas the Project Manager; KE1 (Chief Technical Advisor); KE3 (Key Expert on Governance and Participatory Processes) are planned to be mobilized in December 2018. (Please see Annex 5 regarding the information on the project team). Upon finalization of the second round of announcement/recruitment process in December 2018, KE 2 (Key Expert on Local Service Delivery) is planned to be mobilized in January 2019.

UNDP has rented a project office at the Business Centre where UNDP Country Office is also located (i.e. Yıldızkule). The office meets the requirements in the Description of the Action. The procurement process for IT and office equipment was completed in November 2018 and the office was made operationalized.





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A.0.2: Kick-Off Meeting

In line with the provisions of the DoA, on 06 August 2018, A kick-off meeting was held with the participation of the representatives of MoI, UNDP, the CFCU and the EUD. Ministry of Interior (MoI) and UNDP briefed the participants about the objective of the kick-off meeting as stipulated in the Grant Agreement signed by UNDP, Central Finance and Contracting Unit (CFCU) and EU Delegation (EUD) as a conditionality in first month of the signature of the Grant Agreement.

MoI briefed/updated the meeting participants about the recent restructuring process in state institutions which also resulted in repercussions for the management arrangements of Local Administration Reform Phase III Project (aka LAR III).

MoI confirmed that, based on the protocol recently signed by both ministers on division of functions/responsibilities that the MoI and Ministry of Environment and Urbanisation (MoEU) will bear; the MoI suggested to continue to act as the lead beneficiary/responsible of LAR Phase III Project, with the overall responsibility of oversight on local authorities in Turkey. MoI proposed to involve the newly established GDLA under MoEU as the co-beneficiary since the Project outputs will remain within the defined responsibilities of GDLA under MoEU. MoI indicated that during the transition period, selected group of MoI/ former GDLA staff (including Deputy DG) has already temporarily been assigned for structuring of the GDLA/MoEU. The minutes of the Kick-off meeting is attached the Inception Report.

A.0.3. Launch Event

Successful implementation and finalization of the Project call for a number of measures. Visibility of the Project carries utmost importance both for the Government of Turkey and the EU. Thus, as per the DoA, a high-profile Launch Event is foreseen to be organized in Ankara. The Launch Event will help inform the public and the stakeholders (approximately 250 participants) about the Project and its activities in general. Subject to the availability and consent of the project partners, the Launch Event is planned to be organized in the first quarter of 2019.

4.2.2 Component 1: Capacity Building at the Local Authorities

The main objective of Component 1 is to provide support and recommendations to the MoI and MoEU for the development of draft legislations, which will enable MoI and its staff as well as local administrators (mayors; deputy mayors; heads of the clerk's department, the financial services department and the planning departments of municipalities) to exercise effective and quality local service delivery methods in the overall local administration scheme. The activities that are planned to be carried out will also contribute to the achievement of the relevant targets of the Strategic Plan of MoI (2015-2019). The relevant activities concerning support to draft legislations to be developed by MoI on several areas of local service delivery are included as an action in Strategic Plan of MoI, which is committed for their endorsement by the MoI and consequently submitted for approval of the Turkish Grand National Assembly (TGNA).





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The MoEU and MoTF along with other relevant institutions will contribute to the results to be achieved under Component 1. The results and specific activities to be achieved are explained below. Due to the nature of the Project, some of the activities will be carried out in a concurrent manner.

The activities under this component will serve for the achievement of the Result 1.1.

- R.1.1. Administrative and operational capacities for efficient provision of local services enhanced,

A.1.1.1. Establish a Support Group on Legislation Drafting Process of MoI and MoEU (SGL) and Consultative Group of Local Authorities (CGLA)

As per the DoA, a Support Group on Legislation Drafting Process of MoI (SGL) is foreseen to be established under the chairmanship of MoI, specifically for the activities which will provide support and recommendations to the MoI in its legislation drafting processes. The SGL will be composed of MoI, MoEU, MoTF, UMT, SBO, the representatives of 6 municipalities (including metropolitan municipalities and district municipalities) and academicians or experts working in specialized fields of local governance and service delivery. Other relevant public institutions will be invited to the SGL meetings to ensure boarder consultation and if needed. In addition, a Consultative Group of Local Authorities (CGLA) will also be established and be composed of local administrators (1 for each province and/or district). The members of the CGLA will be determined by MoI. The interested local administrators will be selected based on a list of criteria that will be developed by the UNDP in consultation with MoI.

In this sense, the Project is on the whole is be expected to strengthen the quality service delivery capacity of local administrations and recommend legislative improvements. The description of the action is based on the presumption that there is a need to develop legislations in certain areas in order to achieve effective service delivery.

The draft report of the 11th Development Plan Special Commission on Local Administrations and Service Quality (SCLA) emphasizes some topics where legislation is required. Besides, 2019 Annual Programme of the Turkish Government commits on the development of legislation in several measures associated with local administrations.

The consultative group of local authorities is overlapping UMT's role on the grounds that the union has working (standing or ad hoc) commissions with a mandate including doing research and developing recommendations. Thus, a strong correlation between the consultative bodies proposed by the Project and those of UMT needs to be well defined and established.





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To improve the effectiveness of this activity, the task of drafting legislations should be changed as developing policy recommendations which include implementation advise, capacity building interventions, problems related with current legislations and their legislative solutions. Instead of establishing one technical committee and one consultative committee several working groups might be established in accordance with the topic in question with the participation of theme experts from central and local administration as well as private experts having experience on the topic. The SGL and CGLA might remain as commissions which maintains an oversight on the overall local government framework mainstreaming diverse topics and managing cross-cutting issues.

Outputs A.1.1.1

- Support Group on Legislation Drafting Process of MoI and MoEU (12 members) and Consultative Group of Local Authorities (10 members)
- Ad-hoc groups working on the selected topics

A.1.1.2. Develop recommendations for the development of draft legislation for strengthening the loan system of local authorities through assessment of country experiences

According to Article 68 of the Law No: 5393 Municipality Law, municipalities may get a loan and issue bonds in accordance with certain procedures and principles. Accordingly, there are three types of borrowing: foreign debt, domestic debt and bond. Despite these opportunities, majority of the municipalities have failed to cover their debts and sought remedies from the Treasury. In these circumstances, in order to regulate the loan system for local authorities in Turkey, as per the DoA, the Project foresees development of a draft legislation for strengthening the loan system of local authorities.

In this sense, a handbook on the Loan System and the Economic Enterprises in Local Authorities has been developed by the UMT. The resources that the local authorities can benefit from are also available at the UMT website. The information on the status of the local authorities are available at the records of the local authorities however there is a need to optimize information sharing with the relevant authorities.

To improve the effectiveness of this activity, the recommendations report might not be a draft legislation, but rather a recommendations report including legislative recommendations as well as recommendations on capacity building, awareness raising etc. Said report could provide recommendations through collecting cases and insights from municipalities through interviews or dedicated meetings with municipalities and data analysis to enrich recommendations as detailed above. The recommendations report could also provide a thorough analyses of the financial





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management capacities of local administrations in terms of debt management and investment financing.

<i>Outputs A.1.1.2</i>
<ul style="list-style-type: none">• Comparative Assessment Report;• Recommendations report on strengthening the loan system of local authorities

A.1.1.3. Develop recommendations for the development of a draft legislation for increasing the income of local authorities in line with other country experiences

The income of the local authorities, mainly the municipalities, is regulated under Law No: 2464 on Municipal Income, Law No: 1319 on Estate Tax, Municipal Law No: 5393 and Metropolitan Municipality Law No: 5216. Under the referred laws, the main budget items for income are listed as taxes, charges, estate rent and sale, property taxes, sanitation taxes, water, transportation and expenses share, enterprise. In order to regulate the increase of income of the local authorities, the DoA foresees development of a draft legislation regulating the management of this income.

Municipal income law had been enacted in 1981 even before metropolitan municipality model was introduced in 1984. The law has not been amended comprehensively although the concept of city and city management has been in continuous change in Turkey, as well as at global level. Separation of revenues between municipal tiers of municipalities, new types of services such as broadband network deployment are some examples.

The law 2464 provided the municipal councils with the authority to identify lower and upper limits, which was in effect until 2013. At this point there is a need to amend the law.

Intergovernmental fiscal transfers is another area which could be dealt under this topic. 2012 law on revenue sharing did not contribute to fiscal equalization. Moreover, the burden of refugees under temporary protection on local administrations is not considered by the revenue sharing system. A more just revenue sharing system is required. Several indicators, including among others, road length, type of economic activity, periodical population rises, construction licenses, size of the rural area, topography or sharing taxes collected by the central administration based on the contribution of the municipal area such as motorized vehicle tax exist in policy discussions and in European examples. Similar studies have also been conducted by the UMT.

Medium term programme (2019-2021) implies land value taxation by stating that increases in the value of real estate due to spatial plan revisions will be returned to the public fairly. There are two measures in the annual programme 2019 in this regard. First one is about calculating the accrued property tax based on real prices and developing property valuation system to make it happen.





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Another measure to increase income is the strategic management of resources where principles of efficiency and effectiveness come into the picture. Recommendations should include drawbacks and policy measures to improve the strategic management framework in the municipalities based on the review of international best practices and adaptation of a model for the case of Turkish municipalities.

To improve the effectiveness of this activity, the recommendations report might not be a draft legislation but a broader recommendations report including legislative recommendations as well as recommendations on capacity building, awareness raising etc. A more comprehensive alternative approach would be to go beyond desk review of EU cases and collect cases and insights from municipalities through interviews or dedicated meetings with municipalities to enrich recommendations. Data analysis could be expanded to do big data analytics and surveys to work with real property prices to estimate the amount of extra revenue to be generated. One of the ultimate goals of the recommendation report would be on provision of viable recommendations to improve the intergovernmental fiscal transfers to be more just and balanced between fiscal equalization and proportional to the contribution the locality as well as to improve public financial management practices and legislative framework regarding local administrations.

Outputs A.1.1.3

- Comparative Assessment Report;
- Recommendations report on increasing the income of local authorities

A.1.1.4. Develop recommendations for amendment of the relevant provisions of the Law No: 3572 and Regulation for Business License

In order to simplify the procedures for work permits and ensure the consistency in implementation, the Project foresees development of a proposal for amendment to the relevant legislations to the relevant Law.

Business licenses is a small part of a larger context which has not been elaborated within the framework of local administration reforms so far. Similarly, the eighth SDG underlines the importance of promoting sustained economic growth, higher levels of productivity and technological innovation. As encouraging entrepreneurship and job creation are effective measures in this respect, provisions related to the business licences appear as tools.

Business licenses constitute a considerable part of questions received by UMT. In every issue of the UMT journal cases regarding business licenses are answered by legal experts. The questions are mainly about how municipalities comply with the regulation based on specific cases. Moreover, UMT conducted a two-day workshop in November 2017¹ on business licenses. The workshop addresses coordination failures, conceptual problems, inconsistencies between primary and secondary legislations and problems stemming from peculiarities of business types.

¹ http://www.tbb.gov.tr/online/kitaplar/isyeri_ruhsat_mevzuati_ve_cozumleri_calistayi/html5forpc.html





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The topic is not mentioned in the annual program which could be interpreted that the topic is not strategically important. Two directions to improve the legislation lays ahead. First direction is deregulation where legislation is simplified to enlarge the discretion of municipalities, second direction is to detail every possible case based on the accumulated experience. Comparative assessment with EU countries would be beneficial to understand the scope of the business license regulations in relation to the argument above.

To improve the effectiveness of this activity, the recommendations report might not be in the form of a draft legislation, but rather a broader recommendations report including legislative recommendations as well as recommendations on capacity building, awareness raising etc. A more comprehensive alternative approach would be to go beyond desk review of EU cases and collect cases and insights from municipalities through interviews or dedicated meetings with municipalities to enrich recommendations. Comparative assessment report shall not only include business licenses but also provide a broader picture on the role of local administrations in boosting local economies. In this sense, this specific activity could be devoted to the role of local administrations in economic development of the localities covering business licenses issue (i.e. Law No: 3572 and Regulation for Business License) as well as other interconnected issues such as urban income generation and employment generation etc.

Outputs A.1.1.4

- Comparative Assessment Report;
- Recommendations report on the role of local authorities in the economy and business licences

A.1.1.5 Develop the standards and principles for the establishment of an effective human resources management system in local administrations

Recognizing the importance of human resources capacities of the local administrations in providing efficient and quality services, the DoA foresees development of the standards and principles for the establishment of effective human resources management systems in local administrations. These systems are proposed to cover but are not limited to human resource planning, job classification and organization, staff recruitment and selection, support to new employees, staff training and development, monitoring and evaluating the performance of employees, incentive and disciplinary mechanisms.

The DoA focuses on recruitment and service provision of contracted staff in municipalities. Municipalities can employ contracted persons for vacancies requiring technical expertise in accordance with the standard cadre. After municipal sector expanded in 2012 metropolitan municipalities reform their human resources have grown in number. For instance, the standard cadre of public servants for the Istanbul Metropolitan Municipality used to be 9.804 in 2007 when the standard cadre regulation was first published. It was nearly doubled and reached to 19.128 in





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2016. Growth of the municipal sector as well as the growth of economic activity in cities municipalities require dedicated efforts on human resources management including recruitment and performance.

According to the European Charter on Local Self-Government “the conditions of service of local government employees shall be such as to permit the recruitment of high-quality staff on the basis of merit and competence; to this end adequate training opportunities, remuneration and career prospects shall be provided.”

There are four types of personnel in the municipalities, public servant, contracted personnel, permanent worker and temporary workers. Personnel employed through municipal companies is de facto a fifth type. The Law on municipalities introduced a fiscal rule enforcing a maximum limit for expenditures on human resources which cannot exceed 30% of the budget revenues. This rule gave rise to employment of human resources through municipal companies.

To improve the effectiveness of this activity, the scope of this activity shall go beyond developing standards and principles on metropolitan municipalities by reviewing the relevant provision of the municipal law on human resources but rather expanded through inclusion of recommendations on the basics of a personnel regime for municipalities.

<i>Outputs A.1.1.5</i>
<ul style="list-style-type: none">Standards and principles for the establishment of an effective human resources management system in local administrations

A.1.1.6. Develop the service standards ensuring the MMs and its District Municipalities to use 10% of their budgets for the infrastructure works in rural areas (as defined in the Law No: 6360)

As per the DoA, with the aim of ensuring the MMs and District Municipalities to use %10 of their budgets for infrastructure works in rural areas, the Project will draft the service standards to be introduced to all 30 MMs. To this end, it is expected that the referred standards will be reflected to the Strategic Plans of the MMs and the Project will make the effort for its advocacy in selected 3 MMs.

The 15th goal of the SDGs aim to conserve and restore the use of terrestrial ecosystems such as forests, wetlands, drylands and mountains by 2020. With the abolition of special provincial administrations this responsibility of safeguarding ecosystems particularly in rural areas is transferred to metropolitan municipalities. As the population of these areas are low and thus do not represent important proportions within the electorate, municipalities may not be very eager to allocate adequate resources to these areas.





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Allocation of 10% of the investment budget has to be an indicator to track the implementation of strategic plans and performance programs. The utilization of the resources needs to be reported in the accountability reports of the municipalities. Nevertheless, a sole indicator on the investment in rural areas is not sufficient to take stock of what service is provided, whether the service was effective or necessary.

MoI has started the KIR-DES project (Rural Infrastructure Project) in provinces where metropolitan municipalities exist through newly established Investment Coordination Planning Units replacing investment functions of SPAs. KIR-DES project is very similar to KÖYDES program financing infrastructure projects in rural areas which has been carried out since 2005 by Ministry of Interior through Special Provincial Administrations. SUKAP, which was established in 2011 is another programme supporting rural areas. Although the program does not directly address rural areas small municipalities with a population less than 25.000 are targeted. Such municipalities exist in the metropolitan area after metropolitan municipality borders expanded to administrative division of the central administration. The program involves a 50 percent subsidy to municipalities to encourage them to borrow from Ilbank and invest in critical infrastructure service needs.

To improve the effectiveness of this activity, the activity shall analyse how the investment budget is used based on evidence provided by metropolitan municipalities. Therefore, apart from a mandatory investment budget allocation, the indispensable services and minimum service standards may be determined as part of the activity. The concept of urban and rural linkages is a key area that could be analysed within the scope of the activity. The activity shall also report how KIR-DES and SUKAP programs complement the challenge of municipalities in providing infrastructure investments in rural areas. Cooperation modalities and coordination frames including good examples thereof could be analysed as part of the activity. The development for the service standards should also be linked to Activity A.2.2.1 where service standards are studied.

Outputs A.1.1.6

- Service standards ensuring the MMs and its District Municipalities to use 10% of their budgets for the infrastructure works in rural areas (as defined in the Law No: 6360; Review and Recommendations Report





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A.1.1.7. Develop a comparative assessment on effective collection of municipal accounts receivable

As per the DoA, a comparative assessment will be conducted for increasing the effectiveness of the collection of accounts receivable specifically targeting small-scale municipalities. The assessment will be based on the desk review of the good practices and lessons learned in approximately 10 EU member states and conducted by the PT with support of senior STEs.

The share of own revenues of the municipalities decreased after the metropolitan municipality reform which changed the revenue sharing formula increasing the share of transfers to local administrations. According to data of Directorate General for Accounting based on three-year period averages own revenue share of all municipalities dropped to 40.3% (2015-2017) from 45.9% (2012-2014), metropolitan municipalities’ own revenue share dropped to 25.3% from 31.6% respectively.

It appears that the increase in the transfers result with less motivation in collection of own revenues which had already been a problematic issue. Based on 2011 data Technical Assistance Project on Participatory Local Strategic Governance found in the benchmarking activity involving 17 district municipalities (some of which converted to metropolitan district municipalities) that in some municipalities the total expenditures of departments in charge of collection of property taxes barely match the accounts receivables regarding property taxes. The 2017 General External Audit Report of Court of Accounts also points put the low performance of revenue collection.

In this sense, with a view to maximize the effectiveness of this activity, in addition to comparative assessment report a report on the performance of municipalities in collecting their receivables could be prepared. This report could be part of the comparative assessment report. At the discretion of the MoI and MoEU, the report might be publicized to draw public attention on the topic. In addition, an experience sharing event could be organized with the participation of MMs and district municipalities. The event could be part of the existing activities which brings municipalities together. The comparative assessment report could also cover recommendations derived from this event.

<i>Outputs A.1.1.7</i>
<ul style="list-style-type: none"> • Comparative Analysis Report including the performance of municipalities





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A.1.1.8. Develop a performance management system to be adopted in MMs and District Municipalities

Performance management is a system of setting targets, developing and implementing plans for service improvements and then regularly measuring the results of municipalities to increase efficiency in service delivery. Performance management is based on two main principles. First, it concentrates on program outcomes, or actual results, rather than on the quantity of service that the municipality provides. Second, in defining outcomes, it focuses on the real needs of the citizens that they provide the services to. Through measurement of performance indicators, the system provides decision makers with accurate information about key issues. With this information they can make better decisions and show why they made those decisions. Performance management provides the public with measures for determining the effectiveness of their local government so that they can make informed decisions. In this sense, the DoA foresees development of a performance management system to be adopted in MMs and District Municipalities through a set of sub-activities such as Review of the practices and lessons learned, comparative analysis, pilot actions, interviews and focus group discussions, regional consultation events, and training programs.

Public financial management and control law and introduced novel tools across public administration including local administrations such as strategic plans for the utilization of public resources in accordance with aims and objectives, as well as performance programs for turning those aims into operational targets and establishing the relationship between aims and resources.

There have been some developments in the overall guiding framework for performance management. Presidency of Strategy and Budget has recently published a draft guideline on strategic planning tailored to municipalities which has implications on performance management. Performance Auditing Guide for Internal Auditors was published in 2016. Court of Accounts, for the first-time, published performance audit reports in 2016 which concerned the 2015 financial year. The Court of Accounts carries out performance audits by using objectives and indicators identified by public administrations within its accountability framework. The Directorate General for Budget and Financial Control has recently completed the project on Programme Costing, Monitoring and Reporting Model Development Project in March 2018 financed by the grant provided by the World Bank which aimed at harmonizing performance programs with budgets. The guide on preparing performance programs was not revisited after its publication in 2009 but it is expected that a more coherent framework will be established in the near future after the establishment of Presidency of Strategy and Budget bringing together planning, programming and budgeting functions. Moreover, the unit which used to coordinate strategic planning across government is now charged with also coordinating performance programming.

Municipalities have exhausted considerable efforts to improve their management systems and comply with the framework necessitated by the public financial management and control law. It is important to review these efforts on the grounds and develop recommendations which links





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efforts carried out at the national level on improving the strategic public management framework to those employed by municipalities to establish management systems

To improve the effectiveness of this activity, the comparative analysis report shall include an overview of the performance management guidance, outputs of the recent interventions to improve performance programming as well as performance management tools (e.g. performance appraisals, OKR- objectives and key results, BSC balanced scorecard etc.) used in the Turkish context and selected international examples. The activity shall be designed and implemented in close cooperation with Presidency of Strategy and Budget as well as DG Budget and Financial Control.

For extended impact, the training programmes might not be limited to pilot municipalities but addressed to all interested municipalities. Training module could also be associated with Activity A.2.1.4. A distant learning module on performance management and programming might be developed based on the learning experience gained in this activity where 1-day training programmes are delivered in ten provinces.

An important issue which is also relatively easy to address in this activity is about linking functional budget codes and expenditure units. Municipalities are not using the functional code structure for budgeting and monitoring purposes and tend to report all expenditures in a unit under a single function regardless of different characteristics which could be attached to different functional codes. The policy paper could elaborate the issue and guidelines could provide practical guidance on this issue. In addition, linked with the component 3 of the project, where the performance assessment system for the local administrations will be developed/improved, a set of performance indicators that will be included within the performance programs of the municipalities will be developed.

Outputs A.1.1.8

- Comparative Analysis Report,
- Report of the Interviews and Focus Group Meetings,
- Policy Paper and Guidelines on Use of Performance Management Tools and
- Training Modules
- Performance Indicator Set
- Online Performance System (linked with Component 3)





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A.1.1.9. Develop recommendations for the development of a draft legislation on the functioning of municipality-led enterprises in line with EU Member States experiences

In order to make the work processes of the municipal-led enterprises more transparent, DoA foresees contributing to the development of a draft legislation on the functioning of municipality-led enterprises through a set of sub-activities including desk reviews; comparative assessments and a series of consultative meetings.

Draft SCLA report for 11th Development Plan as well as the previous SCLA report for the 10th Development Plan highlight the problems related to the popularisation service delivery through municipality-led enterprises (MLE). According to the reports, there are problems about their financial, administrative supervision, accountability as well as their legal status. Court of Accounts is authorized to conduct external audits of MLEs but the coverage of MLEs is limited. Out of 565 audits in the municipal sector in the last three years only 32 audits (5.6%) were addressed to MLEs and 25 of them were realized in 2015 financial year audits. Moreover, delivery of some private services and production of goods by MLE's may represent a fair competition problem. There is a need thus to examine MLE's by analyzing the quality of their services, their activity domains, activities, budgets and legal bases.

The recruitment of subcontracted workers by municipal companies according to the decree in force of law (KHK 696 dated as 20/11/2017) is supposed to create a considerable impact on the companies in personnel expenditures. Moreover, MLEs which had been an exceptional intervention in delivery of services turn out to be a standard municipal model since all municipalities were supposed to establish companies to recruit subcontracted workers if they did not own a company before

With a view to improve the effectiveness of this activity, the recommendations report might not be a draft legislation but a broader recommendations report including legislative recommendations as well as recommendations on capacity building, awareness raising etc. The report shall reflect the cases and insights from municipalities through interviews or dedicated meetings with municipalities and be based on data analysis to enrich recommendations. Comparative analysis report could be prepared as part of the recommendations report

Outputs A.1.1.9

- Comparative Analysis Report,
- Recommendations report on the functioning of municipality-led enterprises





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A.1.1.10. Develop recommendations for the development of a draft legislation regulating the legal and institutional infrastructure of Water and Sewerage Administrations

In Turkey there are many laws regulating water and sewerage services but there are still gaps in their implementation. Harmonization to the EU acquis in terms of legislation, implementation and investment makes the situation more complicated. To this end, DoA addresses the needs for effective water and sewerage services in line with the EU acquis and develop a draft legislation through a set of sub-activities including desk reviews; comparative assessments and a series of consultative meetings.

The 6th SDG highlights the need of “ensuring universal access to safe and affordable drinking water for all by 2030” by investing “in adequate infrastructure, providing sanitation facilities, and encouraging hygiene at every level.” Therefore, water and sewerage administrations represent a globally acknowledged importance.

Draft SCLA report for 11th Development Plan points out problems of coordination among different municipal units as well as public institutions related to the water and sewerage administrations. The annual programme for 2019 does not refer to preparation of a legislation on water and sewerage administrations (WSA) but points out the requirement to develop support mechanisms for WSAs. In particular the programme commits to develop a management model for used water treatment facilities.

According to municipal sector, based on the activities of UMT devoted to WSAs, in lieu of a complete overhaul, improvements are needed in the current law regulating WSAs which is the Istanbul WSA law. The areas of improvement are already known to the sector.

As per utility administrations transport constitute a greater problem. Istanbul, Ankara and Izmir have transport administrations (IETT, EGO and ESHOT) which have their own laws. The focus of the laws is not transport. Power and gas provision functions which was covered in the laws became obsolete over the years. In addition, management of transport is a greater problem which requires legislative intervention as well as capacity development on issues such as supervision of private operators, coordination of services and controlling traffic particularly non-moving traffic.

Therefore, to improve the effectiveness of this activity, the activity’s scope provided in DoA might be enlarged to develop recommendations not only for amending legislation but also on the operation, capacity building etc. At the discretion of the MoI and MoEU and based on the availability of funding, it might also be appropriate to include transport management including the establishment of Transport Administrations in the scope of the activity.

Outputs A.1.1.10

- Comparative Analysis Report,
- Recommendations report on the draft legislation regulating the legal and institutional infrastructure of Water and Sewerage Administrations





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A.1.1.11. Conduct Technical visits to 3 EU member states

As per the DoA, complementary to the results of the desk reviews under A.1.1.2, A.1.1.3, A.1.1.4; A.1.1.9 and A.1.1.10 of other country experiences to be conducted on i) loan system of local authorities, ii) income of local authorities, iii) business license, iv) municipality-led enterprises and v) legal and institutional infrastructure of water and sewerage administrations, technical visits to selected EU member states will be organized. The main objective of the technical visits, which will be conducted in synchronization with the project activities addressing support to legislation drafting under Component 1, will be reviewing the systems, experiences and lessons learned in above mentioned areas as well as establishing and maintaining bilateral/multilateral working relations and institutional networks with the approached authorities. In total there will be three 6-days technical visits, each having approximately 12 participants including the officials from MoI/MoEU, the representatives of the LDC, CGLA and PT members. The exact list of EU countries to be visited in the scope of this activity will be concretized by the Technical Assistance Team in collaboration with the MoI and MoEU once the C1 activities progress. The indicative criteria for the selection of the EU countries to be visited will include but is not limited to: (i) the prioritized municipal service lines of the component; (ii) relevance of the host country context (i.e. legislation making, participatory processes) and (iii) those which haven't been visited by the beneficiary/co-beneficiaries before.

Technical visits are important activities which lets practitioners to have a wider opinion on how similar challenges are confronted by peers in other countries. Thanks to opportunities created by EU financial assistance, stakeholders of the local administration system in Turkey have had the opportunity to engage in dialogue with their counterparts and practice mutual learning through various study visits. It is expected that technical visits under this activity and Activity A.2.2.3 will provide significant insights to attendants who are supposed to be from GDLA/MoEU and GDPA/MoI.

For maximized effectiveness and impact, a reorganization of the technical visit topics is recommended so as to better link insights gained from technical visits to overall results of the project. Some of the key recommended themes of technical visits are:

- Financial management: Municipal borrowing, access to finance, revenue generation and revenue collection efficiency, managing planning-programming-budgeting cycles
- Working with utility companies and municipality-led enterprises: Water and sewerage administrations, transport administrations and other utility companies, coordination of infrastructure development
- Municipalities as drivers of economic growth: Services to businesses, infrastructure development for economic activities and responding to collective action challenges of businesses and urban economy
- Central government oversight on local administrations: Monitoring, benchmarking local administrations, logic of intervention in local administration domain, managing balance between central and local administration





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<i>Outputs A.1.1.11</i>
<ul style="list-style-type: none">• Technical visit reports

A.1.1.12. Develop recommendations for the development of a secondary legislation (regulation) for honors and ceremonies arranged by local authorities

There is a high level of demand from other countries, especially in Balkans, Central Asia and Commonwealth of Independent States to benefit from the accumulated knowledge and experience that Turkey has in local administration reform processes. Therefore, serious number of technical visits, platforms for exchange of knowledge and experience are being facilitated by the MoI (and where relevant MoEU). In order to support the MoI/MoEU to effectively respond to the needs and requests of other countries, a strategy will be developed along with a draft regulation on honors and ceremonies of the local authorities that receives demand for knowledge and experience sharing from other countries. To this aim, the following activities will be carried out:

1. **Review and map the areas** where there is high demand for exchange of knowledge and experience. The work will be done by PT with support of senior STEs.
2. **Develop a strategy** for the MoI/MoEU to effectively respond to the knowledge & experience sharing demands of other countries on local administration reform processes.
3. Conduct a **desk review** on legislative frameworks regulating honours and ceremonies in EU members states. The review will be conducted by PT with support of senior STEs.
4. **Develop a set of recommendations for a draft regulation** regulating honours and ceremonies in Turkey in line with the findings of the review of other practices in EU member states. The regulation will be submitted to MoI for its assessment and possible endorsement.

<i>Outputs A.1.1.12</i>
<ul style="list-style-type: none">• Strategy and Regulation on honours and ceremonies





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A.1.1.13. Assess the impact born by localizing EU acquis on the work and responsibilities of local authorities in Turkey

The reform initiatives regarding the public administration through harmonization of legislation of Turkey with the EU are remarkable in the last few years. These reform initiatives include the process of localizing/decentralization of powers compatible with new public administration principles and objectives of EU *acquis* in Turkey. Therefore, the local and central administrative units are introduced with tools and methods that lead them to accountability based on result-oriented approaches and professionalism. However, there is still ambiguity among the local authorities on how to internalize such policies in their own work and functioning. In order to fill this gap, the DoA foresees conduct of an assessment study on the impact of EU *acquis* in local governance including the local policies for service delivery, personnel recruitment financial management, participation, etc.

Although most of the titles of EU *acquis* could be somehow associated with local administrations seven chapters of the *acquis* could be directly linked in terms of functions, procedures and services provided. These chapters are 1. Public Procurement 2. State aids 3. Transport 4. Consumer and Health Protection, 4. Social Policy and Employment 5. Food Security 6. Education and Culture 7. Environment

Local administrations play a critical role in complying with EU standards. This regards not only applying rules and regulations of the *acquis* but also developing policies and employing democratic standards contributing to a better cohesion among communities of the EU and better quality of life for citizens. Managing proper implementation of EU *acquis* at local level is a challenge not only of candidate countries but also member states regardless of date of accession.

The harmonisation of the Turkish legislation on local administrations with the European principles and law cannot be restricted in a purely legal framework. The Urban Agenda for the EU (UAE) that was launched in May 2016 with the Pact of Amsterdam represents an ideal source of reference for this purpose.

UAE aims at mobilising urban authorities for the implementation of EU policies, and to strengthen the urban dimension in these policies through a more effective integrated and coordinated approach to EU policies and legislation enable urban authorities to work in a more systematic and coherent way towards achieving overarching goals.

The agenda is based on three pillars: better regulation, better funding and better knowledge. These pillars translate into collective efforts and initiatives in domains of sustainable land use, climate adaptation public procurement, urban mobility, energy transition, digital transition, circular economy, jobs and skills in the local economy, urban poverty, inclusion of migrants and refugees, housing and air quality.





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The Urban Agenda for the EU represents the principal mechanism through which the UN's New Urban Agenda will be implemented across the European Union. The Pact of Amsterdam establishes a direct link with both the SDGs and the New Urban Agenda, stipulating that the Urban Agenda for the EU will contribute to the implementation of the UN's 2030 Agenda for Sustainable Development, notably SDG 11, as part of the Habitat III process. Against this background, the EU has outlined a specific commitment to implement the New Urban Agenda through the Urban Agenda for the EU. This commitment has been included in the Quito Implementation Plan accompanying the New Urban Agenda, which lists the commitments of the various partners to delivering the outcomes of the New Urban Agenda in their territories. The importance of the Urban Agenda for the EU as a vehicle for helping the EU to meet its sustainable development goals under Agenda 2030 was also recognised in the Commission's November 2016 communication Next steps for a sustainable European future – European action for sustainability, which outlines a specific role for the EU Urban Agenda in this context.

When European principles are concerned the framework provided by the Council of Europe for local administrations needs to be taken into account. Treaties, resolutions and strategies adopted by the CoE could be included in the scope of the activity (e.g. The European Charter on Local Self-Government, European Urban Charter, European Strategy for Innovation and Good Governance at Local Level)

The technical assistance project on Town Twinning Between Turkey and EU, which has been implemented since April 2018, includes a specific activity on the impact EU acquis and its implementation at local level which overlaps with the current situation analysis task described under this activity. The project is woven around the general objective on increasing administrative capacity at local level in Turkey's EU Accession process. Regarding content of the activity concerned, the focus will be on the roles and responsibilities of local authorities in Turkey for the implementation of EU acquis that has already been endorsed or will be endorsed in EU accession process. This analysis will include an assessment of the current situation, as well as evaluating the capacity building needs for the effective implementation of EU acquis at the local level. The report of the analysis will not only include the impact of EU acquis but also definition of the roles and responsibilities of the local authorities during the implementation of EU acquis in the selected themes. An evaluation study for EU acquis chapters for three pilot municipalities. Consequently, the overlap with the technical assistance project on Town Twinning Between Turkey and EU needs to be addressed so that both projects complement each other.

Second and third tasks of this activity need to be revisited in terms of feasibility. The second task is about conducting a comparative analysis including EU experiences and best practices on implementation of EU acquis at the local and regional level. The third task is preparing a user-friendly manual including the practical information for the adoption of the EU acquis in strategic, integrated, action-oriented plans and programmes. The implementation of the acquis make sense either at the operational level which concerns a specific directive or at the national level which concerns the legal harmonization which concerns the regulations whether enacted or not regardless of the level of implementation. Therefore, the experience, best practice or guidance on





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the implementation need to be either at the operational/local policy level or at the national / legal compliance level.

To improve the effectiveness of this activity, it is recommended that the scope on the EU acquis is narrowed down in exchange for further analysis of the implications of the Urban Agenda of the EU as well as acquis of Council of Europe on local administrations as well as the UN’s New Urban Agenda linked with localizing SDGs. Beneficiary of the analysis could be two-fold. It shall inform local administrations for improving their policy agenda within the responsibilities. Secondly the analysis shall inform the central government to assess the compliance of Turkey to international agendas in general.

The output of this activity could be a single report entitled as ‘European Local Administration Agenda and its implications for Turkey’ with a wider scope. The report includes a. an overview of legal and policy framework and situation of Turkey in contrast b. cases on how the implementation of selected directives had an impact on the localities and the good practices of policy or strategy implementation. The structure of the report is designed in an analytic and user-friendly manner so as to let readers to get key strategic implications prepared as an executive summary or a strategy digest and details addressing to whom it may concern.

The activity should be associated with Activity A.2.1.1 which is about assessing local administration reforms since major driver of the early reforms was EU accession.

<i>Outputs A.1.1.13</i>
<ul style="list-style-type: none"> • Report on European Local Administrations Agenda and Its Implications for Turkey (including current situation analyses, comparative assessment and a manual)

A.1.1.14. Develop and publish a full comparative assessment study on functioning of the local authorities

As per the DoA, the Project will compile the comparative assessment study on selected areas of service delivery (approximately 5 areas) in selected 6 EU member states. The assessment will be an important reference document to be used by MoI (and MoEU), UMT and MMs and guide reform efforts and their effective implementation. The areas of service delivery, which are subject to assessment, will be determined by the PT and MoI, whereas, the assessment will be published (500 copies) to be disseminated to the MoI (and MoEU), UMT and MMs.

There are 12 challenges identified in the Urban Agenda of the EU which are Sustainable Land Use, Public Procurement, Energy Transition, Climate Adaptation, Urban Mobility, Digital Transition, Circular Economy, Jobs and Skills in the Local Economy, Urban Poverty, Inclusion of Migrants and Refugees, Housing, Air Quality. Thus, the number of selected areas of service delivery might be expanded based on a prioritization criteria. Local and regional administrations





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in the EU strive to meet challenges as they provide services. Innovations in service delivery, cities response to challenges provide critical lessons for Turkey. Such comparative assessments provide invaluable information and makes it easier to learn how procedures, challenges and responses vary.

The service areas selected for this activity should be associated with the Activity A.2.2.1 where local service delivery standards will be studied. Apparently, the services to be studied in this activity are broader service domains as opposed to A.2.2.1. Yet the report to be prepared should cover the services selected for A.2.2.1 to the extent possible. The Activity should be also linked to the technical visits as foreseen in Activity A.1.1.11 and A.2.2.3.

<i>Outputs A.1.1.14</i>
<ul style="list-style-type: none">• Comparative assessment study on functioning of the local authorities

4.2.3 Component 2: Capacity Building for New Metropolitan Municipality Model and Transparent Processes

The main objective of the Component is to enhance the institutional capacity of the local authorities responding to the new responsibilities they are to undertake with the enforcement of new Metropolitan Municipality Model in 2014 (MM Model). In addition, the needs for transparent processes at local authorities will be addressed within the scope of this Component. In line with the above-mentioned institutional changes among the Ministries as part of the introduced Presidential System, the Union of Municipalities of Turkey (UMT) and Ministry of Environment and Urbanization General Directorate of Local Administrations will be the co-beneficiaries and implementing partners of this Component.

The activities under this component will serve for the achievement of the Result 2.1, 2.2 and 2.3 of the Action. Briefly the expected results are

- R.2.1: Administrative and operational capacities of the local authorities for the implementation of new MM Model strengthened
- R.2.2: Institutional capacity of the local authorities in terms of service delivery and adoption of the principles of democratic governance enhanced
- R.2.3 Public awareness on urbanization enhanced through institutional and individual capacity enhancement programs

The results and specific activities to be achieved are listed below:

R.2.1 Strengthened administrative and operational capacities of the local authorities for the effective implementation of LAR process including the New Metropolitan Municipality Model





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A.2.1.1: Assess the impact of the implementation of legislation on local authorities

At the time of the Project's Grant Agreement signature, the new Presidential System came into force in July 2018 and put a new remark in the local administration system by establishing 1) The Presidential Policy Board on Local Administrations and 2) the transfer of General Directorate of Local Authorities from MoI to MoEU which both demonstrates the motivation to strengthen the policy agenda of the government on local administrations.

Within this overall framework, in order to assess the impact of the reform initiatives in Turkey for effective and efficient functioning of local administration system, the Component Activities will start with conducting an impact assessment study. The referred study will address progress against the local administrative reform efforts since 2004 for the effective and efficient delivery of local services together with the capacity assets and needs for its further improvement. The results of this process will in turn result in the development of common strategic framework including the benchmarks to monitor and assess the process and improve the efficiency and effectiveness of the local administration system.

During the consultations held in the Inception Phase with the main stakeholders (SBOSBO, MoI, MoEU and UMT officials), it was found very timely to assess the impact of previous reforms and enrich the policy discussion on local administrations. MoI has conducted similar assessments at different scales and the Project would take these as baseline of the impact assessment into account with an extended scope and methodology. Furthermore, legislations reforming local administrations since 2004 have been analysed by numerous researches especially by scholars of public administration, political science and law. Various scientific meetings were carried out and quite a number of books and reports have been published. Those studies will also be taken under review for enriching the results of the impact assessment. Additionally, there is a large archive of questions addressed GDLA and UMT by municipalities which will be used as another source of information to understand the drawback faced by the municipalities.

To this aim as part of this activity:

1. A **targeted survey** comprising structured face-to-face interviews with the relevant authorities and stakeholders at the national level as well as focus group meetings at the local level will be conducted. The survey will aim to involve the staff of local authorities, mainly MMs and at the policy/decision making levels. 50 face to face interviews are planned to be conducted with the local administrators and the authorities at the national level. Four focus group meetings will be organized in Ankara with the participation of MMs including the 14 new MMs as well as the local stakeholders (four 2-days meetings having approximately 50 participants for each and totally 100 of them are among local administrations). A focus group with former mayors, councillors and bureaucrats will also be instrumentalised. The results of the assessment will be compiled in an **impact assessment report** and submitted to GDLA/MoEU, GDPA/MoI and SBO.



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2. Three 2-day **workshops** in Ankara and a one-day **national conference** in Ankara will be organised to discuss the findings of the impact assessment report with central administrations and local authorities and other stakeholders at national and local level.

Complementary to above consultations, the survey in Activity A.2.3.1 will be used to learn the citizen perspective on the impact of the reforms. Some questions carefully addressing the perception of citizens on the reforms as well as access to and satisfaction in municipal services will be incorporated in the survey design.

Following the impact assessment report, a **policy recommendations report** relying on the recent challenges faced in implementation of the Law No: 6360 as well as proposed changes in relevant legislation to overcome the referred challenges will be prepared by PT and submitted to MoI, MoEU and SBO.

Based on the policy recommendations report, **benchmarks for success** of existing and future local administration reforms for monitoring purposes will be developed by PT with support of senior STEs.

Outputs A.2.1.1

- Impact Assessment Report
- Policy Recommendations Report
- Benchmarks for Success

Outputs of this activity will provide baseline for the activities which aims at developing policy and legislative recommendations (A 1.1.2 – A.1.1.10, A.2.1.3., A.2.1.6, A.2.2.2., A.2.2.4).

A.2.1.2: Develop a software system for monitoring of the progress against the implementation of reforms in local administration

This activity is based on the idea that the benchmarks for success of existing and future local administration reforms that are developed under Activity A.2.1.1 will be used to develop an online monitoring tool for GDLA/MoEU in order to closely monitor and effectively assess the progress achieved by the local authorities. However, during the Appraisal Study conducted within the Inception Period and consultations held with Project Partners, it was understood that these benchmarks will be eventually added to the set of questions (indicators) which are to be prepared in Activity 3.1.2. From the technical point of view, the purpose of this activity does not necessitate different software as it could be provided under YEREBİLGİ system, or BEPER system as to which integration is envisaged.

Several attempts have been made in early 2000s to develop a set of indicators to monitor the performance of localities. The BEPER project of Ministry of Interior which was financed by World Bank in between 2002-2004 set up a monitoring system based on about 70 indicators





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across 127 Municipalities. After 3 years of data collection between 2005-2007 the system was not maintained anymore. Turkish Academy of Sciences published Indicators for Quality of Life: A Data System Proposal for Turkey in 2004. 67 indicators at community level are recommended after a thorough analysis. Ministry of Works and Settlements (now MoEU) published the Urban Indicators Guide as part of an effort to develop smart set of indicators to monitor the status of cities. Pilot studies were done between 2010-2011 to pilot indicators in different urban contexts. Indicators were refined and published in 2012. Ministry of Interior developed Priority Quality of Life Indicators as part of Capacity Development in Basic Services Project (2003-2006) with UNICEF to monitor the status of provinces.

Having this background at hand, the focus of this activity is redefined to be attached to develop the indicators (or set of questions) to be collected from municipalities. Based on the previous experiences it is proven that developing list of indicators and requesting municipalities to submit data is not enough for the sustainability of monitoring systems. Indicators need to be a). subject to both external and internal audit b.) relevant to the policy agenda of the local administrations c). serving to benchmarking purposes. In this framework, the task regarding the development of set of questions (indicators) under A.3.1.2 is moved under this activity. By doing so, activities regarding software development is grouped under Component 3 where the focus will be on the engineering side. Moreover, the focus of this activity remains on the monitoring of local administrations.

The strategic management framework as required by the Public Financial Management and Fiscal Control Law provides an enabling environment to this end. Further consultations with SBO during the Inception Period showed that the draft Guidelines on Strategic Planning for Municipalities which has been recently published by the SBO attaches great importance to indicators and provides a list of indicators which could be used in the strategic plans. The performance management guide for municipalities recommended under A.1.1.8 is providing the programming phase in the strategic management cycle. Regarding the audit function Court of Auditors completed for the first-time performance evaluations where auditors assess the quality of indicators, which are provided in the strategic plans and performance programmes and reported in the activity report. Developing a list of indicators which could be a). made part of the strategic plans and performance programs b). monitored by the central government and c). audited by the Court of Auditors as well as MoI audit mechanisms would be a great step towards smooth functioning of strategic management in local administrations and monitoring of local administrations.

In this framework, as part of the fine-tuning of this activity, a report on the list of indicators together with a model detailing the roles and responsibilities of the stakeholders of public strategic management framework will be prepared under this activity. The list of indicators will include input, output, efficiency and outcome indicators. In particular, outcome indicators will also serve for the localization of SDGs.





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Again, the Appraisal Study found out that, with regards to the utilization of indicators for benchmarking purposes, Activity A.3.1.3 foresees a system where different practices of local authorities can be compared even by user themselves. The need to enrich the scope of the benchmarking system not only from the perspective of software development but also development of a model including selection of indicators, inclusion of bench learning perspective, interactions between municipalities has become more apparent in the last years. Therefore, the redesign of this activity included the system design with the system design report which covers indicators selection, model on the roles and responsibilities of the stakeholders of public strategic management framework, model on the benchmarking features of YERELBİLGİ system.

During the consultations with MoEU, it was noted that General Directorate for Local Administrations prepares annually the General Activity Report of Local Administrations according to the public financial management and control law. The purpose of the report is firstly to comply with the principle of transparency to provide information about local administrations and secondly to inform policy makers. During consultations, it is also noted that the scope and narrative of the report needs to be reviewed and improved. Therefore, the Project was advised to incorporate preparation of a report for the Improvement of General Activity Report on Local Administrations. Studies within this activity will be conducted in coordination with studies of Activity 1.1.8.

Outputs A.2.1.2

- A System Design Report
- A Report on the Improvement of General Activity Report on Local Administrations

A.2.1.3 Develop modelling for the implementation of new Metropolitan Municipality Model in different contexts and enhance cooperation and collaboration among the MMs based on the modelling developed

Relying on the findings of the impact assessment study under A2.1.1, certain models for same-scaled municipalities are expected to be designed in this Activity. The referred models will serve to know-how and experience exchange among the matched municipalities as well as management and administrative staff of local authorities.

Until the introduction of metropolitan municipality model in 1983 the Turkish legislation has been imposing a monolithic structure for all local governments. According to the analysis conducted as part of the appraisal study held during the Inception Phase, it is noted that the new MM model created a new tier mostly based on the population of the localities in the urban agglomeration. The expansion of the model to provincial borders introduced the concept of rural services and distance as a challenge for service provision to municipalities. However, challenges regarding social, demographic, topographic, geographic characteristics of localities remain to be addressed. Some municipalities are overpopulated some municipalities in touristic destinations





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have seasonal population burdens, some are industrialized, others are mountainous, coastal or even rural. The expansion of metropolitan municipality and metropolitan district municipality borders and municipal amalgamations further highlighted the differences among characteristics of municipalities.

Although the system remained mostly monolithic in terms of municipal models, over the years, certain measures taking into consideration the differences of municipalities were introduced in the system such as:

- Municipalities with a population more than 50.000 is required to develop strategic plans,
- Municipalities in the central district of the province (provincial provinces) enjoys spatial planning authorities,
- Revenue sharing system considers surface area, population and taxes collected within the borders regarding metropolitan municipalities and socio-economic development index, rural area size and population for other municipalities as well as special provincial administrations
- Metropolitan municipalities are authorized to devolve certain services to district municipalities on the premise that proximity of the municipal tier to the service could matter.

In the light of the consultations held in the Inception Phase with the main stakeholders (SBO, MoI, MoEU and UMT officials), the scope of this activity is advised to be enlarged to cover all local governmental bodies. As part of this activity:

1. The needs and assets of the MMs to respond to the reforms introduced by the new MM Model will be assessed through
 - **A structured questionnaire** to be developed targeting the staff of the MMs from all respective units at all levels. The surveys will be disseminated via e-mail and the findings will be analyzed.
 - Three 2-days **workshops** in Ankara will be held to discuss the areas of needs for support of know-how and experience exchange with the participation of all MMs.
 - **A needs assessment report** will be prepared indicating the areas of need for each MM including the recommendations for the MMs, having similar needs and contexts (matched MMs). The Inception Phase consultations asked this report to include 1) the municipal models based on their identified characteristics (population, topography, economic activity etc) 2) overall distribution of responsibilities and services among types of local administrations and 3) basic recommendations on management structures and procedures (e.g. simplified financial procedures for smaller municipalities). Within this report, the selection criteria and procedures for matching of MMs

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will be defined. It is planned to support the experience sharing and know-how between 5 pairs of municipalities (5 new, 5 old MM). It is critical that senior administrators of the MMs to be involved in such a process to have strong interest and ownership, which are key for the success and sustainability of the results to be achieved.

2. Based on the results of the assessment report, **strategies** for effective implementation of the new MM Models between the matched MMs will be developed and **experience-sharing meetings** will be conducted (three 1-day meetings to be conducted in each matched MMs; 15 meetings in total). The meetings will be held in the province of the matched MMs (to be agreed by the MMs before the meetings). The themes of the said meetings will be determined based on the findings of the assessment report.
3. On the basis of discussions at experience sharing meetings, a **Report** on the results of the experience sharing and know-how activities, including recommendation for activities targeting the areas of need and interventions (means of individual and institutional peer to peer learning) to be sustained by the matched MMs. The results of the Report will also include recommendations for all MMs, based on the results of the work done at matched MMs. The soft-copy of the report will be shared with all participating MMs.

Overall, the policy outputs of this activity will be linked with policy outputs and working processes provided in Component 1.

Outputs A.2.1.3

- Needs Assessment Report,
- Report on Results of the Experience Sharing and Know-how Activities at Matched MMs

A.2.1.4. Develop and Deliver Customized General Management and Job Skills Training Modules for the Use of the GDLA/MoEU to be delivered to new MMs

The demand for high quality customized general management and job skills trainings for mayors, deputy mayors, municipal councilors together with other municipal managers including heads of the clerk's department, financial services department, planning departments have still been a need, especially in the areas of their roles and responsibilities, experience and information exchange, relationship building, change management, local authorities reform as well as international best practices. The Law No: 6360 also brought new responsibilities for the new MMs as well as expanded their areas of service delivery.

The Appraisal Study documented below listed further developments occurred between the design of the Action and the Inception Phase:





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- With regards to the Training Needs Assessment carried out by UMT in 2016 covering 32 municipalities representing all types of municipalities across Turkey, respondents highlighted the need for capacity building for the staff. The lowest level of satisfaction from the staff skills appears at district municipalities where only 13.7% of the respondents find staff adequate in terms training, knowledge and experience whereas for metropolitan municipalities the same ratio is 25%. At the optimistic scale, which is apparently less than half of the respondents, provincial municipalities take place. (42.3%). The situation is worse with regards to departments of parks and gardens, press and public relations, neighborhood affairs, strategic management and health and veterinary for which between 40% and 68% of the staff is found to be inadequate. The most demanded topics for training are urban planning, project development and application, expropriation, law on municipal police and on social security. Respondents prefer training programmes tailored to the different levels of needs rather than generic content.
- The preparatory commission discussions for the 11th Development Plan acknowledges the fact that local administrations suffer from the lack of qualified personnel and reiterates the gap between training services provided and the need for capacity development. The Annual Programme of 2019 focuses on new approaches to service provision particularly in metropolitan areas attaching priority to access to services, cost efficiency, subsidiarity and protection of agricultural and ecologically sensitive lands. The need for new public engagement practices, priority setting capacities and financial management are other horizontal areas in the Annual Programme which could be addressed by trainings.
- UMT has been vigorously developing its capacity to offer training programmes to municipalities. It offers an online content where video recording of all classroom trainings as well as short movies of experts on selected topics are made publicly available. In this respect, TBB has created course codes covering all the fields of duty and responsibility of municipalities, and the trainings are diversified at the local or distance learning level and all trainings are offered free of charge. In addition, post graduate education of municipal staff are supported by UMT.
- Total number of people employed in local administrations was 221,806 by the end of 2017. 2018 witnessed an increase in the employees due to employment of sub-contracted employees by municipal companies. In addition to employees, there are 23,146 elected representatives as mayors and councilors; there are also elected representatives of neighborhoods and villages. Development of distance learning and online content is highly required to address such a wide and diverse group.
- The newly formed GDLA in MoEU is both a unit in a transition being transferred from MoI to MoEU and a brand new unit established within the MoEU to focus on local administrations with a policy outlook. The activity will therefore also contribute to restructuring of local administration affairs within central government.





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Therefore, the Project will address capacity of the local elected officials and municipal managers who deal with complex issues that are associated with the management of new MMs by the design and delivery of general management and job skills modules for the use of MoEU/GDLA. In order to ensure sustainability of the trainings, the ownership of UMT and/or the regional unions to the modules developed and their willingness in the delivery of those training modules is strongly awaited; since UMT has a specialized position and experiences in municipalities.

To this aim as part of this activity:

1. The **training needs assessment** of the MMs will be conducted in detail by 1) Targeted surveys for the managers and staff of the MMs and 2) A one-day training needs assessment workshop in Ankara with the participation of the training staff of UMT, MoI, MoEU and the relevant staff of MMs. The training related results of A.2.1.3 will also be utilized in training needs assessment. Trends such as technological transformation or policy priorities are also key descriptors of the need. Therefore, a careful analysis of changing environment of local administrations and policy priorities will be made in assessing the training needs. Further, the survey to be conducted in A.2.1.1 about the local administration reforms is another source of information for the training needs assessment. Skills shortage is known to be one of the major challenges confronted in implementing reforms.
2. Customized **training modules** for the use of GDLA/MoEU (involving initial and follow-up sessions) will be developed. In line with the above findings of the appraisal study of the Inception Period, content development will also consider distance learning possibilities, subjects with alternative delivery options.
3. **ToTs for local administration staff** will be delivered which will be identified among the selected MMs in cooperation with GDLA/MoEU, GDPA/MoI and SBO. In total, there will be fifteen 2-days ToT sessions. The participants will be representatives from MMs, including the local elected officials and senior managers. The provinces, where the ToTs will be conducted, will be determined after the development of the training modules.
4. **Success and human stories** from trainings will be collected to be used on website and social media by the UNDP Turkey Communications Team aiming to get a sense of possible impacts of the events to the practices of the participants.
5. **Documentary style short movie**, whose content will aim to raise the awareness of the public at large and local institutions on the transformative role of the local authorities brought by the MM model will be prepared and broadcasted in MMs screens, websites of the MoI, MoEU, UMT and MMs that participate to the trainings.





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Outputs A.2.1.4

- Training Needs Assessment Report
- Training Modules
- Success and Human Stories
- Documentary Style Short Movie



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Resilient nations.





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A.2.1.5. Conduct a study on the projection of new local administration system, which will be introduced with the abolishment of special provincial administrations in accordance with the Law No: 6360

With Law No: 6360, Special Provincial Administrations (SPA) in metropolitan areas was closed; metropolitan municipalities took over their duties and responsibilities regarding local services and the neighbourhoods and villages are converted into districts. In other words, new MMs took over the roles and functions of SPAs. Consultations held during the Inception Period verified that both an evaluation of the 5-year provision of services taken over from SPAs and a projection for the possible expansion of the model are necessary. A closer look on how the abolishment of SPAs has been managed so far became necessary on the grounds whether the metropolitan municipality model is expanded to other provinces. The study is also necessary to enhance MMs absorption capacities to deliver the functions of SPA especially due to the transferred responsibilities concerning rural areas and problems in responding rural populations and ecosystems. As already noted in A.1.1.6, the 15th SDG prioritise the conservation and restoration the use of terrestrial ecosystems that are located mainly in rural areas.

To this aim as part of this activity:

1. **An evaluation of the nature of inter-municipal relationships** that exist among the two levels of local authorities, the SPAs and central government departments and agencies will be made by **structured interviews** with the relevant stakeholders including but not limited to GDLA/MoEU, GDPA/MoI, and SBO, Union of Provinces and relevant local authorities including heads of rural neighbourhoods (ex-villages) and representatives of rural service delivery and irrigation unions. In total, 30 face-to-face interviews will be conducted. The evaluation will be complemented with a **comparative assessment of the current roles and functions of SPAs against those of the MMs**. The results will be compiled in a **comparative assessment report**, which will not be published. The consultations conducted with project stakeholders during the Inception Period adds that the Comparative Assessment Report needs to have a specific section devoted for the assessment of the abolishment of SPAs including change in the quality of services, the methodology for sharing assets and liabilities, transformation of SPAs into Investment Planning and Coordination Departments.
2. **A draft action plan** including short, medium and long-term steps to be taken by the MMs in order to incorporate the roles and functions of SPAs will be developed. In line with the consultations conducted with project stakeholders during the Inception Period, the Action Plan is proposed to be attached with a Projection Report on expansion of the model to the other provinces including the methodology of transition, considerations for the peculiarities of the provinces in terms of geography, economic activity etc.





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3. With the prioritization of the actions that can be achieved on short term basis, particularly the ones addressing the responsibilities born concerning the rural areas a **Prioritization Report** will be developed and submitted to MoI and MoEU.

The implementation of this activity will be carried out in close linkage with Activity A.2.1.3. The research tasks envisaged under A.2.1.3 could also provide inputs about the SPA abolishment experience. The task on about evaluation of the inter-municipal relationships that exist among two levels of local authorities could be attached to Activity A. 2.1.3 where it is recommended to study sharing of responsibilities between municipalities. The policy outputs of this activity will be linked with policy outputs and working processes provided in Component 1. The Union of Provinces will be cooperated in the achievement of the Activity.

<p>Outputs A.2.1.5</p> <ul style="list-style-type: none"> • Comparative Assessment Report • Draft Action Plan • Prioritization Report
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A.2.1.6. Conduct a current situation analysis concerning the evolving role of neighbourhood management and road map for its improvement in light with the new local administration system, mainly the introduction of new MMs

As the closest and smallest local units to the public, neighbourhood administrations have a great importance in Turkish Public Administration Structure with its historical and traditional aspects. Neighbourhood (mahalle) administration presents the level for efficient participation, pluralism, representation, and citizen monitoring in urban management context. As the 16th SDG underlines, peace, stability, human rights and effective governance are essential components of sustainable development. Neighbourhood that has a long tradition in Turkish administration and culture making it a perfect level to improve social solidarity and citizen engagement. Yet, the neighbourhood administration does not dispose any significant administrative powers though. The preparatory commission discussions for the 11th Development Plan, acknowledges that there are problems with regards to the legal and administrative status of neighbourhoods, of neighbourhood heads and administrations. It also underlines the disparity between urban and rural (ex-village) neighbourhoods since now there is a new phenomenon in rural districts where the new Metropolitan Model villages in the neighbourhood converted to occur.

In parallel, the neighbourhood management with mukhtars as neighbourhood heads has been undergoing a significant transformation during the reform process of local governments and municipality management, especially in relation to metropolitan management. The long-been neighbourhood management as supporting unit of the central management has been evolved to a supportive/complimentary level to the municipality management even with a unit carrying demands/preferences and problems of the local community to the municipality.





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The activity is therefore very important and expected to provide valuable inputs to policy discussion on the status of neighbourhoods. It is also connected with Activity A2.2.4 that: The democratic connection between the municipal level and neighbourhood level appears to be weak in the sense that electoral district of municipal councillors is the whole municipality. On the other side, elected representatives of the neighbourhoods do not have an organic association with the municipal council. This gap will also to be addressed in this Activity in relation with Activity A.2.2.4.

To this aim as part of this activity:

1. **Face-to-face structural interviews** will be organized with central and local government officials including neighbourhood heads/mukhtars to obtain their views and comments on neighbourhood management and a report on the results of the interviews will be prepared. The neighbourhoods to be cooperated in the scope of the study is planned to be identified through a set of criteria including but not limited to (i) the level of interest and willingness, (ii) size, socio-economic structure and geographical location within the province and (iii) existing and previous initiatives for participatory local governance.
2. Three 2-days **consultation meetings** with participation of 14 MMs and mukhtars in Ankara will be organized. The aim of the meetings will be to discuss the report and generate further ideas regarding the future responsibilities of neighbourhoods.
3. A **draft policy paper** that will address the overall findings and conclusions of the consultation meetings with proposals and recommendations will be prepared. In line with the Inception Period consultations experiences in the EU on community engagement at neighbourhood level and good practices of Turkish municipalities with the neighbourhoods will also be analysed as part of the policy paper. **The Policy Paper** will be finalised following consultations with GDLA/MoEU, GDPA/MoI, and SBO and other government officials. The Paper will include a **Road Map** for the improvement of the neighbourhood management system in light with the new local administration system, mainly the introduction of new MMs.

The policy outputs of this activity will be linked with policy outputs and working processes provided in Component 1. The findings of the interviews will also be used as inputs for Activity A.2.2.4 on municipal elections.

Outputs A.2.1.6

- Report on the Results of the Interviews
- Policy Paper and Road Map on Improvement of Neighbourhood Management System

R.2.2 Institutional capacity of the local authorities enhanced in terms of service delivery and adoption of the principles of good governance





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A.2.2.1: Develop and implement local service delivery standards in order to simplify the processes for service provision:

The primary function of local administrations is to deliver services to meet local and common needs. The core of municipal service delivery lays at the determination of local service priorities by defining what is “local and common”. The priority setting in delivery of services is generally a difficult exercise since there is a delicate balance between needs identified by technical expertise and needs driven by the demands of the public or politicians. These are not mutually exclusive and even complement each other. Therefore, the service delivery standards and citizen engagement need to be improved for a well performing municipality.

As the Law 6360 became effective in 2014, there has been a need for the new MMs to have a coherent and simplified set of service delivery standards in order to fulfil their responsibilities under the referred Law. At the moment of the functioning of the new MM model, the Project will analyse the current situation in MMs with regards to effectiveness of the service delivery in areas under their responsibility and conduct below studies to develop service delivery standards for the use of municipalities. The standards will not be binding but be a useful guidance to ensure consistency in local service delivery. They are expected to be used for monitoring of the implementation of reforms in terms of local service delivery. The concept will further be considered, to the extent possible, as ‘minimum’ standards.

The meetings held with MoI, MoEU, UMT and SBO during the inception period resulted in that the concept of ‘service delivery standards’ cited in this Activity should refer not only to technical specs of a service. All phases of strategic management cycle as well as enabler factors in quality frameworks (such as leadership and human resources) related with the selected service and cost efficiency will be considered. In addition, municipal services are not only what is carried out physically. Decision-making is also a primary service of local administrations. Therefore, standards for such processes, which are situated at a horizontal level, may also be considered for selection.

To this end, the Activity will carry out the following studies

1. **Face-to-face interviews** with the representative staff of the MMs in 10 selected MMs and **focus group discussions** in selected MMs will be conducted to assess the current situation in MMs with regards to effectiveness of the service delivery in areas. The MMs where the interviews are to be held will be identified during the 2nd quarter of second year of project implementation, based on the criteria to be developed. The result of A.2.1.1 will also be utilized for the current situation analysis. The result of the interviews will be compiled in **Current Situation Assessment Report**.
2. Based on the findings **5 service areas** will be identified that need improvement in consultation with GDLA/MoEU, GDPA/MoI and SBO. Inception Phase studies



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showed that definition of at least one service area provided to rural areas or rural neighbourhoods will enrich the study since the new MM model covers rural areas.

3. Draft **service delivery need standards** for the use of municipalities on selected 5 areas will be developed, discussed and finalised with the 10 selected MMs in two 1-day **workshops** to be held in Ankara with representatives of GDLA/MoEU, GDPA/MoI, SBO, UMT and selected MMs who will be attending out of Ankara. The referred standards will be published and disseminated among municipalities.
4. Ten 1-day **seminars** in selected 10 MMs will be organized with the participation of governors, district governors and mayors in order to sensitize them about new service delivery standards and discuss its actual implementation at the local level. The seminars will be held in selected MMs to be identified after the development of the standards.
5. Relying on the results of the workshops and seminars, an **Implementation Guideline** for the realization of service delivery standards, will be developed; published and disseminated among municipalities.
6. Two **pilot studies** will be conducted in 2 selected MM to test the progress against the implementation of the new standards. The pilot municipalities will be determined after the completion of the Guidelines and based on the consultations with GDLA/MoEU GDPA/MoI, SBO and UMT.

During implementation, the Activity will be associated with A.2.1.1 where development of benchmarks for success are foreseen and with A.2.1.2 where development of indicators to monitor local administrations are recommended. Moreover, the analysis for developing the standards will have a critical view on the distribution of responsibilities between levels of local administrations and central government and provide insights for the Activity 2.1.3. where it is recommended to study optimal distribution of responsibilities between types of local administrations.

Outputs A.2.2.1
<ul style="list-style-type: none"> • Current Situation Assessment Report • Local Service Delivery Standards • Implementation Guidelines

A.2.2.2: Develop and Implement Participatory Local Governance Model for new 14 MMs

Effective operation of participatory instruments is a sine qua non of democratic management of localities. Local Agenda 21 introduced the global perspectives of civic participation at local level in Turkey and accelerated the dynamism and paved the way to the foundation of Citizens Assembly model addressing to different groups such as women, disabled, elderly, children and the youth. Citizens Assemblies as the flagship local governance mechanism became mandatory





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with the legal changes of 2004. Accordingly, every municipality was required to support the establishment of a Citizens Assembly in its city/town. Good practices of local public engagement delivered by Citizens Assemblies do exist today, but still further improvements are needed to develop new participation processes which complied with needs of today and technology.

In LAR II, improvement of local participatory mechanisms including Citizens Assemblies was one of a large working area. After LAR II, there were other projects of MoI on local governance implemented with municipalities and Citizens Assemblies. Relying on the experiences and lessons learned from all previously implemented EU funded Projects by the MoI in the field of local governance, the Project will address the institutionalization of participatory local governance mechanisms this time in 14 new MMs. Participatory local governance mechanisms to be applied in referred MMs may include practical tools, and guidance to measure citizen satisfaction on local services and improve participatory decision making at the local level. In addition, targeted capacity development activities for local governance structures including the citizen assemblies, NGOs and elected public officials at local level will be realized.

To this aim, the following sub-activities will be carried out:

1. The current situation regarding local participatory mechanisms will be assessed by 1) structured **face-to-face interviews** with the local participatory mechanisms and the local stakeholders in new 14 MMs and 2) Three two-day **workshops** with the participation of the local stakeholders and participatory mechanisms. The provinces where the workshops are conducted will be determined during the last quarter of the first year of project implementation. Following the assessment studies A **Current Situation Assessment Report** on functioning of local participatory mechanisms will be prepared.

In line with the findings of the Appraisal Study conducted during the Inception Period, concerning the needs and perspectives of local governance today, the scope of the assessment will not be limited to Citizens Assemblies but will have a broader understanding of local participatory mechanisms and encompass all means of interaction with citizens including among others, being transparent against citizens, properly collect and analyse citizen data (e.g. surveys on satisfaction and access to services, intelligent use of citizens' demands and complaints), open data and innovation practices, consultations and collaboration initiatives (e.g. providing certain services together with community organizations, voluntary participation to municipal services)

2. **Guidelines for the effective operation of participatory mechanisms** will be drafted and two 1-day **workshops** will be conducted to discuss the Guidelines with the participation of selected representatives of local participatory mechanisms in 14 MMs, UMT, MoI MoEU and SBO. The Project will also benefit from the participatory guidelines developed under LAR-II. The provinces where the workshops be conducted will be determined during after the completion of the situation assessment report.





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Following the workshops, the Guidelines will be finalised and disseminated among the 30 MMs and the local participatory mechanisms. Later 4 MMs will be identified where **pilot practices** to improve participatory mechanism will be implemented. The pilots will be identified in consultation with MoI, MoEU and UMT, based on the findings of the assessment of the current circumstances that will be realized as explained above.

In addition to LAR II, as part of all previously implemented EU funded Projects by the MoI in the field of local governance, a number of guidelines were developed as outputs of project interventions mostly funded by the EU. Five guidelines were prepared for the promotion of participatory mechanisms in LAR II. A set of guidelines titled Participatory Analytical Tools as Handbooks on Citizen Scorecards, Socioeconomic Mapping, Budget Tracking, Governance and Participation Techniques were prepared in Participatory Local Strategic Governance Project. Plus, as part of TUSELOG Programme of UMT, www.katilimcilikpusulasi.com was developed as an online media where participation techniques are provided with case studies from abroad and Turkey. As part of this activity, Appraisal Study advises that the design, capacity and content of this website to be enriched and the content could be reviewed and updated with available material such as handbooks and guidelines developed by above mentioned projects regarding citizen engagement. It must be noted that none of the handbooks and guidelines mentioned above are available on official websites.

The workshops envisaged to discuss the Guidelines holds a potential to be used as hackathons where NGO representatives and citizens are invited to work in teams to develop ideas to increase citizen engagement, transparency and major service domains of the municipalities which can be selected from SDGs. MMs to be identified for pilot practices can be selected from successful ideas developed in the hackathons.

3. **Targeted trainings** will be organized in 4 pilot provinces on practical tools of citizen engagement in local decision-making. The target groups of the trainings will be the representatives of the local participatory mechanisms including citizen assemblies, mukhtars, etc. In total, it is planned to conduct two 2-day trainings in each pilot. The training programs on the practical tools of citizen engagement can be associated with Activity A.2.1.4 with a possible online module on citizen engagement based on the learning experience gained in this activity where 2-day training programmes are delivered in four pilot provinces.
4. **Two awareness raising events** will be organised in each of 4 pilot provinces (8 in total) for the organized and un-organized civil society in pilot provinces with the aim of enhancing the level of engagement in local decision making and cooperation with the local authorities. The event will be in form of town-hall meeting, where the level of interaction between the duty bearers (local administrators) and right holders will be strengthened and the key areas of need for service delivery and relevant policies will be discussed.



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5. **Success and human stories** from trainings and awareness raising events will be prepared to be used on website and social media.
6. A **documentary style short movie**, content of which will aim to raise the awareness of the public at large about the scope of the Project activities on enhanced participation in local decision-making processes and the available mechanisms at the local level will be prepared. The movie will be broadcasted in MMs screens, websites of the MoI, MoEU, UMT and MMs. The content of the movie includes the documentary and human stories from the events under this Activity.

Outputs A.2.2.2

- Current Situation Assessment Report on Functioning of Local Participatory Mechanisms
- Guidelines on Participatory Mechanisms
- Result Report on the Awareness Raising Events,
- Documentary Style Short Movie

A.2.2.3. Assess EU experiences with good practices and lessons learned for enhancing transparency and accountability in local authorities and develop recommendations for developing secondary legislation for enhancing transparency and accountability in local authorities

Turkey adopted the Strategy for Increasing Transparency and Strengthening the Fights Against Corruption in 2010. One of the strategic objectives of the referred Strategy focuses on increase of institutional capacities of local administrations, strengthening decentralization and democracy by ensuring attendance and transparency. Currently, the local authorities are obliged to develop their own websites and disclose the important decisions taken at the referred websites for a period of 15 days. In order to support the efforts of the local authorities, GDLA/MoEU and GDPA/MoI for enhancing transparency and accountability, the Project will conduct a comparative assessment of transparency and accountability practices in EU member states and provide recommendations to GDLA/MoEU and GDPA/MoI on the development of a secondary legislation for enhancing transparency and accountability.

The assessment will address the legislative and implementation measures adopted in other countries for enhancing transparency at the local level. The assessment study will also address the web-site formats including which information concerning local service delivery are disclosed. The results of the assessment are expected to set the ground for the development of the secondary legislation on enhancing transparency at local authorities in Turkey. To this end, different country experiences and legislations that have been reviewed under this activity will be benefitted.





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In specific terms, the following sub-activities will be realized:

1. A **desk review** of the best practices and lessons learned in approximately 5 EU member states on adoption of transparency and accountability in local governance systems will be conducted. A **comparative assessment report** on the improvement of transparency and accountability measures in Turkey comparing with the experiences in EU member states will be prepared and include certain recommendations for improvement in the context of Turkey. The recommendations may include a screening of major procedures of municipalities to identify areas where transparency can be introduced or data/documents that can be made transparent. The screening can be made as a desk study. The report will not be published.
2. Relying on the results of the comparative assessment, a **technical visit** to a selected EU Member State with the aim of reviewing the systems, experiences and lessons learned will be organised. The exact list of EU countries to be visited in the scope of this activity will be concretized by the Technical Assistance Team in collaboration with the MoI and MoEU once the C2 activities progress. The indicative criteria for the selection of the EU countries to be visited will include but is not limited to: (i) the prioritized areas in local participatory processes of the component; (ii) relevance of the host country context (i.e. legislation making, participatory processes) and (iii) those which haven't been visited by the beneficiary/co-beneficiaries before. A **technical visit report** will be prepared by Project experts. The report will be linked with the desk reviews and comparative assessment reports and include information on the overall situation in the country visited, an overall comparison with Turkey, key take-aways and recommendations for Turkey.
3. In line with the comparative assessment report and technical visit, the **first draft of the recommendations report for developing secondary legislation** by MoI in cooperation with MoEU and SBO enhancing transparency measures by local authorities will be prepared. The recommendation report will provide policy recommendations including legislative recommendations, capacity building recommendations and others. In order to discuss the results of the comparative assessment report and finalize the recommendations report, a 2-day **workshop** in Ankara with the participation of the group of experts from GDLA/MoEU, GDPA/MoI, SBO and selected local authorities will be organized and the recommendations report will be finalised and submitted to the higher authorities of the MoI and MoEU.

Outputs A.2.2.3

- Comparative Assessment Report
- Technical Visit Report
- Recommendations Report





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A.2.2.4. Develop a policy paper on reforming the Local Government Electoral System and Strengthening of Municipal Councils

Municipal councils that are composed of members freely elected by secret ballot on the basis of direct, equal, universal suffrage are fundamental organs for local administration system.

Municipal councils have limited powers in terms of decision-making and should encourage public participation at expected levels. Ideas on how to change this situation need to be generated and debated. This Activity is an extension of the work that was completed on the strengthening of the elected municipal councils in LAR-II and aims to prepare a policy paper and generate a debate on changes that could be made to the local electoral system to make individual councilors more responsible and accountable and to give them greater powers of oversight. The paper would also include discussion regarding changes to the rules of procedure for council meetings that would have the effect of making them more open and enabling the public to make presentations on matters of concern.

To this end, the following sub- activities will be carried out:

1. Structured **face-to-face interviews** with central and local government officials to obtain their views and comments on the need to make changes to the local electoral system and the rules of procedure for municipal council meetings will be conducted and a report on the results of the interviews will be prepared.
2. Six one-day **regional consultation events** will be organized with the participation of central and local government officials to discuss the report and generate further ideas regarding the future responsibilities of mukhtars. The places of the regional meetings will be identified following the completion of the interviews.
3. The **draft Policy Paper** will be prepared for the GDLA/MoEU and GDPA/MoI that discusses the overall findings and conclusions of the regional consultation events and proposes recommended changes. According to the results of the Appraisal Study, the preparation of the Policy Paper will be supported by an analysis of experiences in the EU on community engagement at neighbourhood level and good practices of Turkish municipalities with the neighborhoods. Working procedures and powers of municipal councils will be elaborated as part of the Policy Paper.
4. After consultations with GDLA/MoEU, GDPA/MoI, SBO and other government officials, **draft Policy Paper** will be finalized and submitted to the MoI for its possible use and reference in reform of the local government electoral system.

The studies and findings of the Activity will be linked to A.2.1.6 and the policy outputs of this Activity will be linked with policy outputs and working processes provided in Component 1.

Outputs A.2.2.4





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- Policy Paper on reforming the Local Government Electoral System and Strengthening of Municipal Councils

R.2.3 Public awareness on urbanization enhanced through institutional and individual capacity enhancement programs

Turkey's rapid urbanization has transformed the country demographically and economically. Mechanization of agriculture resulted in a flow of much the rural population towards cities. These unskilled rural migrants boosted the economy of the rapidly industrializing country. While planning urban areas, issues such as providing equality of opportunity in accessing to sustainable living conditions, producing strong policies for ensuring visibility of women in urban areas, designing accessible housing stocks suitable for the use of elderly and disabled people, and providing positive discrimination for disadvantaged groups must be taken into account. This is a critical service of the local authorities in local administration reform processes to develop inclusive policies on urbanization, create sustainable environments for its implementation and enhance the level of trust and satisfaction by the local population. To this end, the Project will address the low level of awareness of the public on the rapid urbanization and its consequences and develop tailored capacity development programs.

A.2.3.1 Needs assessment for public awareness on urbanization targeting the disadvantaged groups (population affected by internal migration, youth, women, children)

The SDG framework considers inclusivity as a cross-cutting issue and highlights it in most of the goals where relevant. Furthermore, The New Urban Agenda (NUA) introduces the right to the city approach to the UN Community. Although the NUA is not defining a right per se, it undoubtedly presents a global effort towards making cities just, inclusive, and equal. The issue was covered in the Urbanisme Forum in 2017 organized by the MoEU. The Commission on the Role of Local Administrations in the New Vision of Urbanisation recommends awareness raising for equal and fair access to services.

In this framework of global perspectives, in order to measure the level of public awareness on urbanization, a **survey study** addressing the population affected by internal migration, youth, women, and children will be conducted in this Activity. The number of expected interviewees is approximately 10.000 which would represent all referred population that is affected by urbanization. The survey will approach to urban awareness not only from a perspective of having knowledge on the intricacies of the urban. The content of the survey may be enriched by covering:

- a. Concepts and issues regarding right to the city principle.
- b. Access to services, experience with the public administration, satisfaction from services and behavioural patterns





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- c. Friendliness concept such as women friendly city, youth friendly city, children friendly city etc.

Based on the results of the survey, the needs for the public awareness raising interventions will be proposed by a **needs assessment report** including the design and scope of the capacity development programs to be realized under A.2.3.2 and A.2.3.3.

An overall evaluation of what municipalities offer to the disadvantaged groups is important in order to compare and mutually inspire from experiences. This reporting may be structured according to disadvantage group profiles (all services offered to certain groups) or service domains. Further, there is a vast literature on the needs and demands of disadvantaged groups. A review of literature would contribute to the findings of the survey and development of the capacity enhancement programmes in Activity A.2.3.2 and A.2.3.3.

Outputs A.2.3.1

- Survey Report
- Needs assessment report on public awareness on urbanization

A.2.3.2. Design and implement capacity enhancement programs on urban awareness for the staff of Women Centers, Child Development Centers and other relevant social service units at the local level

Tailor made training modules will be developed and delivered to the staff of Women Centers, Child Development Centers and other relevant social service units at the local level responding to the needs explored under A.2.3.1. It is expected that these staff will transfer the knowledge that they have to their target groups of service. Five 1-day programs will be delivered to the referred social service units/institutions in 10 provinces. With regards to the universality of social service relevant centers attached to the Ministry of Family, Labour and Social Policy will also benefit from the Activity.

Within the modules framework an online learning module on urban awareness may also be developed and made part of the delivery.

Outputs A.2.3.2

- Tailor made Training modules

A.2.3.3. Design and implement capacity enhancement programs on urban awareness to be delivered to selected staff of MMs

Tailor made training modules will be developed and delivered to the staff of the selected staff of MMs responding to the needs explored under A.2.3.1. Five 1-day training programs will be delivered. The provinces where the trainings are held will be determined before the launch of the survey study in accordance with the defined criteria.





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Outputs A.2.3.3

- Tailor made Training modules

4.2.1 Component 3: Online Management Information Systems Installed and Updated

Several attempts have been made in early 2000s to develop a set of indicators to monitor the performance of localities. The MoI initiated two important databases with YEREL BILGI and BEPER Projects. YEREL BILGI aims to provide information to local administrations, special provincial administrations, their corporations, municipalities and corporations belonging to municipalities, district governorates, villages, and associations through a single database. Whereas, BEPER Project introduces a performance measurement system to appraise performance of municipalities and make comparison among municipalities.

BEPER Project conducted in between 2002-2004 set up a monitoring system based on about 70 indicators across 127 Municipalities. After 3 years of data collection between 2005-2007 the system was not maintained anymore. Turkish Academy of Sciences published Indicators for Quality of Life: A Data System Proposal for Turkey in 2004. 67 indicators at community level are recommended after a thorough analysis. Ministry of Works and Settlements (now MoEU) published the Urban Indicators Guide as part of an effort to develop smart set of indicators to monitor the status of cities. Pilot studies were done between 2010-2011 to pilot indicators in different urban contexts. Indicators were refined and published in 2012. Ministry of Interior developed Priority Quality of Life Indicators as part of Capacity Development in Basic Services Project (2003-2006) with UNICEF to monitor the status of provinces.

In the scope of the LAR-II, a needs assessment was conducted addressing the needs of online management tools of the MoI and a needs assessment report was prepared on the sustainability of YERELBİLGİ and BEPER projects. The assessment clearly showed that functioning of BEPER Project needs a sound, fast and updated database and source of information. Therefore, success of BEPER Project depends on functioning and success of YEREL BİLGİ Project. In other words, these two projects are related to each other and the sustainability of BEPER basically depends on YEREL BİLGİ system since BEPER functions by using YEREL BİLGİ's data. In accordance with this assessment report, project provided technical assistance the improvement and integration of the YERELBİLGİ and BEPER systems. (2010-2011) Special IT services necessary for further developing and expanding the scope of the YERELBİLGİ system provided by TA project of MoI on Participatory Strategic Governance at Local Level (2012-2013).

According to the most recent annual Local Administrations General Activity Report prepared by the General Directorate of Local Administrations in 2017, only staff data of local administrations appear to be reported through YERELBİLGİ system. A complete overhaul of the system is required.





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With regards to the implementation of YEREL BİLGİ, there are areas that need improvement to function effectively and respond to the challenges faced in its implementation. Those needs include, but not limited to, the following:

- The system should be compatible with the e-systems to be used by different units of the MoEU
- The system needs to have user-friendly interface enabling the introduction and/or removal of new items and themes responding to the needs of the local authorities and the MoEU.
- New set of questions needs to be introduced to the system.
- There is a certain need to create a platform to identify the questions that are not responded on time by the local authorities and take measures for improvement.

Under the current state of functioning, there is no system that enables to access all relevant and updated data that prevent to make decisions in a holistic way. MoEU holds its new responsibilities concerning the local authorities after the introduction of the Presidential system in July 2018 and the Project will address the effective communication flow within the departments of the MoEU as well as update of the YEREL BILGI in a way to ensure its linkage with the local. In addition, the technical capacity for effective use of YEREL BILGI will be enhanced and relevant MoI staff will transfer the accumulated knowledge to the staff of MoEU. Ministry of Environment and Urbanization will be the co-beneficiary of this Component.

The activities under this component will serve for the achievement of the Result 3.1.

R.3.1 Efficiency of the local services enhanced through online managements systems

A.3.1.1 Develop a software to facilitate the communication flow within the departments of the GDLA:

A database will be established within the GDLA, which would include all necessary documentation, including circulars, secondary legislation, decrees and relevant decisions taken at the local and national level.

A.3.1.2 Update of the YEREL BİLGİ Project management system in the light of developed software system

The software system will also access to YEREL BILGI system to reach the collected data produced at the local level. Where deemed necessary, the software of YEREL BILGI will be updated for its compatibility with the software system to be developed in the scope of this Project.





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The improvement of this software system is not only with the management and service delivery efficiency of local governments but also represent a democratic value. As EUC-II confirms “full use of new information technologies ... improve public consultation on urban projects [and] interactivity and speed of information can enhance the process of democratic participation and improve dialogue between elected representatives and citizens.”

In line with the proposals of the Appraisal Study conducted during the Inception Phase, an assessment study to understand the current situation of the system, how databases and their management are shared between MoEU and MoI will be carried out after the Inception Period. Here the update will focus more on software development while content related tasks such as development of indicators (developing set of questions) and scope of benchmarking will be carried out in A.2.1.2

Outputs A.3.1.2

- | |
|--|
| <ul style="list-style-type: none">• Updated YEREL BİLGİ System |
|--|

A.3.1.3 Develop guidelines for the use and update of software system

The developed software system will be hosting all relevant documentation and will enable accessibility and data-literacy on region and provincial level as well as on thematic basis. A user-friendly guideline will be developed for the use and update of the software system, as the pace of the developments in the field of local authorities is very rapid.

Outputs A.3.1.3

- | |
|--|
| <ul style="list-style-type: none">• Guidelines |
|--|

A.3.1.4. Deliver tailor-made trainings to the staff of GDLA on effective use of the software system in alignment with YEREL BİLGİ management system

Training program will be developed for a selected staff of the GDLA for effective and efficient use of the developed software. Training will mainly focus on the functioning of the system, data collection and entry and update from the local authorities.

Outputs A.3.1.4

- | |
|---|
| <ul style="list-style-type: none">• Tailor-made trainings |
|---|



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5 Resources and Budget

With reference to the Grant Agreement between UNDP and the CFCU signed on 28 June 2018, the total cost of the Action eligible for financing by the Contracting Authority is 5,449,904.79 EUR. The Contracting Authority undertakes to finance a maximum of 5,449,904.79 EUR, equivalent to 100% of the estimated total eligible cost.

However, the budget of the project has been subject to modifications, which have been proposed in accordance with Article 11 of the General Conditions of the Grant Agreement.

“....., where an amendment to Annex I and/or Annex III does not affect the main purpose of the Action, such as its objectives, strategy and priority areas, and the financial impact is limited to a transfer within a single budget heading, including cancellation or introduction of an item, or a transfer between budget headings involving a variation (as the case may be in cumulative terms) of 25 % or less of the amount originally entered (or as amended by a written addendum) in relation to each concerned heading, the Organization may unilaterally amend Annex I and/or Annex III and shall inform the Contracting Authority accordingly in writing, at the latest in the next report.”

The modifications made to the budget and the detailed explanations for each modification can be found in Annex 3 Resource Schedule and Budget of Action.





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6 Assumptions and Risks

The following table lists the updated risks and risk mitigation strategies to be deployed.

Risks/Assumptions	Risk Mitigation Strategies
The central government remains committed to the goal of decentralisation and local administration reform and national and local institutions are fully committed to the development and implementation of policies and institutional changes required to be in line with European Charter of Local Self-governments;	The Government remains committed to the objectives of the Local Administration Reform Programme, as reflected in the annual action plans as well as the continued strengthening of city councils effective functioning. The EU exerts its influence where necessary and appropriate to facilitate the implementation of the project.
The local elections in 2019 may have an impact on the timely achievement of the project results.	The Project will have a dynamic approach in making necessary adjustments in the timelines for project activities as well as follow a pro-active approach in raising ownership of newly elected mayors on the project activities/outputs and results;
Local authorities willing to cooperate with the project in the implementation of the activities proposed to be carried out at the local level and provide the staff and other resources that may be required.	Pilot local authorities will be fully briefed on the proposed project activities and asked to sign a memorandum of understanding committing themselves to full cooperation and support. The MoI and MoEU exert its influence in situations where problems arise.
Continued political commitment to make necessary adjustments in primary and secondary legislation to enhance the effectiveness and efficiency of the local service delivery;	MoI and MoEU as the co-beneficiaries of the Project are committed to sustain the local administration reform and are strategizing and operationalizing the effectiveness and efficient delivery of the public services provided by the local authorities
Trained staff members remain in their posts during the entire duration of the Project.	The MoI will be advised to select training participants by taking into account career rotational plans.



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7 Management and Coordination Arrangements

7.1 Management and Coordination Arrangements

MoI is the Beneficiary and executive agent of the Project, whereas UMT, UPS, MoTF and SPD will act as the implementing partners. Other relevant institutions will be involved in project implementation, as needed. UNDP will provide technical assistance to the MoI and implementing partners for efficient and effective implementation of the Project through the Direct Grant Agreement, signed between Central Finance and Contracts Unit (CFCU) and UNDP, and endorsed by Delegation of the European Union to Turkey (EUD). The Project management structure will be aligned with the new state structure to be established in 3rd quarter of 2018.

Ministry of Interior: The MoI, as the lead beneficiary, will be responsible for:

- Contributing to the initiating the project activities and further carrying out the start-up activities aimed at preparation of the work plan of relevant activities;
- Following and monitoring the proper implementation of activities of the project;
- Mobilizing and coordinating other institutions involved in the project;
- Reviewing and approving the Project outputs;
- Ensuring proper participation and representation of relevant Turkish institutions in activities organized by the Project.

Ministry of Environment and Urbanization: As noted before, Ministry of Environment and Urbanization has been proposed to be the co-beneficiary of the Project during the Inception Phase and as of writing, the formal approval of the MoEU as the co-beneficiary of the Project is finalized., Since the co-beneficiary status of the MoEU is approved and formalized, The MoEU will be responsible for:

- Contributing to the design, implementation and completion of project activities;
- Mobilizing and coordinating the involvement of relevant departments/units of the Ministry for smooth implementation of the Project activities and assign/second relevant staff for the project;
- Reviewing and providing consent on the Project outputs;
- Ensuring the sustainability of the relevant project outputs at both policy and practice levels

Strategy and Budget Office of Presidency (SBO): The SBO will provide policy guidance and support all throughout the implementation being the natural member of all PSCs of UNDP projects in Turkey. Mainstreaming the SDGs would be an internal part of all project activities and design and contributions of Ministry of Development as the coordinating institution for SDGs would be ensured. Relevant sector representatives at SBO will also be invited to the consultative platforms that will be established in the course of the Project.





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State Personnel Department: The former State Personnel Presidency was included as co-beneficiary in the Description of Action, however as this institution currently doesn't function, it has been taken out from the Project's management structure.

Ministry of Treasury and Finance: In line with the newly introduced presidential government system through which Treasury and Finance ministries have been merged; the MoTF is among the implementing partners of the Project and will support in design and implementation of the Project activities under Component 1, in particular provide substantial contribution to the recommendations reports on the draft legislations to be developed by MoI. The project related correspondences from/to the MoTF will be made through MoI. The MoTF will contribute to the relevant activities under Component 1 and invited to the Monthly Management and PSC meetings to contribute to the relevant results of the Project.

Union of Municipalities of Turkey: The UMT is among the implementing partners of the Project and will be consulted in design and implementation of the Project activities, including the scope, venue and target groups of the training programs, technical visits, etc. The project related correspondences from/to the UMT will be made through MoI. The UMT will contribute to the relevant activities under Component 1 and 2, which are explained in detail under Project activities. UMT will be invited to the Monthly Management and PSC meetings to contribute to the relevant results of the Project.

The European Union Delegation in Ankara: The European Union Delegation in Turkey as the representative of the Commission will be involved in the monitoring of the Project.

Central Finance and Contracts Unit: The CFCU, as the Contracting Authority, is responsible for administration, overall project supervision, review and final approval of reports as well as financial management including payments related to the contract. The CFCU has the ultimate responsibility for the correct use of funds.

United Nations Development Programme: The UNDP will manage the project through a direct grant agreement that will be signed with the CFCU as per the Financing Agreement between the European Commission and the Government of Turkey.

For effective and efficient coordination among the project partners, within the scope of the Project A Steering Committee will be established and quarterly management meetings will be conducted.

Project Steering Committee (PSC): At the top of the project management structure, there is the Steering Committee. PSC will be chaired by MoI and will convene on semi-annual basis in the premises of the MoI. The PSC will consist of representatives of the MoI, MoEU and implementing partners (MoTF, UMT) and UNDP. The EUD and CFCU will participate to the PSC meetings as observers. The Strategy and Budget Office of Presidency will be the natural member of the PSC as also applied in all other UNDP Projects. The PSC will meet to discuss the progress of the project, verify the achievement of the outputs and mandatory results and discuss actions to be undertaken or whenever deemed necessary by its members. The MoI when necessary, may invite other relevant





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participants in the PSC meetings. The responsibility for the organization of the PSC meetings including preparation of minutes lies with the Project Team.

Quarterly Management Meetings (QMMs) will be held, with the participation of the MoI, MoEU, UNDP, CFCU and EUD, for regular exchange of information on all matters arising out of this Project. Other implementing partners as well as other relevant institutions will be invited to the meetings, if needed. Meetings will be called by any of those institutions and shall be arranged by the UNDP and chaired by the MoI, and will be held at the MoI premises, unless otherwise agreed by the parties. The minutes of the meetings will be drafted by the PT in Turkish and English and sent to the participants following the meetings.

In general terms and along with others, the following is expected to be discussed in quarterly management meetings:

- Achievement of the outputs and results specified in the action or as amended,
- Actions to be undertaken in following quarters in terms of achievement of indicators in the action,
- Design and monitor of the outreach and communications activities among relevant partner/beneficiary institutions,
- Progress made towards project indicators in line with the log frame,
- Linkage among different project components/contracts and the project linked with the activities of other projects, donors or through national fund.

7.2 Reporting

As per the DoA, reports, that are mentioned below shall be submitted to the MoI, MoEU, CFCU and EUD along with the other implementing partners, via an e-mail first, at the end of each reporting period specified below. UNDP will also share the Reports with the Strategy and Budget Office of Presidency, for their comments and suggestions.

The comments and/or corrections on the reports will be submitted to the UNDP via e-mail within 15 calendar days after the receipt of them. The UNDP shall revise the report based on the comments and re-submit it within 10 calendar days via e-mail. If no comments are sent within 5 calendar days, the final version can be processed as hard copy. In case of further comments and/or corrections, the same cycle as outlined above will be done; however, for the purpose of timely finalization of the report, the parties may agree on different time limits. Once the final version is agreed by all parties, the Organization will prepare and submit the hard copy of the reports/documents as the final version within 10 calendar days for approval.

The reports must be submitted both in hard copy and in electronic version (readable by a Microsoft Office application). All reporting will be done in English and Turkish. The Turkish version of the reports should be prepared after the approval of English version and not subject to an approval.





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Progress Reports: A Progress Report (i.e. annual progress report) will be submitted at the end of the first year to MoI, MoEU UMT, MoTF, SPD, CFCU and the EUD in line with the Article 3 of the General Conditions. It will include sections on technical and financial performance. The progress report will present the project's performance during a specific interval of time and assess the progress made towards achieving the project's intended results and outputs, detailed action plan for the rest of the project duration. The report also will identify future challenges and actions recommended to address them. In case of a need at with the consent of the project partners, the Project Team may prepare brief monthly progress reports for smooth and timely flow of information among project partners regarding the progress and planned activities on a monthly basis.

Final Report: A Final Report will be submitted to MoI, MoEU, CFCU and EUD along with the other implementing partners in line with the Article 3 of the General Conditions following completion of project implementation period. The Final Report will document and comment on overall achievements against the original plan, highlight lessons learned and make recommendations on any follow-up actions required.

Financial Reports: Financial reports will be prepared and submitted by UNDP to the CFCU including a copy to the Ministry and the EUD at the time of requests for payment for further pre-financing as defined in Special Conditions. The project will be assessed by an independent team in terms of efficiency and effectiveness of delivery at the end of the project duration. Associated costs are incorporated into the 5th heading of the budget for the action (Annex III).

7.3 Project Audit

In line with the Financial and Administrative Framework Agreement (FAFA) and the General Conditions, the financial transactions and financial statements shall be subject to the internal and external auditing procedures laid down in the Financial Regulations, Rules and directives of UNDP.

7.4 Project Evaluation

Evaluation and monitoring exercises will be undertaken in compliance with the provisions of the FAFA (Art.1) and the General Conditions (Art. 10). The project will be evaluated (technical evaluation) by an independent team of experts. The selection of independent team of experts for evaluation will be made in line with UNDP rules and procedures. The evaluation is expected to be conducted 1 month before the Project ends. The assessment will be on the substance and immediate concrete results of the Project, and will, by no means, include any form of expenditure verification (or Audit) etc. As a result of the assessment, the impacts of the results achieved, lessons learned and good practices in terms of substance will be assessed in a report. Besides, the level of communication and visibility as well as recommendations for sustainability will also be explored in the said assessment.





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8 Key Quality Factors, Special Considerations and Sustainability

8.1 Key Quality Factors

The following quality factors are of particular importance for the Project.

- Ownership by beneficiaries: the extent to which the beneficiary institution and target groups are involved, and their potentials are fully used and leveraged upon for the success of the project and its sustainability.
- Policy support: the extent to which local and national politics will be developed in such a way that the objectives be met.
- Socio-cultural issues: how the intervention fits in a given context and local socio-cultural norms and attitudes are taken into account.
- Gender equality targeting all but especially the most vulnerable group: how the specific needs and interests of the most vulnerable groups (women, disabled, elderly people, minorities etc.) are taken into account.
- The capacity and commitment of the Partners: the institutional and managerial capacities of the partners
- Co-ordination between the different actors (multi-level governance): the involvement of different stakeholders at the national, regional and local levels in decision making and implementation processes.

8.2 Multiplier effects

The intervention modality proposed for implementation of the project includes a number of measures to optimize the multiplier effects and sustainability of the impact after completion of the Project. These elements include, but are not limited to, improved legislative base, establishment of IT systems, comparative analysis and best practice reports. In addition to such outputs the project is expected to contribute significantly to the human resources capacity both at the central and local level through various training activities. The knowledge on other country experiences on local governance and know-how to be gained through the trainings will be used for future reform endeavors affecting the local administrations for human centered service delivery.

8.3 Sustainability

MoI will ensure policy-level sustainability of the Project. The 10th National Development Plan and Strategic Plan of MoI include specific measure to pursue the local administration reform in Turkey. The Project will support policy-level sustainability mainly through the [replicable] pilot actions that will be fulfilled throughout the Project. In addition, as the Project is based on the results and lessons learned of the LAR I & II, it would have a sounder basis for sustaining the results to be achieved.

The Project includes specific measures to ensure institutional sustainability as mentioned below:





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- Development of recommendations report for the use of MoI on draft legislation framework for capacitating certain fields of local service delivery (loan system, municipal led enterprises, increase of income of local authorities, etc.);
- Development and implementation of local service delivery standards for simplified and continued service provision;
- Modelling for new MM;
- Development of a model that promotes transparency at local authorities.

8.3.1 Financial Level

The Project is geared towards establishment of required institutional capacity and the funds will be used for this specific purpose. As such, once the required institutional capacity is established and the MoI and MMs are with the skills and tools, they will be able to expand the implementation of the recommendations of the Project from its own resources. In specific terms, the recommendations for effective service delivery, local service delivery standards, establishment of participatory mechanisms are expected to be continued with the ownership and commitment of the MMs, even after the project ends.

8.3.2 Institutional Level

The project will develop significant capacities both at the central level and the local levels through design and delivery of the training programs. At this point, it is important to note that the training modules will be used by the MoI and UMT for further training programs to be delivered by training departments of MoI and UMT.

8.3.3 Policy Level

The MoI will ensure policy-level sustainability of the Project. The 10th Development Plan, medium-term plan and the annual programme include specific measure to pursue the LAR in Turkey. The Project will support policy-level sustainability mainly through the [replicable] pilot projects that will be fulfilled with the 2nd and 3rd Component of the Project. In addition, Strategic Plan of the MoI for 2015-2019 highlights the importance of ensuring efficiency, effectiveness, participation, openness and accountability at local administrations as one of its main goals.





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8.4 Special Considerations

8.4.1 Gender

Gender mainstreaming will be one of the main cross-cutting themes of the Project. Strengthening of gender mainstreaming approach will be done through the following:

- Composition of the trainees: Trainees of the training programs will be composed by a gender sensitive approach, which was the case in the previous phases of the LAR.
- Gender budgeting and gender sensitive service delivery planning: Gender budgeting and gender sensitive service delivery planning will be introduced as a new dimension in the multi-year investment planning. By this, creation of the grounds and instruments for more egalitarian resource allocation on gender basis is expected.
- Vocalism and visibility of women at the local participatory platforms. Different instruments enabling vocalism and visibility of women at these platforms will be introduced and functionalized on pilot basis.

UNDP will utilize the cooperation it has with relevant UN Agencies, including UN Women and United Nations International Children's Emergency Fund (UNICEF) for the implementation of the relevant capacity development, technical know-how and legislation review activities on this subject.

8.4.2 Sustainable Development Goals (SDGs)

On 25 September 2015, the Member States of the UN agreed on the 17 Sustainable Development Goals (SDGs) of the Post-2015 Development Agenda. The SDGs build on the Millennium Development Goals, the global agenda that was pursued from 2000 to 2015 and will guide global action on sustainable development until 2030.

The inclusion of SDG-11, “*Make cities and human settlements inclusive, safe, resilient and sustainable*” is, in large part, the fruit of the hard-fought campaign by local administrations, their associations and the urban community. SDG-11 marks a major step forward in the recognition of the transformative power of urbanization for development, and of the role of city leaders in driving global change from the bottom up. However, the role of local administrations in the achievement of the agenda goes far beyond Goal 11. All of the SDGs have targets that are directly or indirectly related to the daily work of local and regional governments. Local administrations should not be seen as mere implementers of the agenda. Local administrations are policy makers, catalysts of change and the level of government best-placed to link the global goals with local communities.





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Within this framework, the Project will also promote localizing SDGs by local authorities and the public at large through the following interventions:

- Involvement of specific sessions on SDGs in the capacity development programs addressing the MMs, MoI, MoEU, UMT, UPS as well as social service units such as Women Centers, Child Development Centers at the local level,
- Integrate the polices on effective local service delivery with reference to specific SDGs,
- Mainstream the SDGs in basic standards and principles of service delivery and performance management tools to be developed under the Project.

8.4.3 Environment

Environment-sensitive planning that takes into account climate change impacts is a critical aspect of the functions of the local administrations. In the scope of the project, capacity development activities will include how to establish functional oversight mechanisms supporting environmentally sensitive and climate resilient planning and implementations.

Protection of environment encompasses, inter alia, sustainable use of natural resources and climate change considerations. More and more energy efficiency is becoming yet another pillar of the activities geared towards protecting the environment. The Ministry of Energy and Natural Resources has developed, within the scope of an EU-funded Project, a National Energy Efficiency Strategy (En-Ver). The said strategy document identifies municipalities as the key stakeholders for improving energy efficiency especially at the local levels. Furthermore, there is a visible global trend targeting energy efficiency and climate resilience improvements at the municipal levels.

8.4.4 Poverty Reduction

Local Administrations are critical mechanisms for reducing poverty and eliminations income disparities. The underprivileged poor populations of the society have limited access to public and municipal services. The Project will attempt to address these issues through incorporation of relevant measures to equitable and effective service improvement action plans and designing and pilot-testing participatory mechanisms and developing necessary capacities at the local levels.





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9 Indicators of Achievement

9.1 Expected Results

The project is expected to generate the following results for the target groups/beneficiaries:

- Administrative and operational capacities for efficient provision of local services enhanced,
- Administrative and operational capacities of the local authorities for the implementation of new Metropolitan Municipality Model strengthened,
- Institutional capacity of the local authorities in terms of service delivery and adoption of the principles of democratic governance enhanced,
- Public awareness on urbanization enhanced through institutional and individual capacity enhancement programmes,
- Efficiency of the local services enhanced through online managements systems.

9.2 Concrete Outputs

The following outputs will be achieved throughout the Project implementation:

- A Support Group on Legislation Drafting Process of MoI (SGL) and Consultative Group of Local Authorities (CGLA),
- Recommendations report on the draft legislation of MoI for strengthening the loan system of local authorities,
- Recommendations report on the draft legislation of MoI for increasing the income of local authorities,
- Recommendations report on the Proposal of MoI to Amend relevant provisions of the Law No: 3572 and Regulation for Business License
- Standards and principles for the establishment of an effective human resources management system in local administrations,
- Service standards ensuring the MMs and its District Municipalities to use %10 of their budgets for the infrastructure works in rural areas,
- Comparative assessment on effective collection of municipal accounts receivable,
- Performance management system to be adopted in Local Authorities,
- Recommendations report on the draft legislation of MoI on the functioning of municipality-led enterprises in line with other country experiences,
- Recommendations report on the draft legislation of MoI regulating the legal and institutional infrastructure of Water and Sewerage Administrations,
- Strategy and Recommendations report on draft regulation of MoI regulating honours and ceremonies arranged by local authorities,
- Assessment of the impact of localizing EU acquis on the work and responsibilities of local authorities in Turkey,
- Comparative assessment study on functioning of the local authorities around the world,
- Assessment of the impact of the implementation of MM Law on local authorities,





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- Software system for monitoring of the progress against the implementation of reforms in local administration,
- Enhanced cooperation and collaboration among the MM,
- Customized General Management and Job Skills Training Modules,
- Projection of new local administration system, which will be introduced with the abolishment of special provincial administrations in accordance with the Law No: 6360,
- Current situation analysis concerning the evolving role of neighbourhood management and road map for its improvement,
- Local service delivery standards in order to simplify the processes for service provision,
- Participatory Local Governance Model for new 14 MM,
- Recommendations Report for enhancing transparency in local authorities,
- Policy paper on reforming the Local Government Electoral System and Strengthening of Municipal Councils,
- Software to facilitate communication flow within MoI and updated YEREL BILGI information management system





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10 Work Plan for the next period (Annual Plan)

10.1 Activity schedule

A detailed activity schedule for the next implementation period can be found in the annexed Updated Work Plan (Annex 2).

10.2 Resource schedule and budget

Please see Annex 3 for a detailed resource schedule and budget for the next implementation period.





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Annex 1 Updated Logical Framework

	Results chain	Indicators	Baseline (incl. reference year)	Current value Reference date	Targets (incl. reference year)	Sources and means of verification	Assumptions
Overall objective: Impact	To ensure effective, inclusive, accountable and participatory local governance in Turkey, in particular through support to further implementation of the LARs undertaken between 2003-2013, in line with international standards.	Compliance of Turkish Local Administration system with principles and standards set by the European Charter of Local Self-governments, other European conventions and the recommendations of the Council of Europe.	The introduction of new metropolitan municipality model in Turkey		Competent MMs with principles and standards set by the European Charter of Local Self-governments	<ul style="list-style-type: none"> - CoE (CLRAE) reports on Turkish Local Administration system and Turkey's compliance with ECLSG - EC Reports on Turkey's progress towards EU accession - Result-Oriented Monitoring (ROM) reports 	National and local institutions are fully committed to the development and implementation of policies and institutional changes required to be in line with European Charter of Local Self-governments
Specific objective(s): Outcomes	To develop and strengthen the administrative capacity and	Number of municipalities in which the new model of local administration is	30 MMs implement the new model		Fully capacitated MMs to function in line with principles of democratic	- CoE (CLRAE) reports on Turkish Local Administration system and Turkey's compliance with	National and local institutions are fully committed to the development and implementation of





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	Results chain	Indicators	Baseline (incl. reference year)	Current value Reference date	Targets (incl. reference year)	Sources and means of verification	Assumptions
	cooperation of Turkish MoI and Local Authorities themselves in the task of ensuring the effective implementation of the new local administration model in line with principles of democratic governance.	implemented; Level of satisfaction of local administration services users in municipalities benefiting from the assistance.			governance.	ECLSG - EC Reports on Turkey's progress towards EU accession - Monitoring by the Delegation	policies and institutional changes required to deliver the action's results.
Outputs	Op 1. Recommendations report on the draft legislation of MoI for strengthening the loan system of local authorities, Op2. Recommendations report on the Proposal of MoI to Amend relevant provisions of the	- Number of legislative packages for effective local service delivery lead by MoI by the end of second year - Standards and principles on human resources management at local authorities in place by the end of	Article 68 of the Law No: 5393 Municipality Law regulating loan system (Y2016) There is no standards/principles n human resources management (Y2016) There is limited awareness/knowledge on localizing EU		The % 50 of the legislative measures targeted in strategic plan of MoI achieved through the project support %90 of the MMs mainstreamed local service delivery	- Interim and Final Reports of the project - Technical Reports - Comparative analysis reports - Assessment of the implementation of the legislative packages adopted and put into force. - Findings of surveys measuring the awareness and	Continued political commitment to make necessary adjustments in primary and secondary legislation to enhance the effectiveness and efficiency of the local service delivery; Local authorities willing to cooperate and ready for the assistance as foreseen





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	Results chain	Indicators	Baseline (incl. reference year)	Current value Reference date	Targets (incl. reference year)	Sources and means of verification	Assumptions
	<p>Law No: 3572 and Regulation for Business License</p> <p>Op 3. Standards and principles for the establishment of an effective human resources management system in local administrations</p> <p>Op 4. Service standards ensuring the MMs and its District Municipalities to use %10 of their budgets for the infrastructure works in rural areas</p> <p>Op 5. Comparative assessment on effective collection of municipal accounts receivable</p> <p>Op 6. Performance management system</p>	<p>first year</p> <ul style="list-style-type: none"> - Level of awareness on the work and responsibilities of local authorities born by EU Acquis - Level of implementation of the legislation on local authorities by the end of first year - Development of a software system for monitoring of the progress against the implementation of reforms in local administration by the end of first year - Realization of the modelling for efficient implementation of new Metropolitan Municipality Law 	<p>Acquis and its impact on changing roles of local administrations (Y2016)</p> <p>There is no software system on monitoring the implementation of reforms (Y2016)</p>		<p>standards into their monitoring systems</p> <p>%80 of the staff of MMs benefitted from the trainings of the Project</p> <p>%90 of the MMs uses the updated YEREL BILGI system to collect, analyze data on local service delivery</p>	<p>knowledge about the EU Acquis by the local authorities</p> <ul style="list-style-type: none"> -Training needs assessment report -Training module and materials -Assessment reports on the implementation of developed local service delivery -Proposals of local governance structures converted to service delivery practice -Performance assessment of the trained staff - Attendance Sheets - Updated websites of local authorities in line with transparency principles - Statistical data/records on the use of online management systems 	<p>by the project intervention;</p> <p>Enhanced interest of the local authorities to adjust the local policies in line with EU Acquis.</p> <p>Trained staff members remain in their posts during the entire duration of the Project</p>





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	Results chain	Indicators	Baseline (incl. reference year)	Current value Reference date	Targets (incl. reference year)	Sources and means of verification	Assumptions
	<p>to be adopted in Local Authorities Op 7. Recommendations report on the draft legislation of MoI on the functioning of municipality-led enterprises in line with other country experiences</p> <p>Op 8. Recommendations report on the draft legislation of MoI regulating the legal and institutional infrastructure of Water and Sewerage Administrations</p> <p>Op 9. Strategy and Recommendations report on draft regulation of MoI regulating honours</p>	<p>by the end of second year</p> <ul style="list-style-type: none"> - Number of joint platforms among the MM by the end of second year - % relevant staff of selected MM benefitted from customized General Management and Job Skills Training <p>by the end of second year</p> <ul style="list-style-type: none"> - Development and adoption of local service delivery standards by the end of first year - Adoption of a model for participatory local governance for 14 new MM by the end of second year 					





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	Results chain	Indicators	Baseline (incl. reference year)	Current value Reference date	Targets (incl. reference year)	Sources and means of verification	Assumptions
	<p>and ceremonies arranged by local authorities</p> <p>Op 10. Assessment of the impact of localizing EU acquis on the work and responsibilities of local authorities in Turkey</p> <p>Op 11. Comparative assessment study on functioning of the local authorities around the world</p> <p>Op 12. Assessment of the impact of the implementation of MM Law on local authorities</p> <p>Op 13. Software system for monitoring of the progress against the implementation of</p>	<p>- Development of legislative and policy measures for adoption of democratic governance principles by the end of second year</p> <p>% of social service experts in selected provinces those have MM benefitted from the trainings</p> <p>- %0 relevant staff of selected MM benefitted from the trainings</p> <p>- % of local services can be monitored and evaluated through on-line management systems</p> <p>- % of increase in the application of</p>					





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	Results chain	Indicators	Baseline (incl. reference year)	Current value Reference date	Targets (incl. reference year)	Sources and means of verification	Assumptions
	<p>reforms in local administration</p> <p>Op 14. Enhanced cooperation and collaboration among the MMs</p> <p>Op 15. Customized General Management and Job Skills Training Modules</p> <p>Op 16. Projection of new local administration system, which will be introduced with the abolishment of special provincial administrations in accordance with the Law No: 6360</p> <p>Op 17. Current situation analysis concerning the evolving role of neighbourhood</p>	<p>the on-line management systems</p> <p>- % increase in citizen satisfaction due to enhanced efficiency</p>					





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	Results chain	Indicators	Baseline (incl. reference year)	Current value Reference date	Targets (incl. reference year)	Sources and means of verification	Assumptions
	<p>management and road map for its improvement Op 18. Local service delivery standards in order to simplify the processes for service provision Op 19. Participatory Local Governance Model for new 14 MM Op 20. Recommendations Report for enhancing transparency in local authorities</p> <p>Op 21. Policy paper on reforming the Local Government Electoral System and Strengthening of Municipal Councils</p>						



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	Results chain	Indicators	Baseline (incl. reference year)	Current value Reference date	Targets (incl. reference year)	Sources and means of verification	Assumptions
	Op 22. Updated and user-friendly YEREL BILGI system						
Activities	<p>Activities under 3 components (1-Effective Local Service Delivery, 2-Capacity Building for New Metropolitan Municipality Model and Inclusive Local Governance Processes, 3-Online Management Information Systems Installed and Updated) as detailed under Section 1.3 Description.</p>		<p>Means: Project Team (PT) Short term experts (STEs) Training costs Technical visit costs Project Office costs Visibility and publication costs</p> <p>Costs: Covering the human resources, costs for travels, local office and services - details are indicated in the Budget for the Action.</p>				<p>Factors outside project management's control that may impact on the output-outcome linkage.</p>





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Annex 2 Updated Work Plan

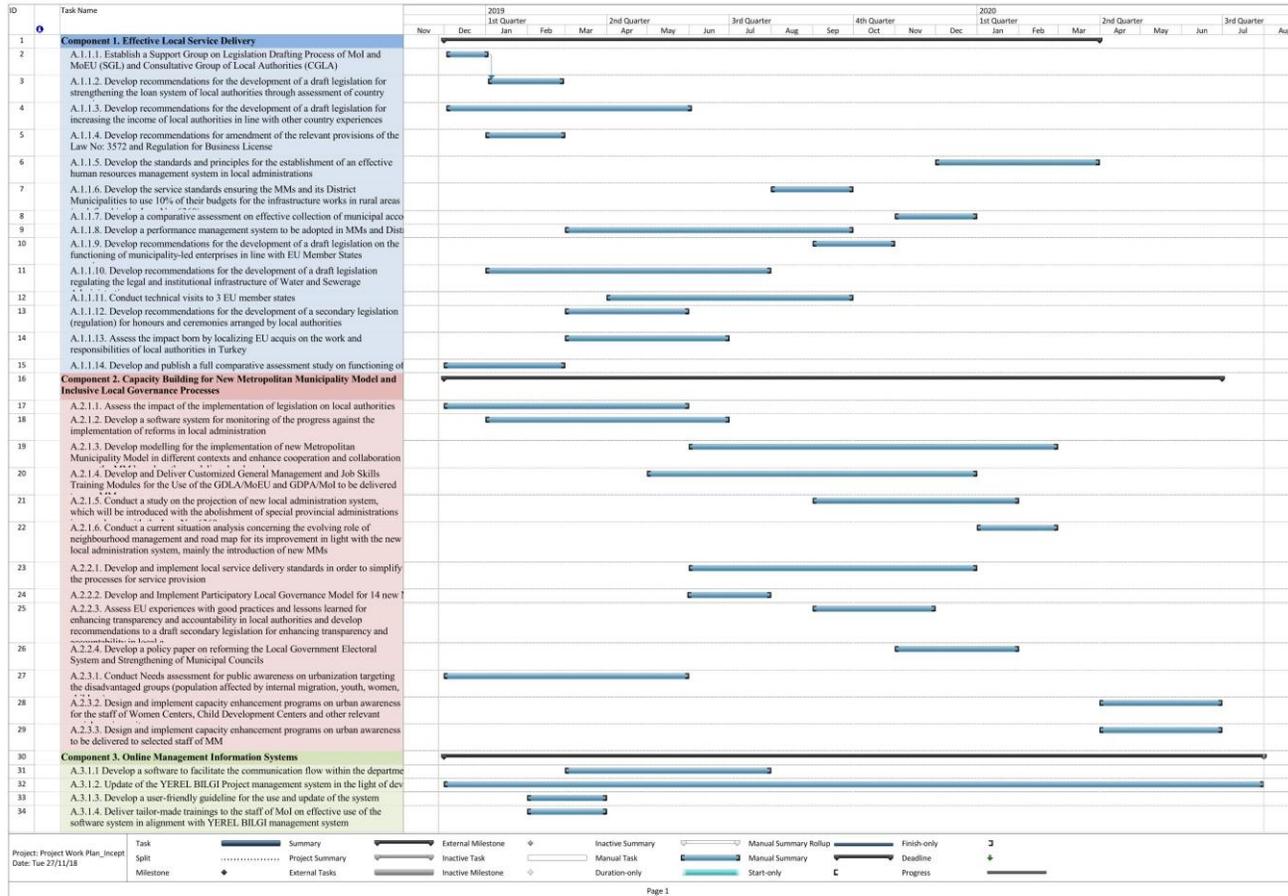


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Annex 3 Resource Schedule and Budget of the Action

The total budget of the Project is 5,449,904.79 EUR. As per the special conditions of the Grant Agreement signed between UNDP and CFCU on 28.06.2018, this sum is to be paid to through a pre-financing payment, followed by an interim payment and a final payment. The pre-financing payment, which amounted to 2,313,322.24 EUR was made in July 2018. At the time of the transaction the UN Operational Exchange Rate for USD/EUR was 0,864. UNDP’s financial statements are denominated in USD; in accordance with Article 1.4 of the Special Conditions, all actual payments are converted into Euro by using the rate of exchange during which CFCU’s (the Contracting Authority) contribution was recorded in Organization’s (UNDP) account.

As noted in Section 5 Resource and Budget; the budget of the project has been subject to a modification, which has been proposed in accordance with Article 11 of the General Conditions.

“....., where an amendment to Annex I and/or Annex III does not affect the main purpose of the Action, such as its objectives, strategy and priority areas, and the financial impact is limited to a transfer within a single budget heading, including cancellation or introduction of an item, or a transfer between budget headings involving a variation (as the case may be in cumulative terms) of 25 % or less of the amount originally entered (or as amended by a written addendum) in relation to each concerned heading, the Organization may unilaterally amend Annex I and/or Annex III and shall inform the Contracting Authority accordingly in writing, at the latest in the next report.”

The following table summarizes the modifications to the Original Budget as per variations regarding the budget headings. As can be seen from the table, in no case the modifications cause a variation of more than 25%. The contingency reserve and the administrative costs remain intact.





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Costs	Original Budget	Modified Budget	Change
	Total Cost (in EUR)	Total Cost (in EUR)	(%)
1. Human Resources	1,857,632.00	1,825,880.00	-1.71%
2. Travel	87,100.00	107,900.00	19.3%
3. Equipment and Supplies	9,010.00	9,010.00	0.0%
4. Local office	63,840.00	68,472.00	6.76%
5. Other costs, services	2,478,000.00	2,484,320.00	0.25%
6. Other	481,500.00	481,500.00	0.00%
7. Subtotal direct eligible costs of the Action (1-6)	4,977,082.00	4,977,082.00	0.00%
8. Indirect costs (maximum 7% of 7, subtotal of direct eligible costs of the Action)	348,395.74	348,395.74	0.00%
9. Total eligible costs of the Action (7+ 8)	5,325,477.74	5,325,477.74	0.00%
10. Provision for contingency reserve (maximum 5% of 7, subtotal of direct eligible costs of the Action)	124,427.05	124,427.05	0.00%
11. Total eligible costs (9+10)	5,449,904.79	5,449,904.79	0.00%





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1. Budget for the Action	All Years				Modified Budget (Inception Report)				Change (%)	Notes
	Costs	Unit	# of units	Unit value (in EUR)	Total Cost (in EUR)	Unit	# of units	Unit value (in EUR)		
1. Human Resources										
1.1 Salaries (gross salaries including social security charges and other related costs, local staff)										
1.1.1 Technical										
1.1.1.1 Senior STEs	Per day	800	500.00	400,000.00	Per day	1650	500.00	825,000.00	51.52%	Note 1
1.1.1.2 Junior STEs	Per day	160	200.00	32,000.00	Per day	586	200.00	117,200.00	72.70%	Note 2
1.1.2 Administrative/ support staff										
1.1.2.1 Project Manager (PT Member)	Per month	24	4,000.00	96,000.00	Per month	24	2,400.00	57,600.00	-66.67%	Note 3
1.1.2.2 Project Associate (PT Member)	Per month	24	2,568.00	61,632.00	Per month	24	1,400.00	33,600.00	-83.43%	Note 4
1.1.2.3 Portfolio Manager (20%)	Per month	24	1,200.00	28,800.00	Per month	24	1,200.00	28,800.00		
1.1.2.4 Project Assistant/Interpreter (PT Member)	Per month	24	2,000.00	48,000.00	Per month	24	900.00	21,600.00	-122.22%	Note 5
1.1.2.5 Portfolio Administrator (30%)	Per month	24	1,450.00	34,800.00	Per month	24	1,450.00	34,800.00		
1.1.2.6 Communications Assistant (20%)	Per month	24	400.00	9,600.00	Per month	24	400.00	9,600.00		
1.1.2.7 PSC Assistant (10%)	Per month	24	200.00	4,800.00	Per month	24	200.00	4,800.00		
1.2 Salaries (gross salaries including social security charges and other related costs, expat/int. staff)										
1.2.1 Technical										
1.2.1.1 Key Expert 1 (Chief Technical Advisor) (PT Member)	Per day	480	600.00	288,000.00	Per day	480	486.00	233,280.00	-23.46%	Note 6
1.2.1.2 Key Expert 2 (Local Service Delivery)	Per day	480	500.00	240,000.00	Per day	480	500.00	240,000.00	0.00%	
1.2.1.3 Key Expert 3 (Local Participatory Processes)	Per day	480	500.00	240,000.00	Per day	480	370.00	177,600.00	-35.14%	Note 7
1.2.1.4 Senior STEs	Per day	600	500.00	300,000.00	Per day	0	500.00	0.00	-100.00%	Note 8
1.2.1.5 Junior STEs	Per day	160	200.00	32,000.00	Per day	0	200.00	0.00	-100.00%	Note 9





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1.2.2 Administrative/ support staff				0.00				0.00		
1.3 Per diems for missions/travel										
1.3.1 Abroad (staff assigned to the Action)										
1.3.1.1 Study Visits (Component 1)	Per diem	48	250.00	12,000.00	Per diem	48	250.00	12,000.00		
1.3.2 Local (staff assigned to the Action)										
1.3.2.1 Training Programs, conferences, workshops,etc.	Per diem	250	120.00	30,000.00	Per diem	250	120.00	30,000.00		
Subtotal Human Resources				1,857,632.00				1,825,880.00	-1.71%	
2. Travel6										
2.1. International travel										
2.1.1 International travel: KEs and STEs	Per travel	50	450.00	22,500.00	Per travel	50	450.00	22,500.00		
2.1.2 International Travel: PT members accompanying the study tours	Per travel	8	450.00	3,600.00	Per travel	8	450.00	3,600.00		
2.1.3 International Travel: Government officials participating to the study tours	Per travel	50	450.00	22,500.00	Per travel	50	450.00	22,500.00		
2.2. Local Travel	Per travel	220	175.00	38,500.00	Per travel	220	175.00	38,500.00		
2.3. Ground Transportation	Per travel	0			Per travel	16	1,300.00	20,800.00	100.00%	Note 10
Subtotal Travel				87,100.00				107,900.00	19.3%	
3. Equipment and supplies										
3.1 Purchase or rent of vehicles				0.00				0.00		
3.2 Furniture, computer equipment										
3.2.1 Desk	Per unit	6	150.00	900.00	Per unit	6	150.00	900.00		
3.2.2 Armchair	Per unit	6	100.00	600.00	Per unit	6	100.00	600.00		
3.2.3 Drawer	Per unit	7	50.00	350.00	Per unit	7	50.00	350.00		
3.2.4 Meeting Table	Per unit	1	250.00	250.00	Per unit	1	250.00	250.00		
3.2.5 Chairs	Per unit	8	100.00	800.00	Per unit	8	100.00	800.00		
3.2.6 Laptop	Per unit	7	650.00	4,550.00	Per unit	7	650.00	4,550.00		
3.2.7 Flash Memory	Per unit	7	50.00	350.00	Per unit	7	50.00	350.00		
3.2.8 Portable Backup Hard Discs	Per unit	7	80.00	560.00	Per unit	7	80.00	560.00		





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3.2.9 All-in-one Laser Printers (color)	Per unit	1	650.00	650.00	Per unit	1	650.00	650.00		
3.3 Machines, tools...				0.00				0.00		
3.4 Spare parts/equipment for machines, tools				0.00				0.00		
3.5 Other				0.00				0.00		
Subtotal Equipment and Supplies				9,010.00				9,010.00	0.0%	
4. Local office										
4.1 Vehicle costs				0.00				0.00		
4.2 Office Rent	Per month	24	2,460.00	59,040.00	Per month	24	2,460.00	59,040.00		
4.3 Consumables - Office Supplies	Per month	24	200.00	4,800.00	Per month	24	393.00	9,432.00	49.11%	Note 11
4.4 Other Services (tel/fax, electricity/heating, maintenance, cleaning)				0.00				0.00		
Subtotal Local office				63,840.00				68,472.00	6.76%	
5. Other costs, services										
5.1. Publications										
5.1.1 Standards and principles on human resources management	Per unit	1000	30.00	30,000.00	Per unit	1000	30.00	30,000.00		
5.1.2 Manual on Localizing EU Acquis	Per unit	1000	30.00	30,000.00	Per unit	1000	30.00	30,000.00		
5.1.3 Comparative assessment on functioning of the local authorities around the world	Per unit	975	30.00	29,250.00	Per unit	975	30.00	29,250.00		
5.1.4 Local service delivery standards	Per unit	975	30.00	29,250.00	Per unit	975	30.00	29,250.00		
5.1.5 Guideline for the realization of service delivery standards	Per unit	950	30.00	28,500.00	Per unit	950	30.00	28,500.00		
5.1.6 Guidelines on local participatory mechanisms	Per unit	950	30.00	28,500.00	Per unit	950	30.00	28,500.00		
5.1.7 User friendly guideline on YEREL BILGI	Per unit	950	30.00	28,500.00	Per unit	950	30.00	28,500.00		
5.2 Studies, research	Per service			0.00	Per service			0.00		
5.3 Expenditure verification/Audit	Per service			0.00	Per service			0.00		
5.4.Evaluation costs	Per service	1	10,000.00	10,000.00	Per service	1	10,000.00	10,000.00		
5.5 Translation, interpreters										
5.5.1 Translation of Documents	Per page	2500	7.00	17,500.00	Per page	3400	7.00	23,800.00	26.47%	Note 12



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5.5.2 Interpretation during Project Events	Per day	187	270.00	50,490.00	Per day	187	270.00	50,490.00		
5.6 Financial services (bank guarantee costs etc.)										
5.7 Costs of conferences/seminars including project launch and closure events										
5.7.1 Project Launch event	Per service	1	34,000.00	34,000.00	Per service	1	34,000.00	34,000.00		
5.7.2 Project Closure Event	Per service	1	34,000.00	34,000.00	Per service	1	34,000.00	34,000.00		
5.7.3 Conferences/seminars/ meetings under Component 1										
5.7.3.1 Consultative Meetings	Per service	18	7,600.00	136,800.00	Per service	18	7,600.00	136,800.00		
5.7.3.2 Regional Consultative Events	Per service	4	43,000.00	172,000.00	Per service	4	43,000.00	172,000.00		
5.7.3.3 Training Programs	Per service	8	6,500.00	52,000.00	Per service	8	6,500.00	52,000.00		
5.7.3.4 Workshops on Localizing EU acquis	Per service	2	35,000.00	70,000.00	Per service	2	35,000.00	70,000.00		
5.7.4 Conferences/seminars/ meetings under Component 2										
5.7.4.1 Consultative Meetings	Per service	3	19,330.00	57,990.00	Per service	3	19,330.00	57,990.00		
5.7.4.2 Focus Group Meetings on impact assessment	Per service	4	18,500.00	74,000.00	Per service	4	18,500.00	74,000.00		
5.7.4.3 Workshops on projection	Per service	3	24,667.00	74,001.00	Per service	3	24,667.00	74,001.00		
5.7.4.4 National Conference on impact assessment	Per service	1	78,000.00	78,000.00	Per service	1	78,000.00	78,000.00		
5.7.4.5 Workshops to discuss the MM's needs on areas of exchange of experience	Per service	3	27,585.00	82,755.00	Per service	3	27,585.00	82,755.00		
5.7.4.6 Experience sharing meetings of matched MMs	Per service	15	15,000.00	225,000.00	Per service	15	15,000.00	225,000.00		
5.7.4.7 Training needs workshops	Per service	1	38,200.00	38,200.00	Per service	1	38,200.00	38,200.00		
5.7.4.8 ToTs on General Management&Skills	Per service	15	21,700.00	325,500.00	Per service	15	21,700.00	325,500.00		
5.7.4.9 Workhops on service delivery standards	Per service	2	18,550.00	37,100.00	Per service	2	18,550.00	37,100.00		
5.7.4.10 Sensitization seminars on new service standards	Per service	10	6,000.00	60,000.00	Per service	10	6,000.00	60,000.00		





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5.7.4.11 Workshops on participatory local mechanisms	Per service	3	18,750.00	56,250.00	Per service	3	18,750.00	56,250.00		
5.7.4.12 Workshops on guidelines of local participatory mechanisms	Per service	2	15,500.00	31,000.00	Per service	2	15,500.00	31,000.00		
5.7.4.13 Trainings on citizen engagement	Per service	8	6,000.00	48,000.00	Per service	8	6,000.00	48,000.00		
5.7.4.14 Workshop on transparency in local authorities	Per service	1	42,960.00	42,960.00	Per service	1	42,960.00	42,960.00		
5.7.4.15 Regional consultations on the Local Government Electoral System and Strengthening of Municipal Councils	Per service	6	12,334.00	74,004.00	Per service	6	12,334.00	74,004.00		
5.7.4.16 Training programs for the social service units on urbanization	Per service	5	18,400.00	92,000.00	Per service	5	18,400.00	92,000.00		
5.7.4.17 Training programs for the staff of local authorities on urbanization	Per service	5	18,400.00	92,000.00	Per service	5	18,400.00	92,000.00		
5.7.5 Conferences/seminars/ meetings under Component 3										
5.7.5.1 Tailor-made trainings to the staff of GDLA on effective use of YEREL BILGI	Per service	3	2,800.00	8,400.00	Per service	3	2,800.00	8,400.00		
5.8 Visibility Actions										
5.8.1 Training Materials	Per set	800	90.00	72,000.00	Per set	800	90.00	72,000.00		
5.8.2 Awareness raising events on participatory local mechanisms	Per service	8	4,000.00	32,000.00	Per service	8	4,000.00	32,000.00		
5.8.3 Project website	Per unit	1	4,000.00	4,000.00	Per unit	1	4,000.00	4,000.00		
5.8.3.1 Project website maintenance	Per month	24	200.00	4,800.00	Per month	24	200.00	4,800.00		
5.8.4 Forming and maintaining project social media presence	Per month	24	125.00	3,000.00	Per month	24	125.00	3,000.00		
5.8.4.1 Using advertisement on social media	Per month	10	200.00	2,000.00	Per month	10	200.00	2,000.00		
5.8.5 Documentary style short movies	Per unit	2	7,500.00	15,000.00	Per unit	2	7,500.00	15,000.00		
5.8.6 Visibility materials	Per service	1	60,250.00	60,250.00	Per service	1	60,250.00	60,250.00		
5.8.7 Distribution visibility materials	Per service	10	100.00	1,000.00	Per service	10	102.00	1,020.00	1.96%	Note 13
5.8.8 Media Packages for various events	Per unit	6	1,000.00	6,000.00	Per unit	6	1,000.00	6,000.00		





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ans social media.											
Subtotal Other costs, services				2,478,000.00	#				2,484,320.00		0.25%
6. Other											
6.1.Study Tours for the Government Staff	Per service	3	45,000.00	135,000.00		Per service	3	45,000.00	135,000.00		
6.2 Software Development on Monitoring of Reforms	Per service	1	100,000.00	100,000.00		Per service	1	100,000.00	100,000.00		
6.3 Survey on Awareness of Urbanization	Per service	1	50,000.00	50,000.00		Per service	1	50,000.00	50,000.00		
6.4 Software to facilitate the communication flow	Per service	1	91,500.00	91,500.00		Per service	1	91,500.00	91,500.00		
6.5 Software of YEREL BILGI	Per service	1	105,000.00	105,000.00		Per service	1	105,000.00	105,000.00		
Subtotal Other				481,500.00					481,500.00		0.00%
7. Subtotal direct eligible costs of the Action (1-6)				4,977,082.00					4,977,082.00		0.00%
8. Indirect costs (maximum 7% of 7, subtotal of direct eligible costs of the Action)		7.00%		348,395.74		7.00%		348,395.74			
9. Total eligible costs of the Action (7+ 8)				5,325,477.74				5,325,477.74			0.00%
10. Provision for contingency reserve (maximum 5% of 7, subtotal of direct eligible costs of the Action)		2.50%		124,427.05		2.50%		124,427.05			
11. Total eligible costs (9+10)				5,449,904.79				5,449,904.79			0.00%





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The modifications made to the project budget, along with detailed explanations and justifications are presented below;

Note	Explanation / Justification
1	Number of units for 1.1.1.1. Senior Short Terms Experts (STEs) has been increased in line with the requirements of the Project. This increase has been made through (i) budget savings/transfers originated from the actual contract amounts of the Key Experts/Project Team (450 w/d) and (ii) transfer of the already budgeted 600 w/d allocated for Senior STEs from budget line 1.2.4.1 to 1.1.1.1.
2	Number of units for 1.1.1.2. Junior Short Terms Experts (STEs) has been increased in line with the requirements of the Project. This increase has been made through (i) budget savings/transfers originated from the actual contract amounts of the Key Experts/Project Team (266 w/d) and (ii) transfer of the already budgeted 160 w/d allocated for Senior STEs from budget line 1.2.4.2 to 1.1.1.2.
3	The amount allocated for the Budget Line 1.1.2.1 (Project Manager) has been adjusted to the UN Salary Scale, which is lower than the originally budgeted amount. Thus, the unit rate has been decreased.
4	The amount allocated for the Budget Line 1.1.2.2 (Project Associate) has been adjusted to the UN Salary Scale, which is lower than the originally budgeted amount. Thus, the unit rate has been decreased.
5	The amount allocated for the Budget Line 1.1.2.4 (Project Assistant) has been adjusted to the UN Salary Scale, which is lower than the originally budgeted amount. Thus, the unit rate has been decreased.
6	Key Expert 1 (Chief Technical Advisor) has been mobilized through a competitive process, which was based on technical (70%) and cost (30%) considerations. UNDP collected price proposals from the short-listed candidates, and the unit rate of Budget Line 1.2.1.1 has been modified in accordance with the price proposal of the candidate that secured the highest score from the combined (i.e. cost and technical) evaluation. The unit rate is calculated as per the UN Operational Exchange Rate for USD/EUR by using the rate of exchange during which CFCU's (the Contracting Authority) contribution was recorded in Organization's (UNDP) account.
7	Key Expert 3 (KE on Local Participatory Processes) has been mobilized through a competitive process, which was based on technical (70%) and cost (30%) considerations. UNDP collected price proposals from the short-listed candidates, and the unit rate of Budget Line 1.2.1.1 has been modified in accordance with the price proposal of the candidate that secured the highest score from the combined (i.e. cost and technical) evaluation. The unit rate is calculated as per the UN Operational Exchange Rate for USD/EUR by using the rate of exchange during which CFCU's (the Contracting Authority) contribution was recorded in Organization's (UNDP) account.
8	The cost of Senior Short-Term Experts has inadvertently been budgeted both under budget line 1.1.1.1 and 1.2.1.4. Thus, budget line 1.2.1.4 has been omitted and the already budgeted amount for 1.2.1.4 has been transferred to 1.1.1.1
9	The cost of Junior Short-Term Experts has inadvertently been budgeted both under budget line 1.1.1.2 and 1.2.1.5. Thus, budget line 1.2.1.5 has been omitted and the already budgeted amount for 1.2.1.5 has been transferred to 1.1.1.2



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Note	Explanation / Justification
10	Based on the forecasted requirements of the Project for smooth implementation of the project activities in pilot municipalities, a budget line for ground transportation in pilot provinces has been added (i.e. Budget Line 2.3)
11	The unit rate for the office consumables/supplies has been increased based on the actual needs. (i.e. Budget Line 4.3)
12	The number of units for the translation of documents has been increased based on the actual needs. (i.e. Budget Line 5.5.2)
13	The unit rate for the distribution of visibility material has been increased based on the actual needs. (i.e. Budget Line 5.8.7)

Annex 4 Expert Working Days per Activity Groups

	Senior Int'l	Junior Int'l	Senior Local	Junior Local
Component 1 Activities				
A.1.1.1.	-	-	-	-
A.1.1.2.	20	-	30	-
A.1.1.3.	25	-	20	-
A.1.1.4.	30	-	20	-
A.1.1.5.	30	20	30	40
A.1.1.6.	20	-	20	-
A.1.1.7.	30	10	30	30
A.1.1.8.	20	10	30	30
A.1.1.9.	25	10	30	30
A.1.1.10.	20	10	30	30
A.1.1.11.	20	10	30	30
A.1.1.12.	20	15	20	28
A.1.1.13.	20	-	20	-
A.1.1.14.	20	-	10	-
C1 Total	300	85	320	670
Component 2 Activities				
A.2.1.1.	20	10	30	30
A.2.1.2.	20	-	30	-
A.2.1.3.	25	-	20	-
A.2.1.4.	30	-	20	-
A.2.1.5.	30	20	30	40
A.2.1.6.	20	-	20	-
A.2.2.1.	30	-	30	-
A.2.2.2.	20	10	30	30

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A.2.2.3.	25	10	30	30
A.2.2.4.	20	10	30	30
A.2.3.1.	20	15	20	48
A.2.3.2.	20	-	20	-
A.2.3.3.	20	-	20	-
C2 Total	300	75	330	650
Component 3 Activities				
A.3.1.1.	-	-	100	-
A.3.1.2.	-	-	240	-
A.3.1.3.	-	-	50	-
A.3.1.4.	-	-	10	-
C3 Total	0	0	400	400
GRAND TOTAL	600	160	1050	426





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Annex 5 Information on Project Staff

This Annex provides information on project team.

Project Team Member	Position	Nationality	Sex	Contract Type	Contract Start Date	Contract End Date***
Ferhat Emil	KE 1: Chief Technical Advisor	Turkey	Male	Individual Consultant (IC)*	Contracting process is ongoing	
Hakan Hakkı Yılmaz	KE 2: Effective Local Service Delivery Expert	Turkey	Male	Individual Consultant (IC)*	Contracting process is ongoing	
Gökhan Menteş	KE 3: Inclusive Local Governance Processes Expert	Turkey	Male	Individual Consultant (IC)*	January 2019	January 2020
Neslihan Yumukoğlu	Project Manager	Turkey	Female	Service Contract**	10.12.2018	31.12.2019
Arzu Aypar Tekbaş	Project Associate	Turkey	Female	Service Contract**	19.11.2018	18.11.2019
Sedef Altaş Başar	Project Assistant	Turkey	Female	Service Contract**	19.11.2018	18.11.2019

* As per UNDP rules and regulations, the contracting modality for the key experts is Individual Consultancy Contract (IC)

** As per UNDP rules and regulations, the contracting modality for the project administration and support staff is Service Contract (SC)

*** As per UNDP rules and regulations, the contracts of the key experts and the project administration/support staff are on an annual basis and are renewed as per the project time plan and based on satisfactory performance.





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Annex 6 Stakeholder Analysis Matrix

Category	Stakeholder	Basic Characteristics	Interests and how affected by the Project	Capacity and motivation to bring about change	Possible actions to address stakeholder interests
National	Ministry of Interior (MoI)	The MoI (General Directorate of Provincial Administrations-GDPA) is charged in duties and services related to the administration of provinces, districts, special provincial administrations, mukhtarships as well as tutelage authority on local authorities	Ministry of Interior via GDPA remained to be the executive agency of Project. Still playing an integral part in the oversight of local administrations the GDPA is interested in the outcomes of the project in order to ensure coherence across government.	The GDPA is holding the heritage of knowledge accumulated through decades of experience on the providing services for the provincial administration of the state. This is also true with regards to function of administrative tutelage over local authorities which will be the main focus after the transfer of GDPA to MoEU	The GDPA is already involved in the steering committee of the project. Although the focus of the Project is around metropolitan municipalities and most of the activities are geared towards metropolitan municipalities there are also critical activities on the overall policy about local administrations and also activities which have implications on mukhtars and SPAs. GDPA will be engaged timely on all activities particularly in those having direct regards.





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	<p>Ministry of Environment and Urbanization (MoEU)</p>	<p>The MoEU (General Directorate of Local Authorities – GDLA) is responsible to carry out the duties and services related to the operation of municipalities, administrations attached to municipalities and municipal unions that are assigned to it by law.</p>	<p>GDLA attaches great interest to the Project and expects to have concrete outputs contributing to the government’s policy agenda on local authorities. The relocation of GDLA to MoEU is of paramount importance in terms of bringing together the mission of the ministry on spatial development with the oversight of local administrations. It is expected that thematic policies at the vertical level and managerial policies at the horizontal level create synergies to achieve development results.</p>	<p>The GDLA is in a transition period to re-establish its functions in a new organizational setting in the MoEU. Accordingly, the Project may confront some inefficiencies in early stages. However, since the GDLA embraces the Project a strong connection is foreseen between outputs and expected change</p>	<p>Involvement of the MoEU in each and every stage of the Project as a co-beneficiary (planning, design and implementation of the activities) is crucial for the success of the project.</p>
	<p>Union of Municipalities of Turkey (UMT)</p>	<p>UMT is the national union of municipalities to which all municipalities are natural members and the UMT is responsible to represent their interests. UMT is the member of the Project Steering Committee and implementing partner of Component 2. The Secretary General of the UMT has a seat in the Presidential Policy Board on Local Authorities</p>	<p>The Project is expected to complement the core functions of the Union such as providing training to municipalities and supporting inter-municipal partnerships which the institution gained great experience in the last decade.</p>	<p>UMT has developed considerable capacity in the last decade. Diversity of activities and extended outreach to municipalities makes the Union critical for success. The institution is motivated for this Project as all components corresponds to strategic areas that are identified by the UMT.</p> <p>The institution also gained great experience in municipal development projects with international counterparts and facilitated the smooth implementation of these projects.</p>	<p>UMT is the implementing partner of Component 2 which necessitates sharing duties with regards to the implementation of the project activities. Regarding the other components the UMT should be part of key project management processes.</p>





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	<p>Presidency for Strategy and Budget</p>	<p>SBO is a presidential entity which was established in July 2018 when the presidential system came into existence by bringing together development planning and budgeting functions.</p>	<p>SBO has to critical functions in relation to the project. The monitoring of development plans and annual programmes in the local authorities sector and coordination of public strategic management across government including strategic planning and performance programming in local administrations.</p>	<p>SBO is highly interested in the project based on the critical functions it assumes on monitoring local administrations in accordance with the government plans and coordinating strategic management policies which complements the monitoring function.</p>	<p>SBO is already a member of the PSC. The involvement of SBO is foreseen into all Project activities providing policy advice, support and coordination among and with the target groups throughout the Project implementation. Key contributions will be also sought from the SBO in the areas directly related with annual programme implementation and public strategic management framework</p>
	<p>Ministry of Treasury and Finance</p>	<p>The Ministry shares responsibilities with SBO in macro-economic planning and budgeting. The ministry has duties and responsibilities about borrowing, accounting and financial control of local authorities.</p>	<p>The project includes some activities which has direct relation to MoTF's mandate. As the tasks for the activities are deployed MoTF is expected to show greater interest.</p>	<p>Merging treasury and finance functions was a critical step for a coherence. Harmonization between these functions as well as between the shared responsibilities with the SBO may take time.</p>	<p>Information exchange and consultation on the activities which has direct reference to the Ministry would increase the Ministry's interest in the Project.</p>
	<p>Presidential Policy Board on Local Authorities</p>	<p>The PBLA was established after the presidential system came into existence in July 2018. Mandate of the board is to develop policy recommendations and to monitor the sector.</p>	<p>The board was convened in November 2018 for the first time with the President. As the board is operationalized it is expected that more interest on the Project will be paid in due course. The activities of the project are direct contributions to the agenda of the board.</p>	<p>The board is at a very early stage. It is expected that the boards involvement in the policy agenda will be accelerated after the local elections in March 2019.</p>	<p>The board members should be invited to key events of the Project. An appointment should be requested from the Secretariat of the board to make a briefing to the deputy chairman or if possible, to the board as soon as the implementation of the Project starts.</p>





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	Court of Accounts	The Court of Accounts is responsible for the external auditing of the local administrations.	The interests of these stakeholders are yet to be determined through meetings to be organized throughout the project.	The capacity and motivation of these stakeholders needs to be assessed during project implementation.	Information exchange and consultation on the planned activities would increase the interest of the Court of Accounts in the Project.
	Bank of Provinces	Bank of Provinces is a long-term credit provider to the local administrations for infrastructure development.	The interests of these stakeholders are yet to be determined through meetings to be organized throughout the project.	The capacity and motivation of these stakeholders needs to be assessed during project implementation.	Information exchange and consultation on the planned activities would increase the interest of the Bank of Provinces in the Project.
	Civil Society Organisations at the National Level	There are a number active nation-wide civil society organisations who can provide valuable viewpoints to the local administration reform process.	The interests of these stakeholders are yet to be determined through meetings to be organized throughout the project.	The capacity and motivation of these stakeholders needs to be assessed during project implementation.	Involvement of the nationally active civil society organisations in multi-participant activities can increase their interest in the Project.
	Professional Organisations	Professional organisations such as the Chamber of Architects and Chamber of City Planners are organisations that closely monitor the developments in the field of local administration.	The interests of these stakeholders are yet to be determined through meetings to be organized throughout the project.	The capacity and motivation of these stakeholders needs to be assessed during project implementation.	Involvement of the professional organisations in multi-participant activities can increase their interest in the Project.





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	Trade Unions	Trade unions of the civil servants and workers employed in local administrations are active in bringing the problems of human resources at the local level to the agenda.	The interests of these stakeholders are yet to be determined through meetings to be organized throughout the project.	The capacity and motivation of these stakeholders needs to be assessed during project implementation.	Involvement of the trade unions in multi-participant activities can increase their interest in the Project.
	National Media	National media have an important role in raising the issues related to transparency, accountability and efficiency.	The interests of these stakeholders are yet to be determined through meetings to be organized throughout the project.	The capacity and motivation of these stakeholders needs to be assessed during project implementation.	Involvement of the national media in multi-participant activities can increase their interest in the Project.
Local	Governorates and District Governorates	Governorates and district governorates represent the administration at the local level and they have influence on the application of the reform laws and policies.	Governorates and district governorates are quite interested in the project. Improved local administration would also improve the overall governance structure at the local level.	Governorates and district governorates have the necessary motivation and institutional capacity to contribute to local administration reform.	Involvement of the governorates and district governorates in each and every stage of the Project activities at the local level (planning, design and implementation of the activities) would increase their interest in the Project.
	Municipalities and Special Provincial Administrations	Municipalities and special provincial administrations are the main target groups of project activities.	In general, municipalities and special provincial administrations would be interested in all project activities.	The capacity and motivation to bring about change will depend on the high-level management and human resources capacities of the individual municipality or special provincial administration.	Involvement of the municipalities and special provincial administrations in each and every stage of the Project activities at the local level (planning, design and implementation of the activities) will increase their interest in the Project.





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	Unions of Local administrations	Unions of local administrations provide training and other types of support to their member municipalities in the delivery of local services.	Unions of local administrations are highly interested in the project activities as these activities complement their overall mission.	Most of the active unions of local administrations have the capacity and motivation to contribute the activities to be implemented within the scope of the project.	Involvement of the unions of local administrations in Project activities at the local level would increase their interest in the Project.
	City Councils	City councils are participatory mechanisms that contribute to the transparent and accountable governance of the municipalities.	City Councils would be interested in all project activities as an entity which is supposed to do public oversight on the municipalities.	Most of the city councils lack the necessary capacity to bring about change however they have the motivation to make contributions within the scope of the project.	Involvement of the city councils in Project activities at the local level would increase their interest in the Project.
	Development Agencies	Development agencies are established to promote regional development through programmes and projects at the local level.	The interests of these stakeholders are yet to be determined through meetings to be organized throughout the project.	The capacity and motivation of these stakeholders needs to be assessed during project implementation.	Involvement of development agencies in multi-participant activities would increase their interest in the Project.
	Local Universities	Local universities carry out research on the current situation and problems of local administrations and services provided by local administrations.	The interests of these stakeholders are yet to be determined through meetings to be organized throughout the project.	The capacity and motivation of these stakeholders needs to be assessed during project implementation.	Involvement of local universities in multi-participant activities would increase their interest in the Project.





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	Local Civil Society Organisations	Local civil society organisations are active in areas related to many local public services.	The interests of these stakeholders are yet to be determined through meetings to be organized throughout the project.	The capacity and motivation of these stakeholders needs to be assessed during project implementation.	Involvement of local civil society organisations in multi-participant activities would increase their interest in the Project.
	Mahalle Muhtars (Neighbourhood Headmen)	Mahalle muhtars are the head of the smallest elected local units and they have an important role in facilitating citizen participation to decision-making.	The interests of these stakeholders are yet to be determined through meetings to be organized throughout the project.	The capacity and motivation of these stakeholders needs to be assessed during project implementation.	Involvement of mahalle muhtars in multi-participant activities would increase their interest in the Project.
	Local Media	Local media have an important role in raising the issues related to transparency, accountability and efficiency as well as the problems related to local public service provision	The interests of these stakeholders are yet to be determined through meetings to be organized throughout the project.	The capacity and motivation of these stakeholders needs to be assessed during project implementation.	Involvement of the local media in multi-participant activities would increase their interest in the Project.
International	UNDP	UNDP is providing technical assistance to the implementation of the project activities.	UNDP is highly interested in the project and successful implementation of project activities will be an important best-practice example in Turkey.	UNDP has the capacity to mobilize the necessary technical and administrative resources for the successful implementation of the project.	Involvement of the UNDP in each and every stage of the Project activities at the local level (planning, design and implementation of the activities) is crucial to keep their interest at the highest level.





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	EU	EU is providing pre-accession assistance to Turkey for the implementation of a series of reforms including public administration reform, which includes improving the capacity of local administrations.	EU is highly interested in the project and successful implementation of the project will contribute their efforts related to public administration reform.		Involvement of the EU in multi-participant activities would keep their interest at the highest level.
	World Bank	The World Bank Group is one of the world's largest sources of funding and knowledge for developing countries. Its five institutions share a commitment to reducing poverty, increasing shared prosperity, and promoting sustainable development.	World Bank is highly interested in the project as it complements with its operations in Turkey one of which is the Sustainable Cities Project which provide technical assistance and loans for infrastructure planning and development.		Involvement of the World Bank multi-participant activities would keep their interest at the highest level.





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Annex 7 Minutes of Kick-off Meeting

Chair: Mr. M.Fatih Serdengeçti, Deputy Director General, Ministry of Interior

Participants:

Mr. Ömer Yamalı, Ministry of Interior
Mr. Bülent Boztuğ, Ministry of Interior
Mr. Gülşad Yalpu, Delegation of the European Union to Turkey
Mr. Emre Karapınar, Central Finance and Contracts Unit
Ms. Seher Alacacı, United Nations Development Programme
Ms. Sezin Üskent, United Nations Development Programme
Mr. Bülent Açıkgöz, United Nations Development Programme

Discussion Points:

- Ministry of Interior (MoI) and UNDP briefed the participants about the objective of the kick-off meeting² as stipulated in the Grant Agreement signed by UNDP, Central Finance and Contracting Unit (CFCU) and EU Delegation (EUD) as a conditionality in first month of the signature of the Grant Agreement.
- MoI briefed/updated the meeting participants about the recent restructuring process in state institutions which also resulted in repercussions for the management arrangements of Local Administration Reform Phase III Project (aka LAR III).
- MoI confirmed that, based on the protocol recently signed by both ministers on division of functions/responsibilities that the MoI and Ministry of Environment and Urbanisation (MoEU) will bear; the MoI suggests continuing to act as the lead beneficiary/responsible of LAR Phase III Project, with the overall responsibility of oversight on local authorities in Turkey. MoI proposed to involve the newly established GDLA under MoEU as the co-beneficiary since the Project outputs will remain within the defined responsibilities of GDLA under MoEU. MoI indicated that during the transition period, selected group of MoI/ former GDLA staff (including Deputy DG) has already temporarily been assigned for structuring of the GDLA/MoEU.

² As per the Grant Agreement: A.0.2. Kick-off meeting (first Management Meeting): The Action will be launched with a kick-off meeting to be organised within the first month of the commencement of the Project, which will be participated by the MoI/GDLA, UNDP, the CFCU and the EUD. At the kick-off meeting, the UNDP will present the Project activities. Also, the additional members of the Steering Committee and monitoring and evaluation of Action's activities will be discussed and agreed on with the MOI/GDLA and the CFCU. The kick-off meeting will be held in either the UNDP or the MoI premises





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- The LAR III Project Grant Agreement was signed on 28.06.2018 and the project has officially started.
- In this sense, in order to operationalize the project at UNDP side, UNDP signs a UNDP format Project Document with Ministry of Interior and Ministry of Foreign Affairs. UNDP informed the CFCU and EUD about the UNDP Project signature processes and the purpose of the Local Project Appraisal Committee meeting, which was held in June 2018.
- Accordingly; the UNDP format Project Document, which had been discussed with MoD (new Strategy and Budget Presidency) and MoI during a series of meetings held in June 2018 (*see attached minutes*) needs to be revisited as per the new roles and responsibilities attached to Ministry of Interior as the lead beneficiary of the Project. Upon the discussions to be made with the donor, contracting authority and the Partner on the new structure in line with the terms and conditions of the Grant Contract, UNDP will have a dedicated meeting with the new Strategy and Budget Presidency to agree on the new partnership structure. UNDP reiterated that although the Grant Agreement was signed between EU and UNDP, the Project will officially start with the signature of the UNDP Project Document by the MoI, MoTFA and UNDP through the endorsement of new Strategy and Budget Presidency.
- If the MoEU will be introduced as co-beneficiary in the Project a modification in Action Document of the Project (first proposal) may be needed and EUD informed that Presidency of EU Affairs/MoTFA needs to be consulted about these processes.
- MoI, UNDP, EUD and CFCU declared their high-level continued commitment and support in launching LAR Phase III Project in timely manner.

Annex 8 LAR Phase II Final Report

Enclosed as a separate document.

* * *

End of Document



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