Working Project Titles:	**Reconciliation and Federalism Support Project (REFS) for Somalia (2018-2020)**
NDP Pillars and title:	This project links into NDP Pillar Working Group (PWG). Pillar 1 'Inclusive Politics'. This project document will contribute to and be validated by the Pillar Working Group
Capacity development (CD) priorities:	The outcome of this Programme is "an empowered, better managed, more capable, and more accountable Somali federal administration system that supports statebuilding priorities, consolidates linkages between the FGS and FMS, contributes to stability and responds to citizen needs"
Overall strategic objective of the Project contributing to the Cross-cutting Capacity Development	In line with the FGS National Development Plan (NDP) vision for public administration *"We are committed to developing a functioning public administration that is able to deliver quality services efficiently and consistently to all citizens across the whole territory of the Federal Republic of Somalia."*
UN Somalia Strategic Framework (UNSF):	The project contributes to the UNSF Strategic Priorities: SP2: Supporting institutions to improve Peace, Security, Justice, the Rule of Law and safety of Somalis, and SP3: Strengthening accountability and supporting institutions that protect.
UNDP Somalia Country Programme Document (CPD):	The project will contribute to the UNDP CPD Output 2.1: Core functions of government ensure effective, efficient, transparent and accountable government management**.**

Contents

1. Short Description of the Project 2

2. Abbreviationsand Acronyms 4

3. Executive Summary 6

3.1.What Support will UNDP provide 7

3.2.Why is UNDP Support required? 7

4. Context, background and lessons learned 9

5. Programme Description 18

6. Programme Strategy 19

7. Theory of Change (ToC) 21

8. Programme Outputs 23

Output 1 Reconciliation Mechanisms established in Support of Administrative Arrangements in the Federal Context 23

Output 2 Federalism is Organised, Consistent and Coherent in all Federal Member States (organisation, roles, responsibilities, powers) with the FGS 26

Output 3: Federal Administration is Operationally Enabled to Improve Effectiveness and Efficiency 29

9. The Results Framework 32

10. Management Arrangements 36

10.1. Project Management Arrangements 37

10.2. Project Assumptions, Constraints and Risks 40

11. Monitoring Framework and Evaluation 41

12. Legal Context or "Basis of Relationship" 44

13. Budget and Value for Money 45

Annex A: Theory of Change Analysis 48

Annex C: Risk Log and Integrated Risk and Opportunity Management 52

1. Short Description of the Project

The purpose of this project is to support the Federal Government of Somalia (FGS) and the Federal Member States (FMS) to implement their chosen method of State Administration and Federalism process through need based political settlement, boundary delimitation and reconciliation process. The project will consolidate State formation efforts to build and harmonise the emerging federal system in the FGS and the FMS, ensuring alignment with the objectives of the New Partnership for Somalia (NPS) and the NDP. The presence of the State on the territory of Somalia is being re-established in the context of a new three-tiered federal system which includes the FGS, the FMS and district level administration. Consolidating State building process can be achieved, in part through translating constitutional provisions for allocation of powers and resources into appropriate administrative arrangements (as currently set out in Article 50; support to clarifying administrative responsibilities and the development of appropriate primary and secondary legislation; leveraging aid management and coordination of external support to support these arrangements; ensuring that the State has the operational capability to do its job; and support to reconciling interest groups in disputes concerning administrative management of the state. Ultimately the aim of the project is to support the government to establish government administrative machinery that can really begin to deliver improved services. The project will support the government to establish a governance machinery that is well-structured and well-managed, has legitimacy in the eyes of the citizens and is geared up to provide the services citizens expect.

The specific areas where the project will provide technical assistance, financial, human resources and logistical support will be provided are set out in three outputs:

Output 1. Reconciliation mechanisms established in support of Administrative Arrangements in the Federal context (regional outreach and inclusiveness, boundaries)

Output 2. Federalism is Organised, Consistent and Coherent in all Federal Member States (organisation, roles, responsibilities, powers) with the FGS

Output 3. Federal administration is enabled to improve effectiveness and efficiency (operational support, small scale works to support infrastructure, transport, essential equipment)

The Project will also cement effective harmonization with other public administration related programmes, specifically those of partner UN organisations working in the political and service delivery fields, the IMF, AfDB, and World Bank and other development partners supporting public administration at all levels of the administrative hierarchy.

Project Duration: Two years and three months (27 months) Start Date: Sept/Q4 2018 End Date: 31st December 2020	**Total amount: USD 10,911,342** Sources of funding to be Mobilized: 1. Somalia UN MPTF USD XXX 2. Other sources: PBF USD 2.5(Expected) 3. Other sources: UNDP 4. Other Sources:

Names and signatures of national counterparts and participating UN Organizations

Participating UN Organizations:	National Coordinating Authorities PWGs lead

UNDP *George Conway, UNDP Resident Representative a.i.* Digitally signed by George Conway DN: cn=George Conway, o=UNDP, ou=UNDP Somalia, email=george.conway@undp.org, c=SO Date: 2018.12.27 05:46:21 +03'00' *Signature:*_____ *Date and Seal:*	Ministry of Interior and federal Affairs and Reconciliation *Minister* *Signature:*_____ *Date and Seal*
UNSOM Chief, PAMG *Signature:*_____ *Date and Seal*	

2. Abbreviations and Acronyms

AfDB	Africa Development Bank
BRA	Banadir Regional Administration
CD	Capacity Development
CIM	Capacity Injection Modality
CLA	Collaborating, Learning, and Adapting
CR	Compact Review
CSI	Civil Service Institute
DFID	Department for International Development (UK)
DP	Development Partners
DSI	Durable Solutions Initiative
EU	European Union
FAO	Food and Agriculture Organization
FCAS	Fragile and Conflict Affected Situations
FGS	Federal Government of Somalia
FMS	Federal Member State
GDP	Gross Domestic Product
HACT	Harmonized Approach to Cash Transfer
HLPF	High Level Partnership Forum
HRM	Human Resource Management
HRP	Humanitarian Response Plan
IMF	International Monetary Fund
IC	Independent Commission for Boundaries and Federalism
IOM	International Organization for Migration
MoF	Ministry of Finance
MoIFAR	Ministry of Interior and Federal Affairs
MoPIED	Ministry of Planning, Investment and Economic Development (previously MOPIC – Ministry of Planning & international Cooperation)
MoLSA	Ministry of Labour and Social Affairs
MPTF	Multi Partner Trust Fund
MAF	Mutual Accountability Framework
NCSC	National Civil Service Commission
NGO	Non-Governmental Organization
OPM	Office of the Prime Minister
PB	Project Board
PCSC	Puntland Civil Service Commission
PEA	Political Economy Analysis
PFM	Public Financial Management
PMO	Prime Minister Office
PMU	Project Management Unit
PPs	Partnership Principles
PSC	Project Steering Committees
PSGs	Peacebuilding and Statebuilding Goals
UNRCO	UN Resident Coordinator's Office (part of the UN Integrated Office)
SDRF	Somalia Development and Reconstruction Fund
SIDP	Somali Institutional Development Project (UNDP project)
SIP	Strengthening of Institutional Performance (UNDP project)

SFMIS	Somalia Financial Management Information System
SoPs	Standard Operating Procedures
SSCU	South-South Coordination Unit (in MoPIED)
StEFS	Support to Emerging Federal States Project (UNDP Project)
TA	Technical Assistance
UN	United Nations
UNDP	United Nations Development Programme
UNOPS	United Nations Office for Project Services
UNRCO	United Nations Coordinator's Office (part of the UN Integrated Office)
UNSOM	United Nations Assistance Mission in Somalia
USAID	United States Agency for International Development
USD	United States Dollar
WB	World Bank

3. Executive Summary

Contribution to the National Development Plan and Alignment with NDP Objectives

The Reconciliation and Federalism Support Project (2018-2021) (hereon referred to as **REFS**) has been developed in response to, and aligned with, the highest priorities of the National Development Plan (NDP), particularly as set out in Chapters II and VI. The REFS Project aims to support the Federal Government of Somalia (FGS) and the Federal State Administrations in achieving the Policy Priorities (PP) of the NDP. The REFS contributes to the goal of Inclusive Politics **"Achieve a stable and peaceful federal Somalia through inclusive political processes and effective decentralization".** The project also contributes to NDP(PP) speciafically PP11 **"Develop a solid federal political and executive framework that empowers the federal member states to deliver services and economic opportunities to the citizens of Somalia in a secure environment"**; The current NDP agenda for achieving inclusive politics comprises 'democratization, finalizing the Constitution, and decentralization'; implementing the federation process. The NDP policy seeks to reach political agreement on the principles that underlie the distribution of roles and responsibilities over the three tiers of government and to translate these political agreements into executive (management) arrangements throughout the government structures. Chapter VI of the NDP is the public-sector management chapter, with a clear focus on the core of government functionalities, including development of the civil service, administrative reforms, human resource management, and improved government coordination mechanisms. The project concurrently supports the priorities identified in the NDP Pillar Working Groups and the recently drafted 'Political Roadmap for Inclusive Politics'.[1]

The project supports Sustainable Development Goal (SDG16) recognizing the centrality of governance-informed development to ensure that societies' aspirations for higher access and quality of public services will be achieved through core government functions that are effective, responsive and inclusive.

Project Outcome: The expected project outcome is **"The Federal administration is better managed, more organised, more capable, more accountable and responsive for the Somali people".** In addition, it is expected that there will improved coherence in the international community's support for developing the federal system and public administration of Somalia

> ***"We will seek to enhance the effective communication and coordination between federal states and the federal government…for the sake of clarity, let me reiterate that we are committed to federalism."***
>
> President Mohamed Abdulahi Mohamed addressing the Somalia Partnership Forum in Mogadishu on the 4th December 2017.

The purpose of this project is to support the Federal Government of Somalia (FGS) and the Federal Member States (FMS) to implement their chosen method of State Administration and Federalism

[1] Drafted by the FGS Office of the Prime Minister Cabinet Sub-Committee for Inclusive Politics and FGS approved, under discussion with FMS

process through need based political settlement, boundary delimitation and reconciliation process. The project will consolidate State formation efforts to build and harmonise the emerging federal system in the FGS and the FMS, ensuring alignment with the objectives of the New Partnership for Somalia (NPS) and the NDP

The presence of the State on the territory of Somalia is being re-established in the context of a new three-tiered federal system which includes the FGS, the FMS and district level administration. Consolidating State building proces can be achieved, in part through translating constitutional provisions for allocation of powers and resources into appropriate administrative arrangements (as currently set out in Article 50 (below); support to reconciling interest groups in disputes concerning administrative management of the state; support to clarifying administrative responsibilities and the development of appropriate primary and secondary legislation;and ensuring that the State has the operational capability to do its job. The machinery of all government administration in Somalia therefore needs to have 'demonstrated' positive influence on the quality of life of all the citizens.

The specific areas where financial, human resources and logistical support will be provided are set out in **three outputs**:

Output 1. Reconciliation in support of Administrative Arrangements in the Federal context (regional outreach and inclusiveness, boundaries)

Output 2. Output 2 Federalism is Organised, Consistent and Coherent in all Federal Member States (organisation, roles, responsibilities, powers) with the FGS

Output 3. Federal administration is enabled to improve effectiveness and efficiency (operational support, small scale works to support infrastructure, transport, essential equipment)

The Project will also cement effective harmonization with other governance and public administration related programmes, specifically those of partner UN organisations working in the political and service delivery fields, the IMF, AfDB, and World Bank and other development partners such as the EU, DFID (PREMIS) and USAID(SSG) supporting elements of public administration at all levels of the administrative hierarchy.Where appropriate links are made to stabilisation programmes.

3.1.What Support will UNDP provide

UNDP will provide technical, advisory and logistical assistance and manage the financial resources allocated to the project over the three financial years 2018(Q3/Q4), 2019 and 2020 to build and harmonise the emerging federal system, support boundary delimitation process and administration arrangements in the FGS and the FMS.

3.2.Why is UNDP Support required?

This support builds upon the previous two UNDP / UNSOM programmes to support statebuilding, StEFS. This intervention is part of the overall United Nations support to Somali state building, helping to contribute to the prospects for a negotiated, reconciled and stable Federal State system, one that is supported by all Somalia. This project supports the key strategic priorities of the Somalia NDP, the Political Roadmap, the NPS and the MAF with those issues central to building an effective and efficient

federal administrative system. The project also supports MoP to continut ot play its vital role in aid coordination and effectiveness through building and consolidating SDRF-NDP linkages.

The Project builds on UNDP's strong partnership with the FGS and the FMS and its experience to date in supporting state formation and administration, where UNDP has been the lead implementing partner on behalf of the international community. Both the FGS and FMS have now requested UNDP and UNSOM support to embed and develop the key statebuilding processes with a focus on core government functions.

The Federalism is key to the future security and stability of Somalia. President Mohamed Abdullahi Mohamed ("Farmaajo")reiterated his government's commitment to protecting and promoting federalism noting that the Federal Member States were instrumental in ensuring representative governance. Addressing the Somalia Partnership Forum in Mogadishu on the 4th December 2017, the President said, ***"We will seek to enhance the effective communication and coordination between federal states and the federal government…for the sake of clarity, let me reiterate that we are committed to federalism."***

The political and social reconciliation process is still ongoing this is why the process towards federalism will be complemented by a national framework for reconciliation including dimensions such as a delineation of administrative boundaries supporting the formalization of pre-existing states with another focus to engage state and non-state actors on state building. UNDP thereby subscribes to the vision of a stable and peaceful federal Somalia through inclusive political processes and effective decentralization.

Competitive advantage of the Project:

- The Project will be **jointly implemented** by UNSOM(Political and Mediation Group), UNDP and FGS, which brings synergies between **project delivery** and **political dialogue** facilitation.
- The Project will liverage on the UN's mandate to facilitae political dialogue towards Peace and State building Agenda.
- **Government ownership:** The project is fully owned by Federal government and Federal member states and will be implemented by the government partners with UNSOM/UNDP support.
- **Presence across the country:** The REFS project will use effectively good offices of UNSOM in states to facilitate reconciliation and federalization efforts. UNDP/UNSOM have offices and presence in all the states in Somalia,
- **Builds on StEFS Partnership and Stakeholders relationship:** The REFS project builds on the strength of StEFS project which has established strong partnership at FGS, FMS and wide range os staekholders/actors. The REFS Project will continue to work with a wide variety of stakeholders to adapt to the evolving political and administrative dynamics in Somalia through a problem-driven, outcome-focused adaptive project management system. This is possible by
- **Builds on UNSOM Politcical understanding of** priorities and sensitivities around the process of designing Federal government systems and the decentralised system of governance
- **Fosters synergies and collaboration** with other UN/implementing partners,programmes and project such as JPLG, Constitution, parliament, rule of law, election, SSF,FCA etc..

4. Context, background and lessons learned

4.1. Somalia Country context[2]

Somalia is a complex political, security and development environment. Despite significant improvements in the past few years and much of its recent past has been marked by poverty, famine, vulnerability to disasters and marginalization, insecurity and recurring violence. All major economic activities were disrupted by the civil war, which led to the collapse of agriculture, manufacturing and related activities. It is estimated that during 1991 – 2005 GDP fell on average by about 4% annually. The High Frequency Survey of 2016 indicated that 69% of the Somali live in extreme poverty, making less than below the poverty of $1.9 per day. Poverty cuts across sectors, location, groups and gender, and its forms and causes vary.

Women are especially affected by poverty and inequality. Somalia's Gender Inequality Index is alarminglyhigh, at 0.773, close to the maximum value of 1, which shows extreme gender inequality. Women suffer moreexclusion and inequality than men in terms of economic empowerment including labour market participation.[3]Most women in Somalia are uneducated and maternal mortality rates are among the highest in world. Furthermore, 27% of the young women are neither in school nor employed, compared to 15% of their male counterparts.[4]Poverty in Somalia is more pronounced in the IDP camps, estimated to be 88% of all IDPs, followed by rural areas with 75% and other urban areas with areas 67%. Women and children comprise 70-80% of internally displaced people (IDPs) in Somalia. More than two thirds of the people who are at risk of malnourishment and in crisis and emergency situations, are IDPs. Nearly 215,000 children aged under five are acutely malnourished, of whom almost 40,000 are severely malnourished and face a high risk of disease and death[5]. Somali citizens lack access to social services, particularly education, health, clean water and sanitation.The drought in 2016/2017 has further deteriorated this situation. These figures are relevant to a statebuilding project as they set out the extreme nature of the challenge facing the government.

This is a time when a strong, stable and capable government is needed to tackle such substantial problems and make better use of the aid that Somalia receives from the International Community, with linkages with humanitarian and development funds

The National Development Plan (NDP)

Towards the end of 2016, **Somalia approved, for the first time in over 30 years, a new National Development Plan (NDP), covering the period 2017 – 2019.** The plan describes the priorities for development in investment in the political and security arena, the government and governance areas as well as in the different service and productive sectors in the country. The NDP strives to **rebuild** government, unlock economic recovery, improve resilience and reduce abject poverty.The core NDP priorities include:

[2] This section is based on the Somalia National Development Plan as well as the papers prepared for the London Conference

[3]http://www.undp.org/content/dam/undp/library/corporate/HDR/Arab%20States/HDR-Somalia-Factsheet-2012-E.pdf

[4]http://www.undp.org/content/dam/undp/library/corporate/HDR/Arab%20States/HDR-Somalia-Factsheet-2012-E.pdf

[5] OCHA- 2015

- Realize political settlement and improve security through open politics and reconciliation, and the re-establishment of the Somali National Armed forces and reform of the security sector;
- Federal political and economic framework that empowers the federal member states (FMS) to deliver services and economic opportunities to the citizens of Somalia

The underlying approach towards unlocking economic recovery and improving resilience hinges on establishing **productive collaboration** between the government sector, the private sector and the non-for-profit (or NGO) sector. Each of these sectors has a role to play and if one of them fails, the overall approach will be at risk.

The NDP also emphasises the importance of service delivery, institutional strengthening and peace building. **The REFS project seeks to support the implementation of the NDP and contribute towards its intended impact which is reflected in the impact statement for the project.**

The **overall impact of the work** ahead is that a stable and peaceful Somalia will emerge, where citizens freely engage socially, economically and politically, and where conditions are met to sustainably improve the quality of life, meaning access to employment and essential services like health and education, and will be better prepared to withstand human-made or natural disasters.

4.2. State Re-establishment in Fragile Settings and Somalia

For a safe and stable Somalia to emerge, Somalia needs strong, affordable and competent government. After decades of war in Somalia the remaining state structures are yet to be re-established. State functions will need to continue to be redesigned to allow regulated service delivery while the society is going through an intense process of reconciliation. It is thus essential to continue to support the development of institutional arrangements and organizations in parallel.In the civil service, a variety of measures are needed to ensure that individuals are deployed within the organizations who can operate the machinery andbe held accountable.

Much will depend on the outcome of constitutional discussions. The Ministry of Constitutional Affairs, Parliamentary Oversight Committee and the Independent Constitutional Review and Implementation Commission, signed a memorandum of understanding (MoU) in mid-November 2017, outlining their roles and working relationship in the review and implementation process of the constitution. The process had stalled earlier due to disagreements between the bodies.President Mohamed Abdulahi Mohamed and FMS leaders met in early November 2017 and resolved to re-start the review and implementation process concluding that the process must be completed by 2018 to pave way for the national referendum to formally adopt a new constitution. At the time of writing all leaders support the current MoU and agreement and have called for respect and adherence of all the terms of the agreement. The new **Roadmap for Political Inclusiveness** was released mid-January 2018 outlining the approach and indicating government commitment to the agenda. Donors have committed to the statebuilding project recently and most notably through the signing of the **New Partnership for Somalia (NPS)**, along with the **Mutual Accountability Framework (MAF)** of the NPS, endorsing the MAF as a framework for joint Somalia-international communityoversight and accountability.

Naturally the establishment of state systems (political, judiciary and executive) is **a deeply political process** where the different actors need to agree on the desired structure and the relations between

the constituent elements. While the Somalia constitution refers to a federal system, this federal system is still to be fully established. The exact nature of the roles and responsibilities at the different levels of government will depend on the outcome of this debate. The UN is supporting these political processes through its 'good office' functions as well as with material support allowing discussions, meetings, workshops and conferences bringing various partners together to take place.

The federalism solutions adopted will also in determine to a significant extent the overall structure and scope of the preferred **service delivery model**[6]**.** In turn, this has a very important impact on the type of role and functions a government will adopt and implement, and the expectations concerning functions of the non-state actors.

The state formation process is in practice an **iterative process** between an emerging political agreement and the simultaneous and pragmatic development of state structures and functions. While these decision-making processes are ongoing, the governments at federal and state level, as well as at municipal level, are established and are to varying degrees increasingly operational. They are supported by different international agencies in their organisational structure establishment, personnel establishment, training on skills and competencies, relations with non-state actors etc. Mostly, this support is motivated by (the prospect of) providing services to the citizens. However, while this support is necessary to establish a certain level of legitimacy of the state institutions, it is taking place in a vacuum of legally established arrangements, as political negotiations continue.

There is a risk that this may lead to the establishment of systems and structures that will not match with the political agreements still to emerge. Later adaptations may be required. This adaptation may become complicated as investments in the establishment of these systems and structure is expensive and are likely to have led to expectations on roles and responsibilities: they may become '**locked-in investments'**.

A second element is that the re-establishment of state functions is operating at **different speed in different regions and sectors;** and supported by different agencies where overall coordination is sub-optimal. In such a situation, the likelihood is significant that in different regions or different sectors varying 'models' of role and responsibility distribution and service delivery emerge. The risk is that this ultimately may lead to a governance system that horizontally, for instance at FMS level, is very uneven. This makes the management at this government layer extremely complicated – and most likely more expensive than necessary. The above narrative suggests the need for the next phase of statebuilding (SB) to be designed and supported differently.

4.3. Somalia State Building Since 2012 – Progress to Date

Over the past few years, major achievements have been realized to re-establish the state in Somalia. While many key SB issues were shifted toward future decision-making, the **2012 Interim Constitution** has served over the past years as a reference point in state building and allowed the establishment of the key institutional infrastructure for the public sector.

A second major milestone was the agreement in 2013 on the **New Deal Compact**, where the Somalia leadership and international community agreed the priorities for development and the way in which

[6] Broadly speaking, a spectrum ranging from 'government provides all services' on the one hand and on the other hand 'all services are provided by non-state actors' and funded by the IC

the cooperation would be shaped. The innovative Compact linked the Aid Coordination Architecture to decision-making on fund allocation for specific activities in a coherent and comprehensive architecture. While political exchange took place twice per year in the High-Level Partnership Forum (HLFP), the more regular strategic discussion took place in the Somalia Development and Reconstruction Facility (SDRF) Steering Committee, while the practical action design and alignment took place in the Peace and Security Working Groups (PSG). While it took some time to make this architecture operational, the 2016 review concluded that it worked to the satisfaction of most participants and is likely to have contributed to advancing peace and development.**The NPS and MAF** now represent an updating of the Aid Coordination architecture. UNDP has supported Somalia in its SB efforts, most recently through two projects, StEFS and SIP, Boxes 1 and 2 set out the recent achievements.

In terms of the Constitution, Somalia is generally accepted to now be an'emerging federal state'. The following powers being reserved to the Federal Government: Foreign Affairs, National Defence; Citizenship and Immigration; and Monetary Policy. All other envisaged areas of authority affecting the federal statesare, by implication, reserved for the FMS. Notwithstanding the emergence of a new federal administration, its sphere of influence still does not extend across the whole geographic area of de jure Somalia; Somaliland declared independence unilaterally (18 May 1991) and Puntland asserted its autonomous status in 1998 although it has indicated accession to the federal state.The Provisional Constitution requires that two or more regions should join to establish a state. Accordingly, federal state formation commenced in 2014 (Jubaland), continued in 2015 (Galmudug and South-west) and 2016 (HirShabelle). While formally and 'constitutionally' decision-making on the status of the Federal Member States still requires attention, in practical terms all states are now being treated as full Federal Member States (FMS), albeit with varying capacities to implement their mandates.

Besides this, in 2015 Boundaries and Federation Commission(IBFC) was established and is mandated according to Article 111E of the Provisional Constitution to play a key role in the final demarcation and recognition of federal member states. The commission has now full fledged established office and representatives in FMS, much needs to be done to implement the boundry delimitation process through consultative and participatory methods towards effective federalism process.

Box 1 Key Achievements of StEFS since 2016

Facilitated State formation of the two FMS and contributed to ongoing/post-state formation through reconciliation/ peace building process

Enhanced Peace Building efforts through reconciliation process and ceasefire/peace agreements in conflict prone areas: in Merka, in Gedo, ASJW /Galmudug, Galkayo, Mudug in Galmudug and more.

Established ICBF, developed functional organization structure, plans on delimitation and Federalism.

Improved ICBF coordination & dialogue with Puntland, HSS, SWS and JSS on boundary delimitation process. Initiated establishment of Task force/boundary delimitation focal points in each state.

Support to the OPM/MOIFA to initiate dialogue on formation of Inter-Ministerial/Governmental Regional forum/technical committee on federalism and developed Political road map.

Established South- South Cooperation; MOUs and long-term support initiated in the area of capacity development support initiated between Somalia and Kenya, Ethiopia, Uganda countries/institutions.

Established Public Accountability Forums and developed State Citizens report, leading to enhanced Government- citizen engagement towards State building agenda.

Developed FMS Organizational/Cabinet structures, Strategic Plans, Administration regulation/guideline towards effective institutional development process.

Supported the FMS to establish a basic working environment & immediate capacity development support.

4.4. Lessons learned from the Somalia Federalism Process

Despite challenges and setbacks, all Federal and FMS governments now exist, the NDP and State Strategic Development Plans are aligned and driving the developmental agenda. A revised aid coordination architecture is operational as of the end of 2017, a series of strategic sector approaches have been agreed upon, and the legislative agenda is advancing with notable successes in 2017[7].

Nevertheless, challenges continue to emerge. Re-establishing state structure after a de facto absence of some 25 years is a unique process without precedent in the world. This is not the place to extensively analyse *all* aspects of the federal process. However, in the context of the present project severalare particularly relevant.

Does the constitutional review process take priority over agreeing executive management arrangements? One of the key questions surrounding the discussion on Federalism has been whether the constitution review process should be finalised first before more detailed arrangements concerning roles and responsibilities at the different government levels could be determined. Practice and observation suggestthat the various layers of government, and especially the FMS, have moved quickly to assume roles and responsibilitiesas they come to terms with their roles and try to make an impact on development in their respective regions. The mandates of each of the ministries was defined, their main roles taken on board. In a similar sense, various sector strategies now stipulate specific arrangements for roles at Federal and Federal Member State (and District) level.

While fully understandable froma practical point of view, the risk of his approach is that arrangements on roles and responsibilities may emerge unevenly between sectors and between different horizontal government layers. The lesson learned to date is that the constitutional review process and the process to design role and responsibility distribution arrangements in the federal context are in a symbiotic and iterative relationship, where each process influences the other.The REFS document has been developed in close consultation with the next phase of support for theConstitution Review Support Project (CRSP-II). Upon approval of both projects, a joint paper will be developed highlighting potential synergies and opportunities for joint working and costs savings.

[7]Including recently the Budget Law for 2017, National Telecommunications Act, National Refugee Law and National Reconciliation Law, Act of Constitutional Court, Anti-Terrorism Law, Law on Fisheries in the Country, Law to establish the constitutional court

How to operationalise inclusiveness in the Federalism debate?In shifting over organically from what previously was a unitary state, it is only natural that different opinions and expectations emerge on what exactly constitutes a federal state. The core of this issue is to ensure that the political and executive arrangements that ultimately make the federal state operational are designed in an inclusive manner; ensuring broad buy-in to the solutions and strong legitimacy of the state structures.Multiple communities and stakeholders in Somalia have an uneasy relationship and trust needs to be further strengthened,creating common platforms to address the wider challenges the country is facing. As the 2017 reconciliation conference clearly indicated, ongoing reconciliation efforts are essential to ensure these common political, executive, judicial, security and other platforms can emerge and generate the required levels of legitimacy.While international support and 'good office' functions are important, there is wide-spread agreement that the solution and specific design should be **Somali-owned and Somali led**.

The structure of decision-making on how the federal structure will be decided is the key to success. The structure consists on the one hand of formalised political and executive leadership platformsas well as informal arrangements where issues can be addressed in more open debate settings. Both cases need to be complemented by a solid approach to transparency, citizen inclusion and genuine response to citizen expectations.

Where do role and responsibility arrangements emerge and how are they formally endorsed?Over the past few years, a series of de facto agreements have been reached. Discussion platforms are operational, e.g. concerning fiscal matters, revenue management, and currency reform. However, the nature of these agreements and platforms generally is sector based, most often leading to *ad hoc*agreements documented in sector policies or strategies.While this process is quite logical and organic, two main questions remains:

- How are the arrangements formalised in constitutional or other legal instruments, noting the need for harmonisation and that not all arrangements require inclusion in the constitution?
- How are these emerging agreements controlled for consistency across the different sectors and how are emerging responsibility and accountability arrangements matched with the means required to discharge these responsibilities and accountability?

In both cases the present situation is unclear and a transparent process concerning the approval of such agreements needs to be reinforced along with increased to review the emerging agreements in different settings in terms of consistency and coherence measured against legal development and authority, policy and strategy design, oversight and enforcement arrangements, service delivery structures, financial requirements, and standard setting.

4.6. Selected Lessons Learned from other Fragile States Statebuilding Interventions

Sound evaluation of the achievements of recent statebuilding interventions is generally regarded as offering mixed results. Since 2011, the DFID sponsored Secure Livelihoods Research Consortium (SLRC) has sought to understand how processes of post-conflict recovery and state-building play out in some of the world's most challenging contexts, with a view to equip policy-makers and practitioners with

better information on how to support these processes.The SLRC has recently produced two briefings[8] setting out their findings on statebuilding, service delivery and livelihood recovery in Fragile and Conflict Affected Situations (FCAS). In sum, the SLRC identified that state-buildingand recovery are turbulent processes – and supporting themrequires more than technical 'best-practice' fixes. Policyand programming need to become more adept at navigatingpolitics, building relationships, and responding to everchangingsituations. They make a strong case for adaptive programming and management. This overarching message is underpinned by fivekey findings from SLRC's research programme.

Finding	**How this Project Addresses the Finding**
Livelihood recovery is neither automatic nor linear after conflict.	Livelihood recovery depends, to an important extent, on the ability to identify the priorities and turn these priorities into dedicated action, drawing in and aligning the different stakeholders. REFS will address this from several angles, including clear government structure with clarified roles and responsibilities, appropriate internal coordinating mechanisms, a proper planning and M&E structure and a dedicated effort to gain insight in changes underway in Somalia society. Outputs 2, 3, 4 are pertinent
It is the 'how' that matters when it comes to the question of whether service delivery can enhance state legitimacy.	The 'how' refers to whether citizens believe that the services the public sector is providing or arranging are contributing to improving their quality of life. Through the support provided to identify the overall role and responsibility for service delivery, clarity will emerge as to which government layer will be responsible for which element in the overall service delivery mechanism (ranging from planning, financing, standard setting to oversight and implementation). The resulting ideal must becommensurate with the expectations of the citizens.Outputs 2 and 3 will address this
Grievances, unfairness and exclusion – both within arenas of service delivery and the workplace – are enduring issues and must be taken seriously.	The project will offer multiple opportunities for various fora to discuss grievances, unfairness and exclusion. Outputs 1, 3 and 4 directly address, inter alia, exclusion, local reconciliation, and unfairness in employment practices.
State-building is fundamentally about how individuals and organisations relate to each other.	This will be addressed most obviously in Outputs 1 and 2 where the basic relationships between state and citizen will be discussed and agreed
Supporting state-building, service delivery and recovery means engaging with power and politics beyond government alone.	The project engages with all levels of government but also seeks involvement and participation of civil society, communities, research organisations, etc in Outputs 1 and 6 (research)

[8] Denney, L. and Mallett, R. with Benson, M. S. (2017) Service delivery and state capacity: findings from the Secure Livelihoods Research Consortium. London: Secure Livelihoods Research Consortium. Synthesis Briefings 1 and 2 June and Sept 2017

The SLRC also focused on how capacity development is operationalised in statebuilding exercises andconcludes that whilst training is the default tool of capacity development, power and politics are central to how services are delivered.

Statebuilding in Somalia cannot be separated from the notion of the Federal system that assumes full decentralisation[9]. Thus, the statebuilding project in Somalia implies automatically that roles and responsibilities, including fiscal responsibilities, are coherently and consistently assigned to different layers of Government.

However, there is no optimal design or blueprint for designing a federal state from scratch. There is no consensus on definitions; nor any consensus as to what the ideal intergovernmental distributions of power and competencies should be. There is enormous empirical variation across countries with Federal arrangements. Indeed, having a common model would be undesirable. Evidently, the project will need to work with the FGS and FMS to develop the administrative arrangements[10]that are tailored to Somalia's fiscal, political & economic characteristics. This will involve close cooperation with other UN Agencies, the IFIs and projects working with the FGS and FMS on development of the Federal system across administration, finance, local governance and the Constitution. Research can help lay out the specific trade-offs clearly and analyse the consequences of different choices in the trajectory of development and reform.

4.7. The Importance of Gender Programming

The Somali Compact Review[11] noted that "*Despite gender being one of the four cross-cutting issues in the Compact, the evidence of significant impact in this area is patchy at best*". The NDP has attempted to incorporate gender throughout its chapters and states upfront that the NDP will "…*accelerate socio-economic transformation in order to achieve the stated objectives for poverty alleviation, economic revival and societal transformation in a socially just and gender equitable manner*".The NDP starts from a low base. UNDP 2015 Gender and Inequality Report on Somalia gave it a score of 0.776 (where 1 denotes absolute inequality) and ranked Somalia as the fourth worst country in the global league table. The report found that Somalia has extremely high rates of FGM, rape, maternal mortality, and child marriage. Women are often excluded from leadership and decision-making positions. Thus, to date, only moderate progress has been made in Somalia government institutions, most notably within the federal parliament and a few ministerial positions. More work remains to be done.

The NDP is clear on the importance of gender noting *"gender considerations are relevant for all development areas from macroeconomic frameworks, through governance, to social services and resilience recognizing the importance of addressing gender disparities and the empowerment of women to enhance overall development efforts".* The reviews of previous UN interventions and most recently the SteFs Review also revealed the need for increased focus on gender programming and closer coordination with and greater use of UNICEF, UNWOMEN, the UNDP Gender Programme and

[9] Decentralisation is defined by the World Bank as: a variety of concepts which must be carefully analysed in any particular country before determining if projects or programs should support reorganization of financial, administrative, or service delivery systems. Decentralization -- the transfer of authority and responsibility for public functions from the central government to intermediate and local governments or quasi-independent government organizations and/or the private sector -- is a complex multifaceted concept. World Bank http://www1.worldbank.org/publicsector/decentralization/what.htm

[10] Noting the IFIs are supporting design of the fiscal arrangements in Somalia

[11] The New Deal in Somalia: An independent review of the Somali Compact, 2014-2016. P.5

UNSOM Gender team.Accordingly, UNSOMGender Unit working with UNDP will prepare a joint plan to engage women in SB processes (including women advocacy, women facilitators group development).Women in government will also benefit from targeted mentoring from the UN's Gender Unit, including their participation in core of government functions training, principally through Outputs 2. REFS will address gender in all activities, including continuing to actively promote the role of women in peace and security, acting as peacemakers and as government leaders. Women will be given prominent voices in Output 1 activities (reconciliation). In Output 2 UNSOM and UNDP will work on an outreach strategy for women to participate in Federalism discussions.

4.8. The Need to do Things Differently[12]

From the above review, there is a need to confront the inherent complexity anduncertainty in this complex statebuilding exercise and 'do things differently'.Adaptive programming and management principles aregaining some traction with donor agencies and implementingpartners. The Adaptive Management (AM)approach usesinformation and learning to inform adjustments duringthe program cycle. It is suggested that it can help integration of design, implementation, andevaluation.However, there is not a great deal of experience in using the approach. For this project the challenge is to incorporate new ways of working whilst following the legitimate rules, regulations and procedures of UN and contributing donors. As Box 3 demonstrates, the project is going to have to work with a challenging and complex system.

Box 3 Elements of Complexity in the Project (a selection of issues)

The multiplicity of planning frameworks - Operating in a federal context, requiring coherence and coordination at all levels of government around an array of 'frameworks';the Somalia NDP and the coordination framework of PWGs, the Common Approach to Security (CAS and the related coordination arrangements, the Somali Stabilization Strategy, the Wadajir Framework for Local Governance, the UN's Country Programme Documents and Strategic Framework for Somalia, and the Community Recovery and Extension of State Authority/Accountability approach (CRESTA/A). The International architecture poses policies and processes to inform the broader security, reconstruction and development, agenda for Somalia, including the London Conference, the New Partnership for Somalia, the Mutual Accountability Framework (MAF), the Sustainable Development Goals (SDGs), the Addis Ababa Action Agenda on Finance for Development (2015), and the New Urban Agenda.

Political and security complexity – maintaining security and stability, local reconciliation, the constitutional talks, external political influences, regional instability, maintaining international commitment to Somalia, elections

Economic and fiscal fragility – defining an agreed economic recovery strategy, anti-corruption measures (legal and fiscal reforms), revenue management and revenue sharing, currency reform, advancing the public-private dialogue, engaging youth, restoring infrastructure

[12] See http://doingdevelopmentdifferently.com/the-ddd-manifesto/ The need to do development differently is not in question any longer. Working 'politically' is a given, see also World Bank (2017) World Development Report.

Impact of related projects and required coordination mechanisms – multiple bilateral interventions, JPLG/CRESTA, PAR interventions, multiple humanitarian interventions outside government impacting service delivery

Humanitarian and Resilience/Recovery – consolidating links to the development agenda, a new National Disaster Management Policy, inter-ministerial co-ordination, a 'Durable Solutions Initiative', strengthened resilience, addressing IDPs and refugees

5. Programme Description

5.1. Introduction

The purpose of this project is to support the FGS and the FMS to implement their chosen method of State Administration. The project will support the consolidationof efforts to build and harmonise the emerging federal system and the associated public administration arrangements in the FGS and theFMS, ensuring alignment with the objectives of the New Partnership for Somalia (NPS) and the NDP. There is also support designed into the project to engage with non-State actors.

The presence of the State on the territory of Somalia is being re-established in the context of a new three-tiered federal system which includes the FGS, the FMS and district level administration. Consolidating public administration at all levels can be achieved, in part through translating legal and regulatory as well as constitutional provisions for allocation of powers and resources into appropriate administrative arrangements, as currently set out in Article 50 (see Box 4 below) of the constitution; support to reconciling interest groups in disputes concerning administrative management of the state; support to clarifying administrative responsibilities and the development of appropriate primary and secondary legislation; and ensuring that the State has the operational capability to do its job.

Ultimately the aim of the project is to support the government to establish government administrative machinery that will be able to manage state affairs and address the development challenges and opportunities in alignment with the expectations of the citizens. Such a machinery constitutes an alternative to (still existing) predatory governance arrangements. The machinery of all government administration in Somalia therefore needs to have a 'demonstrated' positive influence on the quality of life of all the citizens, to incrementally develop legitimacy and to extend its authority to all Somalia.

Box 4 The Principles of Federalism Set Out in Article 50 of the Interim Constitution:

The various levels of government, in all interactions between themselves and in the exercise of their legislative functions and other powers, shall observe the principles of federalism, which are:
(a) Every level of government shall enjoy the confidence and support of the people;
(b) Power is given to the level of government where it is likely to be most effectively exercised;
(c) The existence and sustainability of a relationship of mutual cooperation and support between the governments of the Federal Member States, and between the governments of the Federal Member States and the Federal Government, in the spirit of national unity;
(d) Every part of the Federal Republic of Somalia shall enjoy similar levels of services and a similar level of support from the Federal Government;
(e) Fair distribution of resources;

(f) The responsibility for the raising of revenue shall be given to the level of government where it is likely to be most effectively exercised; and
(g) The resolution of disputes through dialogue and reconciliation.

The specific areas where technical assistance, financial, human resources and logistical support will be provided are in three outputs:

- **Output 1**: Reconciliation in support of Administrative Arrangements in the Federal context (regional outreach and inclusiveness, boundaries)
- **Output 2**: Federalism is organised and implemented in all Federal Member States (organisation, roles, responsibilities, powers)
- **Output 3**: Federal and Federal Member State administrationsare enabled to operate effectively and efficiently (operational support, small scale works to support infrastructure, transport, essential equipment)

To make this project a success, the approach and methodology builds upon lessons from the recent experience with Support to Federal Member States(StEFS) plus other Somalia 'statebuilding' project approaches including JPLG. Project design also draws upon international experience and lessons identified. The design of the project has also incorporated considerable inputs from both the FGS and FMS received in multiple consultations/faceto face meetings, including two workshops held in October and December 2017, the descriptions of which are set in **Annex A**.

The approach also draws on four strengths developed through UNDP experience pioneering governance and stabilisation programmes in Somalia, and wider afield in other stabilisation and recovery environments:

- The importance of maintaining close cooperation across the UN and specifically with the UNSOM political section.
- Having the resources and commitment to support and sustain reconciliation efforts where they relate to the key statebuilding and administration tasks and challenges
- Understanding stakeholders, priorities and sensitivities around the process of designing Federal government systems and the decentralised system of governance through existing work by the 25-strong UNDP team working in Mogadishu, Puntland, Jubbaland, SW State, Hir Shabelle, and Galmudug.
- Working with a wide variety of stakeholders to adapt to the evolving political and administrative dynamics in Somalia through a problem-driven, outcome-focused adaptive project management system. Federal administration is emerging on the ground asymmetrically despite the lack of a final constitution and political settlement.

6. Programme Strategy

The NDP recognizes the complex environment in which it applies and the need to urgently develop solid government machinery. This may be articulated in three headings: government organization, government operations and enabling requirements:

1) **How the government is organized:**
   - Ensure horizontal coherence, consistency and coordination at the Federal and State Levels
   - Ensure vertical coherence, consistency and coordination across all levels of Government
   - Seek functional alignment within government institutions in line with their roles and responsibilities;
2) **How the Government works[13]:**
   - Improve capacity for legal and policy development capacity, planning, monitoring, evaluation and the body of evidence (statistics);
   - Strengthen human resource management capacity at all levels of public service including through performance management;
   - Strengthen Public Finance Management and Accountability
   - Establish engagement arrangements to work with non-state actors in society
   - Address the issue of female under-representation in the Public Service
3) **How the Government operates[14]:**
   - Improve the physical working environment of government institutions (offices, equipment, amenities, transport);
   - Develop the operational capability of government administration.

Within these core government functions issues like legal and regulatory arrangements; oversight and standard setting; policy, strategy and planning arrangements; and the overall government structure permeate the programme. The three headings outlined above collectively represent a sound, but only partial approach. Establishing a solid internal management system is essential for a government to be able to deliver services, however, two core elements need to be added:

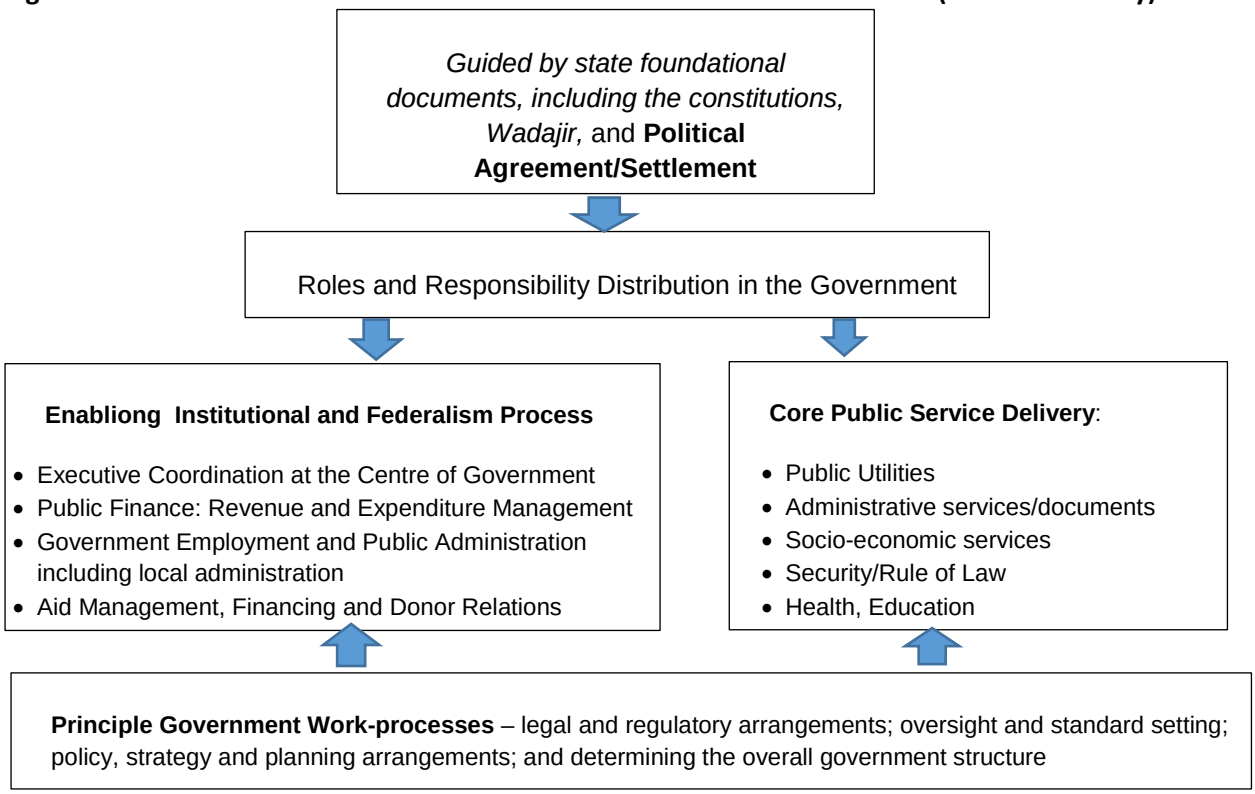
- **Process of Federalism** - the links between the government (executive) system arrnagements and the emerging political settlement and agreement of the federal modus operandi.
- **The Model of Service Delivery**- and with that the related state/non-state actor relations and specifically the functional role and responsibility distribution between the state and non-state actors.
- While the **Process of Federalism** is predominantly a process of 'political settlement' evolving around issues like constitutional review, the electoral system, revenue sharing, single economic space, single security space and single judiciary space, it equally needs to clarify government organisation, primarily the role and responsibility distribution between different layers of government, and in the core of government functions. The **model of service delivery** arrangements, including both state and non-state actor relations. This broadly ranges from 'government provides all services' on the one hand to

[13]By 'works', it is understood to be how the government functions through its people and processes

[14] For clarity, this means 'operational effectiveness' but is not limited to efficiency. It refers to any number of practices that allow the government to better utilize its inputs to improve service delivery – including investments in people, IT, and buildings.

'all services are provided by non-state actors' on the other hand.Based on the various elements of government management in the context of Somalia outlined above, the overall framework is presented in the diagram below.

Figure 2 Framework for Political Settlement and Federalism Process –(Service Delivery)



7. Theory of Change (ToC)

As a minimum, a ToC is considered to encompass the following elements:

- Context for the initiative, including social, political and environmental conditions, the current state of the problem the project is seeking to influence and other actors able to influence change
- Long-term change that the initiative seeks to support and for whose ultimate benefit it is aimed at
- Process/sequence of change anticipated to lead to the desired long-term outcome
- Assumptions about how these changes might happen, as a check on whether the activities and,
- Outputs are appropriate for influencing change in the desired direction in this context[15].

A fully expanded discussion around the ToC is contained in Annex A. The TOC focuses on the contribution the project can make to peace and stability, building on the objectives originally stated in the New Deal documentation: *'establishing a government administrative machinery that will be able to manage the state affairs and address the development challenges and opportunities in*

[15] Vogel (2012) Review of the Use of 'Theory of Change' in International Development. DFID

alignment with the expectations of the citizens and configured in a way directly impacting improved service delivery. Such a machinery constitutes an alternative to (still existing) predatory governance arrangements'. The machinery of all government administration in Somalia therefore needs to have 'demonstrated' positive influence on the quality of life of all the citizens, to incrementally develop legitimacy and to extend its authority to all Somalia.

The ToC consists of two elements. First, the narrative which includes the overall objectives, the underlying assumptions, the strategies, the impact, the expected outcomes and second, a visualisation of the pathway of change. This is attached as figure 3 below. The ToC is suggested as follows:

The **impact** of the programme will be: **"A stable and peaceful Somalia, where citizens freely engage socially, economically and politically, and where conditions are met to sustainably improve the quality of life"**

This will be achieved if the **outcome** is achieved: **"The Federal Administration is better managed, more organised, more capable, more accountable and providing more and better-quality services responsive for the Somali people"**

The **link between outcome and impact** will occur if the citizens of Somalia increasingly value and engage with the (social, economic, political and security) services the government in Somalia is providing in collaborative arrangements with non-public sector actors. Hence, not only the quantity of services is important, but also the quality and that they are delivered in a manner that is commensurate with the expectations of the citizens.[16]As the value, relevance and effectiveness of the Administration's capabilities grow, the government will be perceived as more relevant and useful for citizens, and thus more legitimate[17].

Success at the Outcome level can be demonstrated by Perception Studies, capacity self-assessments by government MDAs, and case studies. However, it should be noted that the 'outcome' and 'impact' levels are deliberately aspirational and longer-term;the realisation of the outcome and impact will require multiple other interventions. However,the present project will contribute to these outcomes and impact, in line with ToC design within the regular RBM approach. The elements that the project contributes, further outlined below, are to be interpreted as **necessary** contributions and not as **sufficient** contributions to the relations of the outcomes and impact.These caveats demonstrate the limits to any ToC in any fragile and unpredictable environment.

However, UNDP recognise that the link between state legitimacy and service delivery is not straightforward[18], hence the need to invest in diagnostics studies and action research.

[16] Subject to the caveats noted later in this section

[17] This is 'performance' legitimacy and there is evidence to support that If governments are able to be held accountable for the delivery of basic services and grievances of the public are heard and delivered, then there is an increased perception of state legitimacy.

[18] Evidence generated by research for the 2017 WDR notes "The quantitative and qualitative data gathered by SLRC challenge the practical orthodoxy…According to the findings, the mere presence of the state in the provision of services is not necessarily associated with better perceptions of government. At a broader level, the findings indicate that the dominant understanding of a 'failed' or 'fragile' state in terms of its capacity to deliver services needs to be interrogated. If we understand that an integral feature of a failed or fragile state is its lack of legitimacy, then increasing access to services will not necessarily increase state legitimacy". Hamish Nixon, Richard Mallett and Aoife McCullough (2016) Are public services the building blocks of state legitimacy? Input to the World Bank's 2017 World Development Report. Working Paper 55

8. Programme Outputs

Output 1 Reconciliation Mechanisms established in Support of Administrative Arrangements in the Federal Context

Reconciliation is regarded as having two principal core components[19]:

1. Reconciling communities, families and individuals where 'harm' and 'grievance' has been done and find ways to live in harmony
2. Reconciling interest groups in management of the state.

The project focus is the reconciliation in thesecond component, seeking to support initiatives that develop the government machinery with a high-level of authority and legitimacy in society. The theme of *reconciliation* permeates all the NDP in support of open politics, fair elections, national and communal security, local government, and the role of women and youth.

Through StEFS, UNDP supported numerous events and activities that brought together political, administrative, societal and clan representatives to come to terms with the establishment of the new FMS and find solutions to a variety of issues. The UN has also been called upon subsequently
to support ongoing state-led reconciliation processes. For example, ISWA requested assistance in
supporting inter-clan reconciliation between the Biymaal and Hebir Gadir in Lower Shabelle, hosted in Afgooye. More recently, support has been provided to reconciliation processes in several parts of the country such as ASJW in Galmudug, Galkayo (Mudug/Galmudug), Gedo region and more.Such clan reconciliation conferences may address historical grievances around issues of land, orretribution for past injustices, but also serve to ensure the stability and support of the newly established statestructures.

Colloquium on Peace and Reconciliation in Somalia, held on 11-12th Febuary 2018 further stimulated disuccion on proactive versus reactive approach towards reconciliation procees.

Co-hosted by the FGS, the UNSOM and the Government of Norway, the Colloquium brought together more than 30 experts and researchers, in addition to government officials, UN personnel, and the diplomatic community. The Colloquium's objective was to strengthen a shared understanding of conflict in Somalia and identify practical recommendations to reduce violence and promote peace and reconciliation. The project will take further colloquim recommendation during NRF development.

The call for assistance to continue and help genuine political reconciliation, which may also arise from social/inter/intra-clan issues, has come from all FGS and FMS stakeholders in the project design workshops. Engagement was identified as key to successful implementation of federalism in Somalia.All parties involved in the consultation on this document wished for this work to continue. And continue to be implemented in close cooperation with the UNSOM political section. Where community conflict mitigation is the priority, UNDP will rely on support from stabilisation programmes, unless these are not or cannot be operational in the concerned area.

[19] This is to be closely coordinated with the UNDP Constitutional Review project as one of its outputs is to also support reconciliation mechanisms within communities

The MoIFAR organized a National Reconciliation Conference in June 2017which concluded a longer-term strategy was needed, one that would be more structured, more pro-active and tackle the core elements of what reconciliation means.The project will be aligned and contribute to this.

While support under this Output will primarily be in response to requests from the new state administrations to galvanize support for their peace building and conflict mitigation effortsin relation to administrative matters, this project has alsobudgeted some resources to ensure federal level participation, provided such involvement is agreed upon betweenthe state, community representatives, and federal officials, though this has generally been the case.Where feasible UNDP and partners will seek assistance and cooperatrion with stabilisation projects to work on conflict mediation in situations of 'harm and grievance'.

Box 5 Principles of a Sustainable Reconciliation Process

Cultural sensitivity and the consultative process with all stakeholders; managed and implemented by reliable and trusted Reconciliation Commission that is neutral, inclusive and responsive; mainstreaming women in the reconciliation and peace-making processes; support to rights-based arbitration and mediation;massive public awareness campaign led by the Somali Islamic scholars, poets, singers/musicians, sports stars, scholars, top traditional leaders, civil society and other celebrities; learning lessons and gaining experiences from the successive Somali reconciliations and other similar conflicts; driven and managed by the Somalis in accordance with Somali cultural tradition and locality. (Source: National Reconciliation Conference Report 2017)

There are three main activities proposed under this Output:

Activity 1.1 Establishment of, and Support to, the National Reconciliation Commission/Forum, and Reconciliation Plans at FGS and FMS working through MoIFAR and related FMS bodies

This will involve supporting the ongoing establishment of the designated bodies, institutional capacity development, training and support for necessary research and diagnostics, support to national reconciliation plans and conferences and associated meetings/mediation. This activity also supports the development of National Level Reconciliation forum/bodies and required public administration grievances mechanism at FGS and FMS level. REFS has also budgeted resources to ensure both FGS and FMS participation, provided such involvement is agreed upon between the state, communities and federal officials. This activity also will provide some support to preparatory work for the formation of the proposed Truth and Reconciliation Commission if preparations commence.

Activity 1.2 Institutional Support and Technical Assistance to the Independent Commission for Boundaries and Federalism (ICBF)

The ICBF[20] is now operational, mandated according to Article 111E of the Provisional Constitution. Its strategic vision is"Making boundaries and federalism bridges for national cohesion". It will play a key role in the final demarcationand recognition of the FMS boundaries. The FGS Ministry of Interior and Federal Affairs (MOIFAR) will continue to support its continued establishment and functioning.The

[20] Sometimes referred to colloquially as the 'BFC'

ICBF is likely to play a key role inthe Formalization of the existing interim administrations according to Art 49(1) of the Provisional Constitution.

This activity will provide technical advisors toassist the ICBF in implementing its overall strategy[21], prepare detailed work plans, establish standardized approaches to boundary demarcation. This will also involve support to setting up regional teams and the capacity development of key staff. The priority isto complete demarcation of FGS and FMS administrative boundaries and to mediate administrative boundary disputes, without this the formal processes of state formation may be delayed.Technical assistance will also be provided to develop public outreach strategies, GIS system/tools support, and undertake consultation/negotiation with state and non-state actors on boundary demarcation, and political consultations around boundary demarcation. There is likely to be a need to establish an appeals process.

Activity 1.3 Strengthen State and Non-State Actors Capacity and Government-Citizen Engagement to support State Legitimacy

Support FMSs/FGS and other actors working in emerging states to have increased awarenessof conflict dynamics. Provide technical assistance and other support to non-State actors/ elders, and other community leaders on conflict management and community problem solving. This involves a focus on conflict management training and awareness, support to community reconciliation efforts and reconciling interest groups in management of the State, collaborating with local and national actors to identify priorities and develop relevant strategies to garner support for local good governance. Conflict resolution mechanisms are more effective when they include women's perspectives and ensure that women can influence processes including local administration. There is plentiful evidence

[21] The FGS Independent Commission for Boundaries and Federalism Strategic Plan 2016-20 was approved at the end of 2016

that suggests including women leads to more sustainable outcomes. The project will provide substantive support to women's engagement in local reconciliation efforts.

REFS will also Support establishment of Public Accountability Fora and undertake conflict management and political awareness to enhance government-citizen engagement. A key output will be to develop a system for "The Citizen Report Card (CRC)". CRC is a simple but powerful tool to provide public agencies with systematic feedback from users of public services. This data will help with ongoing discussions on the model of service delivery question.

Regular community and government dialogue forums will be supported through 'townhall' style meetings where state administrations will be able to listen to the concerns of citizens (through CSOs and the general public) while also providing a forum for the FMS to share updates on their work,for example updating citizens on the selection process for regional assemblies, development projects whichhave been agreed between state administrations and donors or holding public forums on revenue collectionand service provision. Workshops will be organized tostrengthen relations between the FGS, FMS and BRA and CSOs, where CSOs will be able to develop and presentadvocacy campaign messages for government consideration, or to clarify at which level of government district, regional, or Federal State, CSOs should direct their engagement.

Reconciliation and Political Settlements: Key Focus

- **National Reconciliation framework(NRF)**- this is important agenda of Somali government to have NRF to guide coherent and proactive support towards reconciliation and peace building efforts.
- Support to **ongoing reconciliation** process: Political settlements between Galmudug and ASJW, Galkayo issue between GSS and Puntland, support and facilitate efforts for reconciling Galmudug and Ahlu-sunna for reaching political agreement and unity in Galmudug state. Support Merka agreement and more
- Support development of Legal Framework for **boundary delimitation** process and support boundary related negotiation between the States/districts.
- Facilitate to develop criteria/policy for the formalization of federal member state status (the "graduation" of existing interim regional administrations into fully-fledged federal member states)
- Support dialogue on **Banadir regional Administration** status.
- Foster dialogue between non- state and State actors towards State builindg process.
- Facilitae people engagement and trust building between government and the citizens thereby enhance state legitimacy and peace building process.

Output 2 Federalism is Organised, Consistent and Coherent in all Federal Member States (organisation, roles, responsibilities, powers) with the FGS

Although FMS have now been formed, the legal frameworks around issues such asadministrative regulations, fiscal federalism, power sharing between the states and federal government and devolution ofspecific roles are not yet in place. The need to reach agreement on these key decisions remains critical. REFS willprovide logistics, financial and facilitation support for fora where representatives from the FMS (and their regions and districts), the FGS (including executive branch ministries/Prime Minister's office), parliamentarians, and civil society can convene to discuss and ultimately come to agreement on the principles which will eventually result in legislation to govern how federalism will be executed in Somalia.

The recently released **'Roadmap for Political Inclusion'** explicitly refers to these arrangements and outlines a broad approach how these can be handled. **The REFS will work closely with UNSOM Political Section** to provide the required support (logistical and technical) to the work of the various committees in the roadmap arrangements.

To date, steps have been undertaken establishing broadly negotiated skeleton structures for each FMS cabinet ministry along with basic administrative arrangements and operational tools. These initial arrangements helped secure funds from the World Bank Project RCRF II for the initial core cadre of paid civil servants throughout South West State, Jubaland, Galmudug and Hirshabelle. Early experience has fed into the drafting of Cabinet Rules of Procedure at the Council of Minister's level for all FMS. However, FMS remain limited in almost all aspects of resources, capacities and capabilities. Puntland is some way ahead of other south-central FMS and has offered support to the other FMS.

Output 2 is thus designed to help build capacity within the public sector at Federal level, and in the FMS and Banadir Regional Administration(BRA) to design and implement the preferred model of Federalism. The Output is divided into twoactivitiesbased on the policy priorities set out in the NDP[22]:

1. Support to vertical coherence
2. Support to outreach and communications activities on Federalism

In all three activities the project will support the following:

- **Support executive arm of government to inititate dialogue on different areas of Federalsim and provide feedback into the constiututional review process (including the allocation of powers and resources)**and how they are reflected in government organisation. Review progress on administrative design. Facilitate high-level fora between FMS and FGS and Local Government on allocation of powers and resources (working with JPLG and other support projects)
- **Support harmonisation** - prepare an inventory of existing arrangements and current adaption of legal, regulatory, oversight, standard setting, service delivery and organizational environment within public administration[23]. Identify required support to maintain legal harmonisation thorough commonality in the drafting of administrative legal instruments
- **Ensure the people's Voice is Heard** - plan and implement civic education and consultation forums and workshops in order to gather and formulate people's input and positions about constitutional and federalism issues

Activity 2.1 Vertical coherence, consistency and coordination across all levels of Government is achieved

In view of the limited resources available to Somalia, there are significant gains to be made if the FGS and FMS succeed in developing government administrative systems (national planning mechanisms, human resource management, financial management) in a synchronized form throughout the territory. The project will support government to have coherence and consistency as this is likely to contribute to the legitimacy of the state in the eyes of the citizens. This activity provides **Support to**

[22] NDP Policy Priorities SO1, SO2, and SO3
[23] Noting that other projects will ensure public finance management laws and regulations are harmonised

Intergovernmental Relations /FGS-FMS Forum on federalism; andsupport to the FGS (OPM & MOIFAR) and FMS to develop a suitable forum (Technical Committee) for inter-governmental activity to ensure that appropriate coordination of government functions is carried out in this ongoing period of political reconciliation. This central office for the coordination of the federalism agenda is expected to be established imminently and provide direct logistics and advisory support to the Technical Committee, and the wider federalism dialogue structure, as indicated in the Political Roadmap. At the time of writing the present document, however, the exact nature, scope and institutional location of that office is not yet fully defined.

The proposed Technical Committee will develop shared rules and regulations for the handling of specific administrative matters which require inter-governmental cooperation. The Forum will need to avail of knowledge-based research on international best practices of intergovernmental jurisdictional and administrative relations between federal and regional governments. The discussion and agreements will feed into the Constitutional drafting process. The project will work closely with the UNDP-UNSOM project to support the review process with links with the parliamentary support project.

There is also a need to ensure clear functional alignment within government institutions in line with their roles and responsibilities–There has been progress in defining ministerial mandates and functions and many ministries have benefited from functional reviews to strengthen their internal structures. The NDP proposes within the next three years, that each government institution is to have a full and current organizational structure that is aligned with its roles and responsibilities; and core work-processes in each institution are documented and aligned (horizontally and where appropriate vertically) across institutions. Each position within each institution is to be endowed with specific ToRs, in line with the reforms in the overall civil service management arrangements.One particular issue requiring attention is the determination of Mogadishu's status as the capital city of Somalia and its status within the federal system. Similarly,resolution of the status of Mudug, Galkayo within the context of Puntland & Galmudug.

Activity 2.2 Increasing Public Awareness and CSO Engagement on Federalism and Statebuilding

The FGS is keen to advance inclusive political dialogue by sponsoring forums between the federal government leadership and members states and their citizens in a spirit of national unity concerning the options associated with various Federal Models. This activity therefore seeks to strengthen linkages between the evolving administrative arrangements in the FMS and th
eir constituents by increasing public awareness on the concepts of and options around federalism and the role of the state administrations. The project will commission perception surveys, support debate and the dissemination of international experience with federalism. The project will also support activities to increaseaccountability of the state administrations towards their citizens. Resources will be provided for the FMS to engage in public outreach, including the development of printed materials and logisticssupport to state officials to travel to outlying regions and districts to engage with regional and district leadersand their communities. The Project will develop a specific focus on engaging women participants.

Federalism Support: Key Focus

- Support to Federalization, Negotiation Technical team (**FNTC)** and National Security Council to **convene dialogue on federalism process**.
- Support FNTC secretariat to provide the needed back-end support for federalization dialogue.
- Provide assistance to Council of Interstate committee **(CIC)** to have horizontal coordination on the areas of federalisation and thereby feed in to FNTC dialogue**.**
- Support development of **policies that govern relations** between the FGS federal government and FMS (IGR Act)
- Facilitate formation and coordination of Intergovernmental Relations (**IGR) Sectoral Forum** to unbundle functions and discuss functional assignments - E.g Ministries of health at federal and State level meet to discuss what functions in health will each level of government be responsible for.
- Support in the establishment of **interagency body to analyze functions** of the federal and the FMS, with the goal of eliminating duplication of functions as well as wastage arising there from
- Establish a framework for the **management of concurrent functions** and Develop a mechanism for determining the **residual functions**
- Develop framework for **uniform norms and standards for public service** at every part of the country pursuant to Article 50(d) of the Provisional Constitution(as part of next step on federalism agenda)
- Support Federalism outreach and civic education

Linkage with constitution review project

Constitutional Review and Federalization are, **two different focused but complementary processes**. The lesson learned to date is that the constitutional review process and the process to design role and responsibility distribution arrangements in the federal context are in a symbiotic and iterative relationship, where each process influences the other.

Therefore there is a need to have two track approach one through Constitution review and another through Federalization debate and political settlement process. The project(REFS) has been developed in close consultation with the Constitution Review Support Project (CRSP-II) and following are key areas of the projects which builds synergies and complementarity:

- Whilst constitutional review project deals with the guideline/framework and the consultations related to its incorporation in the constitution, the REFS/federalization project addresses the development of legal/policy frameworks, practical implementation and capacity building aspects of the same exercise (including and through FNTC supported by MoIFAR/OPM)
- Whilst constitutional review project deals with the legal framework and the negotiations related to it, the REFS/federalization project addresses the practical implementation and capacity building aspects of the same exercise (through FNTC supported by MoIFAR/OPM);
- On the other hand, a precondition for the process of reconciliation is that the process of constitutional review takes the competing interests of the different parties into account.

This must then be followed up by the manner in which the federalization project undertakes the process of implementation. This has to be done concurrently.

- The Federalism project leads the political agreement process (through reconciliation/ mediation and facilitation agreements) between political leaders and executive arm of the Government (FGS and FMS), which feeds to the constitution review process.
- REFS project- supports to reconciling interest groups in disputes concerning administrative management of the state; support to clarifying administrative responsibilities and the development of appropriate primary and secondary legislation, while constitution review project provides the guiding principles.

Output 3: Federal Administration is Operationally Enabled to Improve Effectiveness and Efficiency

Output 3 addresses the two NDP policies that target operational effectiveness, that is, priority improvements to the operational/work environment:

1. Improve the physical working environment of government institutions (offices, equipment, amenities, transport) (SO9)
2. Develop the operational capability of government administration (SO10).

Activity 3.1 Support to High Priority Ministry Refurbishments and Re-equipping including IT and MIS

REFS has budgeted a lump sum amount per FMS both for the costs to rehabilitate or construct a facility, and to provide basic equipment and supplies such as computers, printers, and office furnishings. While capacity development of individual skills and competencies has its benefits and policies and strategies outlining the approach of government in certain areas are necessary, they will only be effective if the agencies and staff in the government machinery have a decent and conducive working environment. Still many government offices are far from such a situation. The present project will support the federal and federal member state governments in three ways to improve the situation:

- In a limited number of cases, the project will support the construction or rehabilitation of offices where these are absent or blatantly inappropriate for the purpose they need to have. Building upon he positive experience from the StEFS priority will be given to option where multi-purpose use is possible.
- Each government has assets, however, in many cases an appropriate management and maintenance set-up is lacking, which often leads to assets being underutilised or remaining unrepaired. The project will help the ministries it is supporting to develop and implement an appropriate asset management and maintenance policy.
- Each government agency has procured IT equipment. While this is essential equipment, the potential of common IT systems is as yet to be fully explored and implemented. The project will help the ministries it is supporting in designing and implementing a professional IT policy.

This is also one of the core building blocks of an e-governance approach, which while not an explicit part of the present project, it is important to align to this future option.

Depending on progress, in the future other possible activities may include:

- Moveable and immovable asset maintenance and management arrangements
- Support to Developing Document Management, IT and E-government

At several occasions in this project document it is indicated that development efforts in Somalia take place in a complex environment. This means that both known and unknown parties influence the realisation of results; that the stakes and interests of different parties are only partially known;that changes in these interests are not predictable; and that linkages between action and results (on various levels) are hard to pin down and certainly not predictable in a linear fashion. This poses very specific challenges to the measurement framework related to development actions initiated by government, by civil society or by individual projects.

While mostly a fairly simple and straightforward set of expectations on how action will lead to different levels of results can be formulated, the uncertainty concerning these expectations in complex systems is large. Flexible, adaptive and iterative management of (project) action is required to respond to changes and remain relevant in a complex, fast changing and dynamic environment. However, adaptive and iterative management is only possible if decision-makers have access to feedback loops: how change is impacted by actions that are initiated and what kind of change is happening within the systemic environment that requires a response. This information needs to be available in time to allow appropriate and timely management responses; hence it needs to be (almost) real-time.

However, the prevailing situation in Somalia is such that real-time data is not available. In Somalia there is data, albeit limited and most often collected through dedicated surveys that take a long time to complete, and while useful for longer-term tends analysis (they are not available quickly enough to reach decision-makers to make timely decisions that can steer their plans to the right course. The data that has been collected is also often difficult to access as it remains within the remit of individual organisations and is not publicly shared.

Presently, the absence of information on the higher-level result realisation (outcome and impact – i.e. change in society) most often then leads to the implementation of pre-conceived action plans that are sometimes developed several years in advance, where there is limited understanding about the relevance of these actions. It also leads to accountability and reporting that focuses on activity implementation and the immediate results of actions such as ‘action implemented’, some ‘procedures introduced’, some capacities improved, a policy approved and so on., but not on the impact these actions have on the quality of management or service delivery, on the use of services by the citizens and ultimately on the quality of life of the citizens.

The challenge is that while the above may be theoretically sound, the practical tools to ensure real-time feedback loops are not yet available in Somalia. For instance, regular data-collection does not yet

take place on sufficiently large scale, technologies like big-data analysis are not yet substantially available, forecasting modelling still needs to be developed, perception sensing is only in its infancy.

9. The Results Framework

The Results Framework guided by the ToC was built organically through continuous consultation and adaptation through the initial preparatory workshops and early feedback from consultees. The RF is an active management tool and will be updated based on feedback.

EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)		
			Value	Year	Year 1 (2018 Q3/Q4 months)	Year 2 (2019)	Year 3 (2020)
Output 1: Reconciliation mechanisms established in support of Administrative Arrangements in the Federal context (regional outreach and inclusiveness, boundaries)	***1.1****National Reconciliation Commission/ Forum established and Reconciliation Plans at FGS and FMS prepared and implemented* ***Output indicator:*** *Processes for inclusive and gender-responsive national reconciliation mechanisms established and operational* ***Output Indicator*** *National reconciliation framework in place*	*Commission Reports, Agreed Plans*		*Absence of a mechanism for consultations on federalism.*	*1. national reconciliation framework/strategic plan in place by end of 2018.* *2. FGS and FMS at least 2 mediation processes for administration towards state building.* *3. Provision of support to the establishment of designated bodies and preparation of clear 'Rules of Procedure'* *4. Support to Legal drafting for National Truth and Reconciliation Commission*	*1.Ongoing Institutional capacity development, training and support for necessary research and diagnostics, support to national reconciliation conferences and associated meetings* *2. Public grievance System processes defined in drafted SOPs* *3. Legal framework in place to establish National Trust and Reconciliation Commission;* *4.A public grievance mechanism developed at FGS and FMS level* *5. Reconciliation plans for FMS in place and at least 2 administrative mediation processes with FGS towards state building.*	1. *Grievance processmanual/SOPS endorsed and under implementation in three FMS Grievance Units.* *2. National Trust and Reconciliation Commission mediates at least 4 forums at FGS and FMS.* 5. *National Trust and Reconciliation Commission mediates at least 4 forums at FGS and FMS.*

	1.2** Independent Commission for Boundaries and Federalism (ICBF) has a unified standardized, appropriate, and collaborative process for the establishment of administrative boundaries and an Appeal Process* ***Output Indicator: *Independent Commission for Boundaries and Federalism (ICBF) leads an inclusive process on boundaries demarcation.* ***Output Indicator:*** *Independent Appeals Process in Place*	*SOPs, Records of Decisions*		*No Standard Operating Procedures (SOPs), no GIS/Tools*	*1. Draft first report on complete demarcation of FGS and FMS administrative boundaries* *2. Developed criteria (SOPs) for formalization of pre-existing states.* *3. ICBF state-level representation and structures established.* *4. Support to Determination of Mogadishu status as the capital city of Somalia and its status within the federation*	*1. Boundary demarcation for federal member state is initiated in consultation with FGS and FMS* *2. Formalization of states as per criteria endorsed by FGS parliament.* *3. Draft proposal for Independent Appeals process agreed*	*1. Mediation on administrative boundary disputes managed by formalized mechanisms.*
	1.3** State and Non-State Actors Capacity in Conflict Mitigation and Government-Citizen Engagement Strengthened* ***Output Indicator: *State and Non-State/civil society engage on state-building.* ***Output Indicator:*** *Citizen Report Card System in place*				*1. At least 4 engagement workshops for Non-State actors/ elders, and other community leaders (including women) on state building.* *2. UNSOM Gender Unit working with UNDP will prepare a joint plan to engage women in SB processes (including women advocacy, women facilitators group development).*	*1. Annual "Citizen reports" for all Federal Member States developed and disseminated through Public Accountability Forums.* *2. At least 4 engagement workshops for Non-State actors/ elders, and other community leaders (including women) on state building.*	*1. CSO Networks established and strengthened towards state building agenda.* *2. At least 4 engagement workshops for Non-State actors/ elders, and other community leaders (including women) on state building.* *3. Annual "Citizen Report Cards" for all Federal Member States developed and disseminated through Public Accountability Forums.*

Output 2: Federalism is organised, consistent and coherent in all Federal Member States (organisation, roles, responsibilities, powers)	***2.1*** *Vertical coherence, consistency and coordination across all levels of Government is achieved* ***Output indicator:*** *Road map for further federalization with roles and responsibilities at different levels of government agreed.*			Absence of roles and responsibilities	*1. Baseline Study on the 'State of Federalism completed.* *2. Technical committee established on federalism and state building agenda.* *3.Establishment of Intergovernmental Relations Forum to provide support to the FGS (OPM) and FMS*	*1. at least 3 Intergovernmental Relations Forums (FGS and FMS) on federalism conducted.* *2. Support provided to Technical Committees and other stakeholders in drafting policy documents on Federal/FMS roles and relations*	*1. At least 4 Consultations on federalism including guidelines on roles and responsibilities at different levels of government drafted.* *2.Guidelines on federalism, including on roles and responsibilities at different levels of government drafted and agreed*
	2.2 *Public Awareness and CSO Engagement on the Federalism Model Strengthened* ***Output indicator:*** *Communication Strategy Agreed and being Implemented.*	*Communications Strategy, printed materials*		No communications strategy	*1. Preparation of Federal Comms Strategy*	*1. 6 Regional Conferences held*	*1. CSOs/women's groups strengthened to engage with the Federalism model.*
Output 3: Federal administration is enabled to operate effectively and efficiently (operational support, small scale works to support infrastructure, transport, essential equipment)	***3.1*** *Support provided to High Priority Ministry Refurbishments and Re-equipping including IT and MIS.* ***Output Indicator:*** *Basic infrastructure and working environment in place for high priority ministries at FGS and FMS*			*All baseline assessments of key priority office infrastructure completed in all FMS*	*1. review of FGS-FMS government infrastructure completed*	*1. Three key infrastructure projects initiated and improved basic physical working environments complete*	*1. Four key infrastructure projects initiated and improved basic physical working environments complete*

10. Management Arrangements

Primary Stakeholders and their Roles

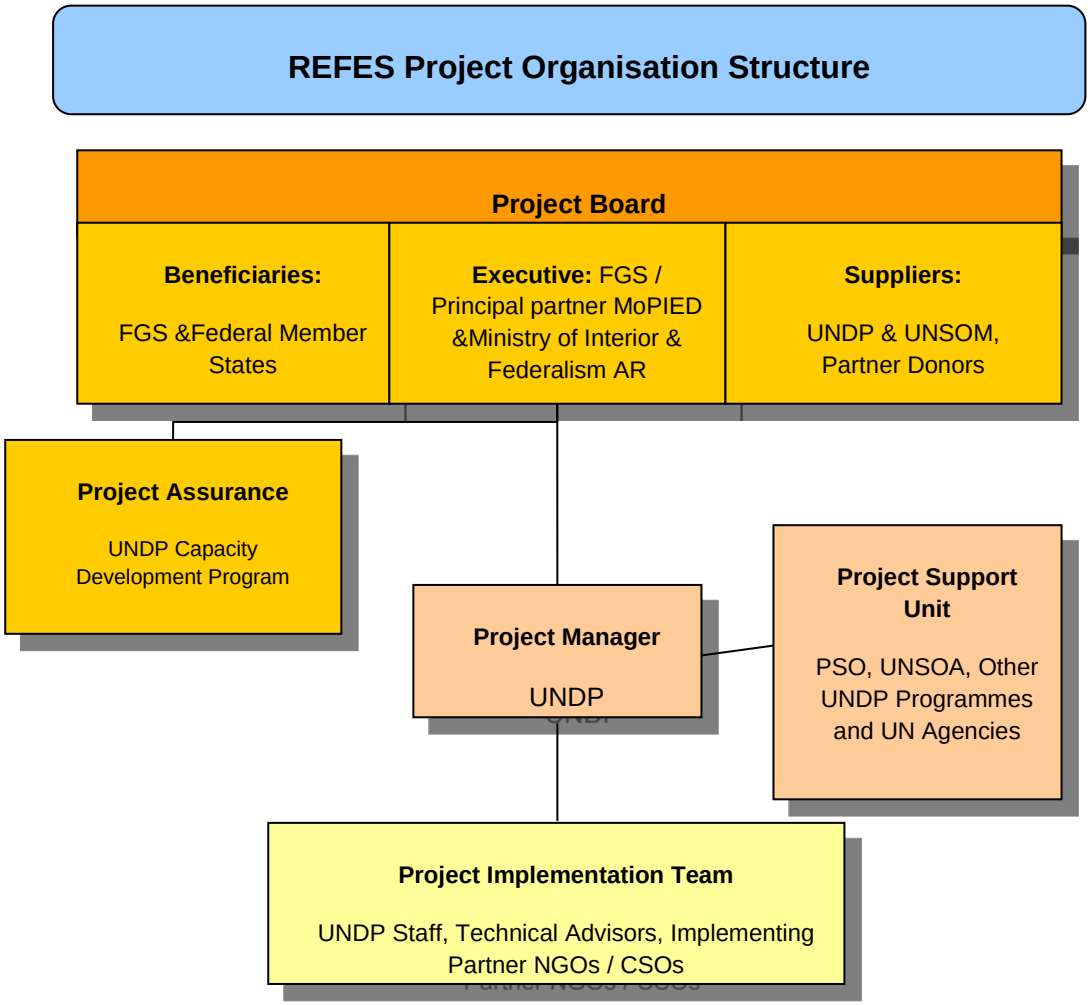
UNDP will be the lead implementing agency for the REFS project, building upon the current support of UNDPand UNSOM on the state formation process since 2012. The project will be coordinated with otherUNDP programmes and projects to provide coherent support to the emerging Federal System, especially with regard to FMS engagement with the FGS. Other projects in which
UNDP has a leading role such as Joint Programme on Local Governance (JPLG), Parliamentary SupportProject, Local Economic Development (LED) and clear linkages with the Constitutional Review Project as constitutional developments will shape the course of federalism and peacebuilding processes.Other donor support[24]willadd value to REFS in linking capacity building at the state level with support to local, federal, and legislativeinstitutions.

UNSOM will provide the overall political advice, strategic direction, and general oversight for the REFS projectthrough its Political and Mediation Group (PAMG). The Heads of UNSOM Regional Offices will use theirexisting working relationships with existing and emerging state administrations to liaise directly with them onthe implementation of the projectand will oversee implementation at the regional level. The Joint PlanningUnit (JPU) will provide strategic support, particularly on planning frameworks. The Joint Planning and AnalysisTeam (JPAT) will provide analytical products on specific regions and issues, such as conflict analyses, as well as share the results of their ongoing exercises in regional needs assessments and actormapping[25]. Other UNSOM sections may be called upon to provide advice on specific components, such ashuman rights (through the Human Rights and Protection Group) and justice and security institutions (throughthe Rule of Law and Security Institutions Group). Finally, the UN's air and transportation assets, field officesand support structure, through the UN Support Office to AMISOM – UNSOA, will play a critical role in
supporting the entire project. Finally, UNSOM, through its regional offices, will also ensure coordination with other UNagencies in the field to have coherent and harmonized support to the emerging federal states.

Federal Government of Somalia: UNDP and UNSOM will work closely with the Ministry of Interior andFederal Affairs (MOIFA) and the Prime Minister's Office (PMO) as the key federal partners in Mogadishu. UNSOM and UNDPwill coordinate with other relevant Ministries involved in the state building process, particularly theMinistries of Constitutional Affairs, Justice, Planning and economic Development, as well as the Office of the President.

[24]Key projects include WB and IMF PFM support, DFID PREMIS and Revenue Management support, and USAID Strengthening Somalia Governance Programme (SSG)
[25] The JPAT will also link into the proposed work of the 'Change Lab'

10.1. Project Management Arrangements



Strategic Level

The project will be managed by UNDP with strategic input from UNSOM and under UNDP's Direct Implementation (DIM) modality, in close collaboration with the Federal Government of Somalia's Ministry ofInterior and Federal Affairs (MOIFA) and the Prime Minister's Office with representatives from each FMSPresident's Office. UNDP and UNSOM propose to establish a tri-partite **Project Board** comprised of representatives from the FMS, the FGS MOIFA Directorate of Federalism and PMO serving as co-Chairs, and UN representation via bothUNDP and UNSOM. Board meetings will be held on aquarterly basis. The Project Board will make all principle financial, operational and programme decisions.

Project Board meetings are held in Mogadishu and ineach of the FMS on a rotating basis, security permitting. The role of theProject Board is to:

i) Provide overall guidance and direction to the Project Manager, including feedback on Projectmanagement performance

ii) Review and approve the Project budget and Annual Work Plans, and approve any substantiveProject and budget revisions

iii) Exchange relevant information, share examples of best practices and consider any mattersrelated to the enhancement and implementation of the REFS project

iv) Ensure effective implementation of the project and ensure that all specific project outputs relevant to the **Mutual Accountability Framework** and the **SMP** are delivered on time

v) Review project (e.g. monthly or quarterly) progress reports and other relevant reports, such asindividual Output reports/recommendations

vi) Discuss emerging risks to the project and suggested mitigation measures

vii) Address challenges with project implementation as raised by either the Project ManagementTeam, or by any of the government counterparts

viii) Consider and decide on the actions recommended by the project manager to address specificissues

This project links into two NDP Pillar Working Groups. Pillar 1 'Inclusive Politics'. This project document will be contributed to and validated by the two **Pillar Working Groups**. To enhance coherence, and save time and money, REFS will use these management structures for strategic policy guidance and ensure the Project Board agenda takes as its cue the relevant national discussions.

Operational Level

Work at the operational level will be guided by the Project Implementation Team (PIT). The PIT will be supported directly by the relevant Ministries most actively involved in each output as per the following:

Output	**Lead FGS/Ministries**	**FMS Participants/Remarks**
Output 1 Reconciliation in Support of Administrative Arrangements in the Federal Context	Ministry of Interior, Federal Affairs and Reconciliation (MoIFAR) BFC	OPM, FMS: President office, MOI,Banadir Region
Output 2 Federalism is Organised and Implemented in all Federal Member States	MOIFAR, Office of the Prime Minister (OPM), ICBF	FMS; President office, MOI,Bandir region
Output 3 Federal Administration is Enabled to Operate Effectively and Efficiently	FGS Partners (various)	FMS: President's office

Each Output will be supported by a UNDP long term international specialist /subject matter expertise. A Project Support Unit (PSU) will provide back-up logistics, finances and reporting. Each FMS will be supported by a dedicated project team reporting to the Project Manager.

Proposed staffing levels are set out below. Thecore staffing arrangements have a strong Somali team presence:

Title	No.	Level
Project Manager	1	P5/P4
Nat. Deputy project manager/Project Management Specialist (SC10)	1	SC 10
Operations Officer	1	Intl UNV
Communications/Reporting and M&E Officer	1	Intl UNV
Project Associate	1	SC 7
Project Admin/Finance Assistant	1	SC 5/6
Project officers(Puntland,Hirshabelle, Galmudug, SouthWest, Jubbaland	5	SC 10
Project Assistants (Puntland, Hirshabelle, Galmudug, South West, Jubaland)	5	SC 5/6

The above project staff will be co- shared with Effective Instutition project to build synergy and cost effectiveness.

Besides this, the project will be supported by Portfolio management team, oversight, Operation support and finance units of UNDP Somalia country office, in order to deliver project outcomes effectively.

Working with partners

The Project will also cement effective harmonization with other public administration related programmes, specifically those of partner UN organisations working in the political and service delivery fields, the IMF, AfDB, and World Bank and other development partners supporting public administration at all levels of the administrative hierarchy.The project will work in unison with other UNDP projects, such as the Joint Program for Local Governance and Decentralised Services (JPLG) which focuses support to district level governance structures, and the inclusive politics programme (parliament and constitutional review support), the innovation project, as well as the rule of law programme.

UNDP will work with numerous partners on parts of the project where other stakeholders have an interest and resource. Box X below outlines some of these joint actions

Box 6 Joint Actions with partners

- SSI (IOM)/USAID: Jointly supported National Consultative Reconciliation Forum in Mogadishu
- Election Project: GIS system and platform establishment in NIEC and BFC: Border and polling booths mapping. Joint trainings for NIEC/ICBF members on GIS systems.
- Constitution Project: Initiate Joint Consultation process on Constitution review and federalism model development. Emerging States Charter development and Linkage with Federal -Level Constitution and Framework
- Parliament Project: Development of Accountability Guideline/Tool between Executive and Cabinet in Emerging States
- Rule of Law: Joint Perception survey on Governance/Rule of Law and Federalism
- JPLG: Institution Arrangements Mapping: Federal, State and Local level
- UNSOM (Gender unit): Joint plan to engage women in State -building process(women advocacy, women facilitators group development)

-UNSOM (Political unit); Integrated Mission with UNDP: Implementation of State formation and reconciliation intervention together with UNSOM- PBF funding an example of joint fund.

- UNSOM (Strategic Communication unit): Federalism Awareness interventions: such as Public Service Announcements(PSA), Radio/TV shows(planned)
- SSF/PRIMIS: Jointly planned and supported GSS/HSS State formation. Similarly working together on Hiran and Middle Shabelle. Plan to Coordinate with DFID/EU PREMIS on HRM/CSC

10.2. Project Assumptions, Constraints and Risks

Assumptions

All support to developing administration and giving life to Federalism requires strong coordination of inputs by all development partners. This will be achieved through Pillar Group 1 'Inclusive Politics' and reporting to the SDRF Steering Committee. However, there is also a need to link over to CAS (Strand 2 in particular).

The Pillars seek to align Development Partners' diplomatic, defence, and development resources, supported by a political strategy to those of the government in order to be effective. We assume that there will be clear leadership on issues relevant to programming, sequencing and in terms of mobilising resources. As the NDP PWGs update priorities it may be necessary to adjust TWG work plans accordingly.

UNDP assumes it will leverage the efforts of related projects, including UN programmes in local government (JPLG), security, stabilisation, rule of law, recovery, and service delivery sectors, as well as key World Bank, IMF and AfDB project support. The UN will coordinate its efforts in terms of establishing a single approach to building stability and good governance with agreement on sequencing and trade-offs and working to the Government's agreed approach. Joint Analysis will be shared with Government partners. UNDP and national counterparts will list detailed, evidence-based assumptions specific to each of the Impact, Outcome and Output levels in the Programme Log Frame.

Success assumes reflection and response of the institutional development process to public perceptions; continued commitment of the highest state institutions for the ongoing institutional development process; and continued dedication of the Somali Leadership to support and manage the legal, administrative, organisational and human resource development processes that underpin the Federalism Project. The project therefore supports development of such diagnostics.

Other assumptions that may be relevant to the Log Frame:

- Government remains intact and actively contributes to project objectives
- Other International actors contribute and coordinate
- Aid coordination continues to contribute to building trust and understanding
- The Civil Service Law and the need for ancillary legislation is accepted by the government, the main donors, and passed in Parliament
- The Government is interested in supporting a formal administration with rules and guidance

Risks

In accordance with good practice, the project aims to meet the minimum requirement of "doing no harm" whilst attempting to design and implement programming that can positively impact. In addition, in accordance with the United Nations Human Rights Due Diligence Policy (HRDDP), UNDP will comply to this policy by developing the implementation framework in collaboration with the government.

UNDP will engage with a range of stakeholders to ensure a good understanding of the context and local political drivers, both formal and informal. However, the project is taking place at a particularly difficult and volatile time. A programme such as this is high risk, particularly because of its political sensitivity. This means that UNDP and the government will need to give full consideration of what is most likely to threaten the programme's success, such as shifting political or conflict dynamics, and where the programme could have unintended consequences, e.g. strengthening unaccountable institutions, or reinforcing the existing political concentration of power. We assume a joint approach to managing these risks.

The main mitigating measures applied assume a high level of strategic patience, adopting a principled and iterative approach to programming, managing FGS and FMS expectations and avoiding scope creep, the development and maintenance of core messages, being transparent, professional, and focused on meeting the needs of the FGS and the FMS.

Lastly, this technical assistance is equally targeted at FGS and FMS levels, delivered through the provision of technical assistance, mentoring, training, building systems, and where possible facilitating the provision of equipment and capital infrastructure. Each element brings its own risks and benefits in terms of likely short-term and long-term benefit. The programme is seeking to build in sustainability and thus the RMP seeks to quantify these risks.
Other potential risks to be addressed include:

- Organised service delivery arrangements may go against specific interests
- Problematic relationship between ministries and counterparts
- High staff turnover – UN and counterparts
- Tendency for administrative costs to grow when not continuously checked
- Malfeasance
- Unwillingness of leaders to review their own performance or be subject to peer review
- Lack of interest in performing routine administrative tasks

11. Monitoring Framework and Evaluation

UNDP has learnt that in Somalia, and many other field locations worldwide, management decisions should be underpinned by a comprehensive Monitoring, Evaluation and Learning Plan (MEL) implemented by dedicated staff with both local and external peer review support, embedding feedback loops to test assumptions, measure effect and adjust accordingly. The project and proposed interventions will expand on the UNDP learning and doing approach, through an agile and innovative approach to implementation.

10.1. Monitoring

The regular and effective monitoring of the project in Mogadishu and in the FMS, where the majority of activities will be implemented, will be important to ensure that the Project is both focused on theactivities articulate in the Results Framework and resultant Work Plans. Regular monitoring of the Project and feeding back data uncovered through the Change Lab will ensure that Project Management has the information to report to the Project Board at quarterly intervals.

The Project will adopt the following key principles as part of its M&E strategy:

- Somalia ownership - co-led by national and FMS Government counterparts
- Feed M&E findings into the NDP Pillar Working Groups
- Multiple approaches as set out in the Results Framework, including Change lab products, perception surveys, political and conflict analysis, reports with a gender focus (including disaggregated data regardingwomen's participation in FGS/FMS and public fora
- Quarterly progress reports for the Project Board.

Project Staff are in each FMS and will support ongoing project monitoring.In accordance with the programming policies and procedures prescribed by UNDP SoPs, the project will be monitored through the following:

- An Issue Log shall be activated in Atlas and continually updated by the Project teamto facilitate tracking and resolution of potential problems or requests for change
- Based on the initial risk log submitted (see annex A), a risk log shall be activated in Atlas and regularlyupdated by reviewing the external environment that may affect the Project's implementation
- Based on the above information recorded in Atlas, a Quarterly Progress Report (QPR – see below)shall be submitted by the Project Manager to the Project Board quarterly
- The Change Lab will support processing of 'lessons-learned'which will be logged and regularly updated to support on-going learning andadaptation within the organization, and to facilitate the preparation of the Lessons-learned Report atthe end of the project

10.2. Reviews and Reporting

The project will be subject to regular review and reporting in order to help the Project Management Team as well asstakeholder beneficiaries and Government counterparts to ensure the Project is being implemented accordingto the agreed upon plan set out in the Output work plans and sub-log frames. Furthermore:

- Quarterly Progress Reportswill be prepared by the Project Manager with the help ofthe Project Management Team and Government counterparts. It will be disseminated in advanceof each proposed quarterly Project Board meeting. QPRs will focus primarily on progress againstactivities as articulated in the Results Framework and will serve to keep the Project Board abreast of progress and help the Project Management Team measure their delivery against the Results Framework activities
- Annual Project Review will be preparedby the Project Manager and his team and shared with the Project Board. ARs will take stock of the major achievements and challenges, focusing more on Output and Outcome level data in comparison to the quarterly progress reports which reports on the more detailedactivity level indicators
- Annual Work Plans for each Output for the upcoming year will be reviewed to measure progressagainst objectives
- End of Project Report. At the end of June 2021, a final report will be prepared by the Projectteam to measure the overall Output and Outcome level impact of the Project.

10.3. Evaluation

Evaluation of the impact of the Project will be conducted both through formal, annual evaluations whichare performed for all UNDP programs as well as through the activities of the Change Lab. Evaluation findings will be shared with the Project Board and project funders.

10.4. Quality Assurance

Quality assurance (QA) of REFS is achieved through strong monitoring and evaluation coordinated through Output 6. With an iterative and adaptive approach, donors may require an external 3rd party, thus UNDP will need to facilitate open access to donors and/or third-party monitors during the project's lifetime.

QA is basically concerned with ensuring compliance with quality standards and ensuring that the action implemented by the project and its components is likely to contribute to the realization of the results. Three measures are important and have been integrated in the management arrangements:

1. **Getting the basics right -** The project document is based on an assessment of experience which in some cases is limited due to insufficient information availability and the absence of solid analysis. It is important to establish a baseline for each Output. In some cases, this initial review will entail assessments, while in others it may focus more on collating the relevant materials and assessments previously implemented. While it is recognized that this 'review' stage takes precious time, it is invaluable in terms of establishing an agreed upon base-line, ensuring all parties involved do have the same information available and starting with a team-work approach to the development challenge under review.
2. **Sound analytical foundation -** To continuously be fueled by analysis of ongoing and emerging developments, the project will benefit greatly from the work undertaken in Output 6, using innovative approaches to understanding emerging developments rapidly enough to allow appropriate adaptation of the project planning. The project will be supported by a dedicated UNV with experience in M&E and emerging models of adaptive management
3. **Engage the outside -** Cognizant of the fact that the 'best knowledge sits elsewhere' we are adamant that - while we may develop workable solutions to development challenges with internal resources – it is highly likely that external parties positively can contribute to the project through Output 6 and in each Output as appropriate

Quality Assurance will be ensured throughout the project through various mechanisms:

1. The **Project Board** has the function of overall quality assurance throughout the project period
2. The **UNDP Country Office** programme team will through regular visits to the project review and assess the quality of work and alignment with the expectations of the different parties
3. **Independent Reviews/3rd Party Monitors**will ensure that each Output is up to desired quality standards. They will ensure that the whole project 'is greater than the sum of the parts'
4. The **Annual Reviews** will review progress up to date
5. A **Final Evaluation** will assess the project according to regular evaluation criteria.

12. Legal Context or "Basis of Relationship"

This project document shall be the instrument referred to as such in a) the Standard Technical Assistance Agreement, 1956 and b) Country Programme Document (CPD) 2018-21. The host country counterpart agency shall refer, for the purposes of the Standard Technical Assistance Agreement, to the Government co-operating agency described in the Agreement. The project document shall be the instrument envisaged in the Supplemental Provision to the Project Document, attached hereto. Consistent with the above Supplemental Provisions, the responsibility for the safety and security of the executing agency (Implementing Partner) and its personnel and property, and of UNDP's property in the executing agency's custody, rests with the executing agency.

The executing agency (Implementing Partner) shall put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried; and assume all risks and liabilities related to the executing agency's security, and the full implementation of the security plan. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The executing agency (Implementing Partner) agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm

This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

13. Budget and Value for Money

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year			RESPONSIBLE PARTY	PLANNED BUDGET		
		Y1(2019)	Y2(2020)	Y3(2021)		Funding Source	Budget Description	Amount
Output 1: Reconciliation in support of Administrative Arrangements in the Federal context (regional outreach and inclusiveness, boundaries)	Activity 1.1 Establishment of, and Support to, the National Reconciliation Commission/Forum, and Reconciliation Plans at FGS and FMS working through MoIFAR and state bodies	600,000	700,000	70,000	UNDP/ UNSOM/FGS	Donor/ UNMPTF	71600-Travel 71800-Contractual Services - ImplPartners 72100-Contractual Services-Companies 72200-Equipment and Furniture 72400-Communication 72800-IT Equipment	1,370,000
	Activity 1.2 Institutional Support and Technical Assistance to the Independent Commission for Boundaries and Federalism (ICBF)	380,000	430,000	100,000	UNDP/UNSOM/FGS			910,000
	Activity 1.3 Strengthen State and Non-State Actors Capacity in Conflict Mitigation and Government-Citizen Engagement	200,000	180,000	70,000	UNDP/ UNSOM/FGS			450,000
	Sub Total for Output 1	**1,180,000**	**1,310,000**	**240,000**	**2,730,000.00**			
Output 2: Federalism is organised and implemented in all Federal Member States (organisation, roles, responsibilities, powers)	Activity 2.1 Vertical coherence, consistency and coordination across all levels of Government is achieved	850,000	970,000	150,000	UNDP/ UNSOM/FGS	Donor/ UNMPTF	71800-Contractual Services -ImplPartners 72100-Contractual Services-Companies	1,970,000
	Activity 2.2 Increasing Public Awareness and CSO Engagement	400,000	500,000	50,000	UNDP/FGS			950,000
	Sub-Total for Output 2	**1,250,000**	**1,470,000**	**200,000**	**2,920,000.00**			
Output 5: Federal administration is enabled to operate effectively and efficiently (operational support, small scale	Activity 5.1 Support to High Priority Ministry Refurbishments and Re-equipping including IT and MIS	600,000	490,000	220,000	UNDP/FGS	Donor/ UNMPTF	71800-Contractual Services -	1,310,000

works to support infrastructure, transport, essential equipment)	**Sub-Total for Output 5**	**600,000**	**490,000**	**220,000**	**1,310,000**			
Output 7: Project Management and Implementation support	Activity 7.1 Project appropriately staffed to ensure successful delivery and accountability	590,000	590,000	140,000	UNDP	Donor/ UNMPTF	71600-Travel 72100-Contractual Services-Companies 72200-Equipment and Furniture 72400-Communication 72800-IT Equipment	1,320,000
	Activity 7.2 Project appropriately resources with accommodation, office space, and equipment/supplies to ensure successful delivery and accountability	300,000	300,000	90,000	UNDP			655,000
	Activity 7.3 Project appropriately services with logistical support and professional services	509,600	540,800	115,700	UNDP			1,161,550
	Sub-Total for Output 7	**1,399,600**	**1,430,800**	**345,700**	**3,176,100**			
General Management Support(7%)		310,072	329,056	70,399	UNDP	Donor	GMS	706,759
Total without UNMPTF Admin cost		**4,739,672**	**5,029,856**	**1,076,099**	**10,803,309**			
Admin UNMPTF(1%)		47,397	50,299	10,761				108,033

12.1 Value for Money (VFM)

To manage cost inputs the UN has considered the following approaches:

1. The fee rates for advisors are benchmarked against similar roles on comparable projects and set for the project's lifespan
2. A like-for-like comparison will be made between more expensive international consultants and less expensive regional and local technical advisors to ensure the most cost-effective use of UN money without unreasonable losses in the quality of advice and ultimately the quality of the Joint Project's outputs
3. Budget ceilings will be set for each Output work stream to ensure they have responsibility for making the most effective use of their allocations. This is closely monitored
4. Leveraging other resources to improve outcomes will be sought in each Output
5. Wherever possible the Joint Project will take advantage of local service providers and local markets to source goods at competitive prices.

Annex A: Theory of Change Analysis

In the previous StEFS and SIP projects, the Theory of Change (ToC) envisaged to support the projects was less developed than current practice encourages. Recent methodological advances suggest high quality ToCs can improve the effectiveness of programmes and the measurement of their impacts. ToCs are more than simple 'if-then' statements, ideally the ToC reflects the actual environment as far as possible without overly complicating matters. Clearly defining the boundaries of the theory and its assumptions is critical.

Recent reviews have found that there is no single definition of what ToC is and no set methodology[26]. People and organisations work with ToC flexibly, according to their needs. ToC has also been labelled with many other titles: "a roadmap, a blueprint, an engine of change, a theory of action and more[27]." It represents the theory of why and how an initiative works, by describing a set of assumptions that explain the steps that will lead to the long-term goal, as well as the connection between activities and outcomes of a given programme. As a minimum, ToC is considered to encompass the following elements:

- Context for the initiative, including social, political and environmental conditions, the current state of the problem the project is seeking to influence and other actors able to influence change
- Long-term change that the initiative seeks to support and for whose ultimate benefit it is aimed at
- Process/sequence of change anticipated to lead to the desired long-term outcome
- Assumptions about how these changes might happen, as a check on whether the activities and,
- Outputs are appropriate for influencing change in the desired direction in this context[28].

Working in Somalia and achieving change is undoubtedly difficult. A ToC built upon carefully considered assumptions and one backed up by multiple sources of evidence where possible is indispensable. Initial assumptions may prove incorrect or incomplete. It is also important to first ground the ToC in both the perceptions and behaviours of local stakeholders (individuals and organisations). The ToC ought to stay up to date and informed by thorough contextual analysis, including socio-economic change, updated conflict analysis and Political Economy Analysis (PEA). The ToC presented here has been considered carefully through consultations with multiple parties, including the OPM, MOIFAR, MOPIED, all the FMS, and other stakeholders. It has also been internally tested within the UN family.

The TOC focuses on the contribution the project can make to peace and stability, building on the objectives originally stated in the New Deal documentation: *'establishing a government administrative machinery that will be able to manage the state affairs and address the development challenges and*

[26] Vogel (2012) Review of the Use of 'Theory of Change' in International Development. DFID

[27] Reisman, Jane, Anne Gienapp, and Sarah Stachowiak (2007). A Guide to Measuring Advocacy and Policy. Organizational Research Services for the Annie E. Casey Foundation. Baltimore, Maryland (USA). See also Intrac. (2012). Theory of Change: What's it all about? Ontrac: 51 (May), p.2. See also Keystone. (2008). Developing a theory of change: A guide to developing a theory of change as a framework for inclusive dialogue, learning and accountability for social impact, p. 18. Available at http://portals.wi.wur.nl/files/docs/ppme/KeystoneTool-DevelopingaTheoryofChange.pdf

[28] Vogel (2012) Review of the Use of 'Theory of Change' in International Development. DFID

opportunities in alignment with the expectations of the citizens and configured in a way directly impacting improved service delivery. Such a machinery constitutes an alternative to (still existing) predatory governance arrangements'. The machinery of all government administration in Somalia therefore needs to have 'demonstrated' positive influence on the quality of life of all the citizens, to incrementally develop legitimacy and to extend its authority to all Somalia.

The ToC consists of two elements. First, the narrative which includes the overall objectives, the underlying assumptions, the strategies, the impact, the expected outcomes and second, a visualisation of the pathway of change. This is attached as figure 3 below. The ToC is suggested as follows:

The **impact** of the programme will be: **"A stable and peaceful Somalia, where citizens freely engage socially, economically and politically, and where conditions are met to sustainably improve the quality of life"**

This will be achieved if the **outcome** is achieved: **"The Federal Administration is better managed, more organised, more capable, more accountable and providing more and better-quality services responsive for the Somali people"**

The **link between outcome and impact** will occur if the citizens of Somalia increasingly value and engage with the (social, economic, political and security) services the government in Somalia is providing in collaborative arrangements with non-public sector actors. Hence, not only the quantity of services is important, but also the quality and that they are delivered in a manner that is commensurate with the expectations of the citizens.[29]As the value, relevance and effectiveness of the Administration's capabilities grow, the government will be perceived as more relevant and useful for citizens, and thus more legitimate[30].

The 'outcome' and 'impact' levels are deliberately aspirational and longer-term; the realisation of the outcome and impact will require multiple other interventions. However, the present project will contribute to these outcomes and impact, in line with TOC design within the regular RBM approach. The elements that the project contributes, further outlined below, are to be interpreted as **necessary** contributions and not as **sufficient** contributions to the relations of the outcomes and impact.

Regarding support to Federalism, **if** local communities have opportunities to engage with FMS institutions, articulate their priorities and solve local difficulties; **if** responsive Federal structures can prioritise service delivery towards clear stabilisation objectives[31]; **if** two-way communication (feedback loops) with and between the FGS and FMS are reinforced; and **if**clarity around the federal process is growing…**Then** communities will feel better represented by their administrations and in parallel, cohesion between FMS and central government will improve. This will… **Improve** FMS capacity to deliver services inclusively and in ways that demonstrate a commitment to represent their

[29] Subject to the caveats noted later in this section

[30] This is 'performance' legitimacy and there is evidence to support that If governments are able to be held accountable for the delivery of basic services and grievances of the public are heard and delivered, then there is an increased perception of state legitimacy.

[31]At this point in time, the specific 'models' of basic service delivery are not yet agreed. This requires continual effort to help government to come to terms with the different approaches and gradually develop the ones most suitable in specific sectors. However, this is done will involve ongoing discussions with the humanitarians.

constituency and prepare them to engage with central government for further decentralisation in the post new constitution era…

This contributes towards improved trust in government, empowered central government and FMS stakeholders collaboratively managing the process of introducing federalism, improving service delivery and providing more effective, resilient and responsive institutions, **laying the foundations** for a durable and stable political settlement and a safe and secure Somalia.

This will be achieved, if these **five key outputs** are achieved:

1. **The State can establish, and apply, effective conflict and dispute resolution mechanisms;** have an efficient complaints process and a citizen-focused media and public relations capacity in place to communicate more effectively with citizens and civil society in tandem with reaching political and security agreements that can underpin local administrative issues such as boundary disputes
2. **The Federal Government and Member States agree the founding principles of the federal administration system** and have ensured horizontal and vertical administration, coherence, consistency and coordination at the Federal and State Levels
3. **The State has the appropriate physical working environment to enable government to operate including offices, equipment, amenities and transport**

Figure 2 shows the ToC graphically. However, UNDP recognise that the link between state legitimacy and service delivery is not straightforward[32], hence the need to invest in diagnostics through the proposed 'Change Lab'. The approach is designed in a way that puts the Government as the lead technical and political stakeholder, and in the driving seat.[33] This is achieved by involving the key partners from the start in designing the project; its work plans and activities; designing the tools to collect necessary data; to prepare baseline studies, case studies, diagnostic studies (PEA, DoC), engage fully in the ongoing MEL; validating the analysis, and reporting the conclusions and recommendations back to Somali leaders. The overall approach is iterative, adaptive and flexible, with frequent pause for thought and updating of working assumptions. Risks are managed actively. As the diagnostic work proceeds it will become clearer which reforms and changes are most likely to deliver results.

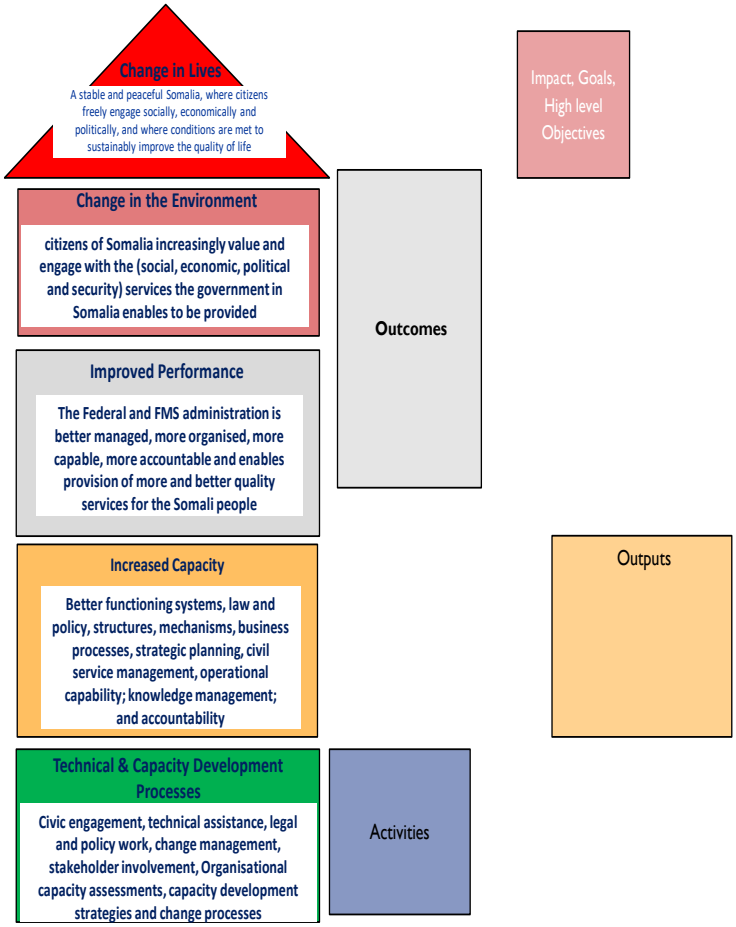
Figure 2 The Theory of Change

[32] Evidence generated by research for the 2017 WDR notes "The quantitative and qualitative data gathered by SLRC challenge the practical orthodoxy…According to the findings, the mere presence of the state in the provision of services is not necessarily associated with better perceptions of government. At a broader level, the findings indicate that the dominant understanding of a 'failed' or 'fragile' state in terms of its capacity to deliver services needs to be interrogated. If we understand that an integral feature of a failed or fragile state is its lack of legitimacy, then increasing access to services will not necessarily increase state legitimacy". Hamish Nixon, Richard Mallett and Aoife McCullough (2016) Are public services the building blocks of state legitimacy? Input to the World Bank's 2017 World Development Report. Working Paper 55

[33] Subject to certain project management and fiduciary safeguards as required by UN and relevant donors

CESBS - The Theory of Change

Basic logic: capacity development processes **contribute to** increased capacity **contributing to** improved performance, **contributing to** citizens better using and valuing the services (behavioral change) **contributing to** improvement in quality of life.



The Component work streams (the Outputs 1-6) are responsible for developing their**Baseline Reports**, an appropriate **Implementation Plan** and activities that will deliver the agreed outputs. The**Results Framework**[34] guided by the ToC was therefore built organically through continuous consultation and adaptation through the initial preparatory workshops and early feedback from consultees. The RF is an active management tool and will be updated based on feedback. ToCs, at their very core, are designed to help to give a certain structure to people's ideas and beliefs. The FGS, FMS and DPs generate ideas, hypotheses and resulting theory of a change because there is no best practice only emergent practice, there is no linear relationship between what the project will do and what it will achieve. Hence the need for Output 6.

[34] To be supplemented by detailed individual Output 'mini Log Frames' for project management purposes

Annex C: Risk Log and Integrated Risk and Opportunity Management

Somalia remains a volatile context in which to work, on multiple levels. In addition to physical insecurity, which continues to manifest itself with unfortunate regularity both in Mogadishu and in many parts of south and central Somalia where this Project is to be implemented, political insecurity remains a no less relevant risk to the success of **REFS** implementation, constitutional discussions have been delayed and a new deadline of end 2018 set. Some of the risks identified are likely to be 'unknown' as to their extent and likely impact.The purpose of this table is to consider the project and its objectives, and

- Understand the context
- Define the key tasks to achieve the objectives, and then identify the various risks to each task
- Rank the risks in terms of probability and consequence
- Identify responses where appropriate
- Be able to prepare contingency plans in case risks are realised

The main mitigating measures applied assume a high level of strategic patience from the Project Board and Implementation Team, adopting a principled approach to programming, managing FGS-FMS expectations and avoiding scope creep. It is important for the project to develop and maintain core messages in line with the emerging Federalism agenda, being transparent, professional, and focused on meeting the needs of the FGS-FMS. It should be noted that some programmatic risks are generic.

In accordance with most Development Partner's policy the project aims to meet the minimum requirement of "doing no harm" whilst attempting to design and implement programming that can positively impact on the FGS-FMS. A brief description of the major risks assessed, the likelihood and impact of each, and mitigation measures **REFS** will utilize are contained in the following Risk Log table:

Risk	Likelihood	Impact	Mitigation
Donors may review their funding and operations and may not give Yrs2/3 approval	**Low**	**High**	Support Donors to develop on-time and effective bidding for annual allocations. Undertake internal evaluation before year 2 commences, make programme adjustments as necessary
Physical insecurity. Serious deterioration of the security situation, either within Mogadishu where the Project Implementation Team (PIT) will be based, or	**Medium**	**High**	The UN family has proven that it can and will continue to work from Mogadishu despite ongoing security challenges. The **REFS** Project Manager and some of the PIT will be Mogadishu based, so continuity of programming is likely even in the case of regional insecurity or isolated incidents in Mogadishu. In state capitals, **REFS** does not intend to employ full time

in the FMS capitals where REFS will employ field staff.			international staff, but rather will rely on senior local staff. These staff may be temporarily relocated if necessary either to Mogadishu or to another state capital but will continue to monitor project activities. **The PIT will draft a Contingency Plan for continued operations in the event of a serious security breakdown**
Lack of co-operation of regional administrations in developing the federal system of government	**Medium**	**High**	If FMS think the FGS is acting insincerely, they may be less inclined to co-operate fully within a federal framework, regardless of what they have agreed to on paper. This may impact mostly on FMS that have their own means of revenue, i.e. Puntland and Jubaland.
Project support. Lack of agreement on coordination and cooperation arrangements.	**Low**	**High**	Agreement with the MoIF has also been reached on being the principal counterpart for the project. As part of the **REFS** design process, UNDP has also agreed with all FGS and FMS parties on the proposed Project components, all of whom have expressed support for the concept. **In order to ensure a clear basis for cooperation and decision-making the project will draft and agree a clear framework of MoUs and LoAs that set out agreed cooperation and coordination arrangements**
Financial Risk. Misappropriation or misuse of Project funds. Lack of financial oversight at the project activity level.	**Low**	**High**	Because the project will be managed under UNDP's Direct Implementation Modality (DIM), all procurements will be managed by UNDP, using established UNDP policies and procedures. There will be no direct funds transfers to FGS or FMS bodies under this project. All sub-contracts with consultants, service providers, or CSOs/NGOs will be administered according to UNDP procurement guidelines. **Furthermore, REFS will employ full time project staff on the ground in each activity location who will monitor usage of assets or services provided to Project beneficiaries. These staff will be supported by the Project's M&E Officer and UNDP's Finance Department.**
Political risk – at Federal level. There has been some high turnover in ministerial appointments and Advisers. Further changes cannot be discounted. Potentially volatile	**Medium**	**High**	**REFS** will work closely with executive level leadership and will intentionally target senior and mid-level ministry personnel in the OPM, and key ministries ensuring **REFS** will have engaged in capacity support and project development with staff who are likely to remain in their posts.

power dynamics at the centre may disrupt work at the centre of government			
Political risk – FMS level. FMS leaderships new and remains fluid, with potentially volatile power dynamics in the regions.	**Medium**	**High**	While **REFS** will work closely with the executive level leadership of FMS ministries, it will also support senior and mid-level ministry personnel at the FMS level. Thus, despite potential leadership changes, **REFS** will continue to engage in capacity support with staff who may likely remain in their posts.
The constitutional review process could stall leading to conflict between different levels of government including the legislative branches.	**Medium**	**High**	The project will remain flexible andresponsive to emerging needs ofthe FGS-FMS administration who will continue to work despite possible delays. To mitigate this risk, **REFS** will work closely with UNSOM (Political) and the UNDP Project 'Constitution Review Support Project' (CRSP-II) to anticipate any specific project impacts.
ICBF Obstructed in its work - It is possible that the work of the Independent Commission for Boundaries and Federalism (the 'BFC') will take an extended time to complete the task due to political difficulties.	**Medium**	**High**	**REFS** will ensure that it works with Director General (DG) and Department Head level staff from the ICBF identifying what immediate support may be required for a fully functioning entity. Continual updated risk assessments will be prepared with ICBF staff
The Programme generally is perceived as following an 'international political agenda' that is divorced from the political and social realities of Somalia. Driver: shifting position of the international community (IC) on important issues such as security, major geo-political issues	**Low**	**High**	The project is contingent upon acceptance and positive engagement with Somali stakeholders. It is important not to place undue pressure on the different parties. Any changes in the political economy should be carefully monitored