

UNITED NATIONS DEVELOPMENT PROGRAMME REGIONAL PROJECT DOCUMENT

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 Project title: Regional Programme for Governance
 in the Arab States
 Estimated start date: July 1999
 Estimated end date: December 2000
 Management arrangement:
 Designated institution:
 United Nations Executing agency: UNOPS
 Programme support project site: Arab States
 Beneficiary countries: as above


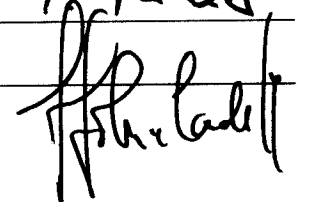
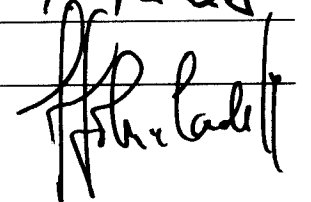
| <u>Classification information</u> | | |
|------------------------------------|----------------------|----|
| ACC sector and sub-sector: | 2 | 40 |
| DCAS sector and sub-sector: | 2 | 5 |
| Government sector and sub-sector: | | |
| Primary areas of focus/sub-focus | 4 | |
| Secondary areas of focus/sub-focus | 26 | |
| Primary type of intervention: | capacity building | |
| Secondary type of intervention: | institution building | |
| Primary target beneficiaries: | 5 | |
| Secondary target beneficiaries: | 6 | |

| <u>Summary of UNDP inputs</u> [as per attached budgets] | |
|--|------------------|
| UNDP | \$ |
| TRAC 1 | 3,586,495 |
| Total | 3,586,495 |
| <u>Administrative and operational services</u> | |
| SOF 01 | 286,920 |
| Total | 286,920 |
| TOTAL | 3,772,415 |

BPAC review date 24 May 99. Programme officer:

Brief description:

This project aims to contribute to the economic and social development of the countries of the region through the creation of an environment in the Arab region where good governance and public resources management are practised and advocated through partnerships between Governments (central and local), civil society and the private sector using such mechanisms as (a) **networks** of national, regional and international institutions and think-tanks to discuss **policy issues and their economic and social implications** and promote innovative ideas and practices to governance and public resource management; (b) **conferences and workshops** to disseminate ideas and good practices in the region and globally; and (c) **country anchored pilot activities** producing results and lessons to be shared regionally.

| | Signature | Date | Name/Title |
|-----------------------------|---|----------------|--|
| On behalf of: Government |  | <u>13/7/00</u> | _____ |
| Executing Agency |  | <u>13/7/00</u> | Ingunde Fuehlau, Chief, WAASE |
| UNDP/RBAS |  | <u>8-11-99</u> | F. Fokeladeh, Asst. Administrator & Regional Director |

A. CONTEXT

Background

Developments in the Arab region during the past three decades have been impressive from the Sustainable Human Development (SHD) point of view. Life expectancy has risen by about 20 years to reach an average of 65. The mortality rates for children under five, were reduced by nearly two thirds reaching 70 per thousand. Adult literacy rates rose from 30% to 54.7% between 1960 and 1994. Combined school enrollments rose from 47% in 1980 to 58% in 1993. Access to health services and daily caloric intakes are the second highest in the developing world after East Asia. The average per capita income in the region more than tripled during the period of 1960 and 1985. During 1970-90 women's literacy rate was raised nearly threefold. Female combined primary and secondary enrolment rates rose from 32% in 1970 to 60% in 1992

Nevertheless, many challenges are yet to be met. More than 15% of the population still cannot expect to survive to age 40. Sixty million adults are illiterate, 54 million people lack access to safe water and 29 million lack access to health services. The unemployment rate is high and can reach 15%. Lack of access to safe water and safe sanitation translates into about 10 million lost years of productive life each year. More than 50 million people breathe dangerously polluted air.

The decline in oil prices in the 1990s caused stagnation in per capita GDP and affected negatively the terms of trade. Countries supplying migrant labor suffered as a result of this stagnation as well as a result of the continued armed conflicts that has marked the region during the past few decades. Global capital flows into the region are marginal (about 3% of global flows) while large financial assets from the oil revenue are held abroad. Intra-regional trade is limited to 8% while trade with the rest of the world make up only 4% of world trade.

The public sector employs 30 to 60 percent of the labor force across the region (95 % in the gulf countries). The overall rate of productivity is quoted as falling at a rate of 0.2% annually.

Analysis of current situation

The progress noted on the socio-economic front can be further consolidated with efforts to strengthen the institutions, processes and systems that are responsible for the sustainable enhancement of socio-economic and other SHD conditions. This effort of institutional strengthening would be optimal when a clear link between Sustainable Human Development (SHD) and good governance is made in a comprehensive and sustainable manner.

SHD and good governance-the conceptual framework "SHD is development that not only generates economic growth but distributes its benefits equitably, that regenerates the

environment rather than destroys it, that empowers people rather than marginalizes them. It gives priority to the poor, enlarging their choices and opportunities and providing for their participation in decisions affecting their lives” (UNDP, Human Development Report 1996).

SHD does not, and cannot, occur in a political and social vacuum. Societies, in accordance with their cultures, traditions and aspirations need to develop governance systems that will help them reach their SHD objectives in a participatory manner.

Governance entails the exercise of economic, political and administrative authority to manage a country’s affairs at all levels. It comprises the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences.

Governance encompasses the state, but transcends it to include the private sector and civil society. All three sectors are critical for sustaining human development. The primary interest lies in how effectively the state serves the needs of its people. The institutions of governance in the three domains (state, civil society and the private sector) must be designed to contribute to sustainable human development by establishing the political, legal, economic and social circumstances for poverty reduction, job creation, environmental protection and the advancement of women.

Good governance, among other things, is participatory, transparent and accountable. It is also effective and equitable. And it promotes the rule of law. Good governance ensures that political, social and economic priorities are based on a broad consensus in society and that the poorest and most vulnerable members of society are heard in decision-making over the allocation of development resources.

The core characteristics of good governance include: 1) *Strategic vision* - Leaders and the public have a broad and long-term perspective on good governance and human development, along with a sense of what is needed for such development, 2) *Participation* – All men and women should have a voice in decision-making based on their right to freedom of association and speech, as well as their capacities to participate constructively in the decision-making process; 3) *Consensus orientation* - good governance mediates differing interests to reach a broad consensus on what is in the best interests of the group and, where possible, on policies and procedures; 4) *Rule of law* - Legal frameworks should be fair and enforced impartially; 5) *Responsiveness* - Institutions and processes try to serve all stakeholders; 6) *Equity* - All men and women have opportunities to improve or maintain their well-being; 7) *Effectiveness and efficiency* - Processes and institutions produce results that meet needs while making the best use of resources; 8) *Accountability* - Decision-makers in government, the private sector and civil society organizations are accountable to the public, as well as to institutional stakeholders; 9) *Transparency* - Processes, institutions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them

These core characteristics represent the ideal - and no society has them all. Even so, societies should aim, through broad-based consensus-building, to define which of the core features are most important to them, what the best balance is between the state and the market, how each socio-cultural and economic setting can move from here to there. Furthermore, there is no one model to be followed by all societies or countries. Historical development, cultural values, and the dynamics of a society's stakeholders determine what works best in the leadership of and the fulfillment of that society's aspirations.

Problems to be addressed: The governance situation in the Arab Region-an analysis of key challenges:

The challenge of addressing governance issues in the region is a function of many factors. These include among others:

1. The level of commitment of political leaders to the development and enhancement of national standards as reflected by the Human Development Indicators.
2. The level of linkage made institutionally between good governance and SHD in the region.
3. The level of involvement of other than government actors in society in the management of the affairs of society and the extent to which these other actors (NGOs and other civil society participants, private sector) are organized, play a positive, constructive role and are committed to national development objectives.
4. The level of participation of people in managing their own affairs reflecting a high sense of civic responsibility.
5. The degree of consensus between all partners on the governance priorities to be addressed.
6. The degree of consensus from all partners on which of these priorities can be addressed immediately, given the current situation.

Although, the Arab countries share common history, language, culture and tradition, different influences and varying circumstances have produced a very dynamic mosaic of political and administrative systems.

In promoting forms of political representation, the Arab region's experience is mixed. Widening the scope of representation and enhancing participation of the people in the political life and developmental processes at the national and sub-national levels remains one of the more important governance challenges in the region. In some Arab countries, building on the traditional tribal systems of social management which have worked well into the first half of the twentieth century, there is a need to adopt new and innovative mechanisms that will allow people to better express and realize their aspirations in a globalizing, technologically advanced and a more open world of the twenty first century. Inheritances of the French and English public administration systems can be found in the region, occasionally intermixed with the Ottoman laws, rules and regulations as well as local tribal traditions and practices. Many attempts have been made to modernize the public administration in many countries with considerable progress in some countries and remaining challenges in others. Nevertheless, over- centralization, bureaucratic practices,

insufficient capacities, management techniques unresponsive to current needs, low wages and accountability challenges are affecting the performance and effectiveness of most public administration systems in the region. This is causing some inefficiencies, delaying delivery of services, creating an environment that discourages local and foreign private investments, increasing the cost of running the government (and consequently public debt) and stunting economic growth and social progress.

The judicial system in most Arab countries is based on a mix of Islamic, tribal, Ottoman and colonial laws, as well as, cultural tradition. Laws and legislation dealing with personal status are based on the Islamic tradition. Other laws require more harmonization with internal social values and modern international requirements. They also need a lot of streamlining, updating and revision. The judiciary is often underpaid and overwhelmed with huge case loads as well as being bogged down with antiquated laws, especially those dealing with commerce, investments and intellectual properties-all necessary for a better integration in the global economy.

Sound Financial and Administrative Management

Macro-economic stability, in the presence of increasing fiscal pressures and growing international economic influences underscore the importance of public financial management, accountability and transparency as some of the more fundamental responsibilities and challenges for most Arab Governments.

Declining receipts from oil, increasing necessity to integrate in the world economy to fully benefit from global growth, growing demands of an increasing and a more aware population constitute important pressures on governments of the region to be more accountable and transparent in the way they handle their public finances.

The legal frameworks governing the accession to inter-regional and global trade partnerships (Euro-Mediterranean Partnerships, WTO) require strict application of financial management regulation reinforced by technologically advanced techniques. These are designed to ensure that international and unified standards are applied ensuring equal treatment for all partners. They not only apply to international trade issues but also to how the national budget is prepared and spent (to ensure no subsidies go unreported), how contracts are advertised, processed and awarded and what kind of auditing standards are applied. These measures, once applied help curb ineffective financial management practices and raise the benefit cost ration of public investments by subjecting them to the more effective market rules and regulations.

Moreover, many international institutions are becoming more strict in applying the effective financial management conditionality clauses for lending purposes to strengthen national capacities for debt management and guarantee loan repayments. Countries seeking loans from the World Bank, the IMF and other institutions will have to demonstrate more effective and corruption-free public financial management practices.

As has become evident after the Asian crisis, globalisation brings with it not only promises of wealth and economic growth but also realities of possible instability, negative social impact from loss of jobs to potential negative environmental implications. To the extent that countries of the Arab Region learn from the experiences of those that have preceded them, they will be able to prepare themselves to reap greater benefits from the inevitable integration in the global market. It is in these preparatory activities that lies the opportunity to take governance initiatives and sustain them at later stages.

Efficient and Effective Legislative

Elected parliaments are the governing bodies most representative of the will of the people. Parliaments prepare and pass legislation that governs the affairs of society, oversee executive branch operations and budgetary resource allocations and lead political dialogue and debate setting the governance framework for societies where they operate.

The functions of parliaments are dynamic, requiring adjustments to meet prevailing economic and social arrangements. As such, the responsibilities incumbent upon parliamentarians make it mandatory that they, as well as their staff, continuously augment their knowledge of prevailing issues and upgrade their skills to meet emerging challenges and new responsibilities. Likewise, relations between parliaments and other governing institutions continuously change to adapt to new domestic and external circumstances.

Parliaments are operational in a large number of Arab countries under different names and in differing forms. They are called people's assemblies, consultative councils, National councils, or parliaments and their composition ranges from appointees to members directly elected by popular vote. The representation also varies from one country to another in the region. Parliamentarians represent their electoral constituency, religious community, political party, region, tribe and social class. The electoral process being relatively recent to most Arab states has seen limited progress and improvements. Debate on how to ensure its integrity and neutrality has been kept alive in some countries by a combination of media and civil society initiatives.

Legislative-Executive Relations: The constitutional role of parliaments varies from country to country. In some countries, parliaments have strong constitutional mandates with respect to approving and monitoring the policies and programs carried out by the executive branch. The exercise of this function by some parliaments may be constrained due to a variety of reasons including limited knowledge of parliamentarians of their role, a lack of capacity of parliamentarians to perform this role, weak procedures/and or operations of parliament to perform these duties or other factors.

Legislative-Judiciary Relations: The judiciary maintains in many countries a special relationship with the parliament in view of the latter's dual role as the governing body most representative of the people and as the body that sets and approves the laws of the land which the judiciary then sets to enforce. This relationship often insulates the judiciary from the executive branch and ensures its neutrality. The judiciary in many Arab states is seeking to modernize itself to better adapt to the 21st century on a variety of

issues ranging from international trade litigation, human rights, property and investment protection and other pressing issues.

Legislative-Constituency Relations: The overriding goal shaping this relationship is meeting the aspirations of the people in a manner that is sustainable and people centered. The focus on SHD goals of poverty eradication, social development, equitable economic growth, proper management of the natural environment and resources and the role of women in society gains more focus, becomes clearer, and reflects more properly the aspirations of the constituency, when dialogue is actively maintained between the parliament and the constituency. New, innovative and daring mechanisms for enhancing this dialogue need to be explored for the benefits of all parties. NGOs and civil society have played an important role in some countries in maintaining and encouraging this dialogue.

Modernizing the legislative environment for enhanced trade in the globalized 21st Century, overseeing the operations of the executive branch of governments, insulating the judiciary from pressures of the executive branch and other pressures and ensuring the best possible representation of constituents are some of the main challenges in the Arab Countries.

Judicial Systems

The efficient, impartial and appropriate delivery of justice within a clearly established framework for the rule of law is essential for good governance. Existence of effective ombudsmen, oversight bodies and security systems provide greater sense of freedom to individuals and groups. Removing legal barriers that prevent the participation of women minorities and civil society institutions in elections and other political processes expands the resources that society can put to use in governing its own affairs. Neutrality and independence of the judicial system is also a prerequisite for an efficient and transparent governance system.

Laws dealing with personal status in the judicial system of most Arab countries are closely associated with religious traditions. Laws dealing with electoral and constitutional processes, criminal and juvenile justice, international trade, investment and finance, regulation of civil society organizations are often out of step with the changing economic and social environment in the Arab States.

The structure, organization and administration of court systems; training judges, magistrates, lawyers and support personnel; making access to justice easier by improving subordinate court systems; providing specialized assistance in legal education on constitutional and electoral law and laws related to human rights - all offer opportunities for providing technical assistance in support of reform.

Governance and the Media

Advances in Information Technology, satellite and Internet communications offer in the new millennium unprecedented levels of easy and affordable access to information. Most Arab countries have invested in the necessary infrastructure to make use of these new technologies. Although Internet accessibility in Arab countries is growing at a poor rate, it is breaking new grounds in cost-effective and unrestricted access to information and is transforming the notion of power through information in some pioneering countries and among the educated elite. Arabsat and other satellite systems have linked an increasing number of Arab households to instant information and entertainment from across the world through television. The development of Arabic computer software is facilitating the use of computers in many institutions and households again in a modest but clearly increasing pattern.

The advances achieved to date in education and literacy is giving a growing number of people a new understanding of their role in society. They are increasingly more capable of using these technologies and are exposed to governance ideas of other cultures. Small but growing number of educated people and groups have gained exposure to a wider array of potential political and developmental choices and are generating a more discriminating taste for local media and news reporting.

The number of relatively free non-government press and media agencies are growing- albeit in a limited manner- in response to this new demand. Cross border television transmission and the free use of satellite dishes in most countries are breaking many information barriers hitherto unbroken. The role of the media in promoting debate on important developmental issues is growing at a rate that is not up to the level of the current challenges. Raising awareness on developmental issues, providing options for policy alternatives and creating a channel for enhanced and more productive dialogue between policy makers and the people are important roles of the media that are not being put to full use by the Arab media. There is now an unprecedented opportunity for an enhanced more responsible role for the media in the development process and it should be seized effectively. As a significant voice of all segments of the population, also the civil society, the media can play a more active and dynamic role in drawing up the future directions of development and bringing the focus of this development to concentrate on SHD challenges.

Organized civil society groups championing the development cause have also grown in number and effectiveness in the Arab world. Some are playing an active role in important areas such as the environment, human rights and women's issues.

All of these developments provide a fertile ground for a new role for the media where the emphasis in reporting can focus on advocacy for more active participation in development issues and on awareness raising about the responsibilities and rights of citizens. Such a new role for the media could encourage consensus on important national issues and motivate more effective service delivery by government and a more responsible, active role by the citizens.

The recognition that the media is an important educational tool and a powerful change instrument offers an opportunity to use this tool responsibly and proactively in order to contribute to a more effective dialogue on national development issues. The media has the potential to offer easily accessible forums that allow for a better understanding of the issues, the role of the state, the citizen, the private sector and the governance equation most suitable for each country.

Women and Decision Making

While major achievements have been recorded during the past few decades in the field of education for women, relatively few women are involved in public life compared to other regions. Arab women held only 4% of parliamentary seats, well below the 10% average in developing countries. Women ministers have been appointed in Syria, Iraq, Tunisia and Egypt and the number of senior managers in the public service of many Arab countries is on the rise. Women judges are active in many Arab countries. The ratio of female to male judges ranges from 50 % in Morocco to 22% in Tunisia, 16% in Yemen and Lebanon, 11% in Syria and much less to none in the rest of the Arab countries.

In civil society organizations, women have been playing a leading role on a variety of issues extending beyond traditional women rights to touch on social development, environmental and rural development activities. Arab women's participation in the Beijing Conference created an important opportunity for dialogue to be created and in some instances sustained between the national authorities and women's organizations. It is hoped that the Center for Arab Women for Training and Research, supported by UNDP and other research centers and academic institutions will enrich the debate with data and information, studies and advocacy.

Women have also made important breakthroughs in academia, albeit still focussed on liberal arts subjects, and in the media where more and more women are contributing to shaping the public opinion in Arab countries through incisive analysis and reporting in news cast and cultural and political talk shows.

Arab society, however, is far from benefiting from the full potential of its women. Only 25% of women are involved in the labor force (compared to 39% in developing countries). Through advocacy and dialogue it will be more effective to address issues pertaining to a more active involvement of women in managing societal affairs and benefiting from their contribution at all levels of decision making.

Decentralized Governance and Urban Management

It has long been believed that the closer the decision-making system is to the beneficiary local community, the better it responds to their needs. Indeed, decentralizing specific functions from the center to the local level, along with the necessary resources and accountability within the national development framework has proven effective in many countries. There is no one model for decentralization that applies to all countries. Each

society has to find its own reasons and justifications for decentralizing certain functions with the purpose of enhancing service delivery without compromising on issues of national unity and security. The challenge, therefore, for each society is to find its reasons to decentralize and decide on how to do so and at what cost.

The final objective of any decentralization effort continues to be delivering more services to more people more effectively and more efficiently. It is normally hoped that these services, once delivered, will contribute to the enhancement of the living standards of the beneficiaries in such a way that it is cost effective, non-discriminatory, equitable and is environmentally friendly.

Experience with decentralization varies from one Arab country to another. Yemen, the United Arab Emirates, Tunisia and Morocco have taken steps towards decentralization. Yemen's parliament is debating a new law on decentralization, UAE municipal management is often cited as a best practice and the LIFE programme in Egypt and Lebanon is breaking new grounds in local-government-civil-society dialogue.

As the fiscal burden on central governments grows, tending to the affairs of peripheral communities and handling municipal issues by central authorities becomes less and less cost effective. New experiments in devolving powers and resources to local authorities are being carried out by many developing countries and many lessons learned can be applicable to Arab Countries.

Similarly as the urban centers continue to provide the major sources of employment, they will become more and more populated. Mega cities like Cairo and other large and heavily populated urban centers in the region will see increased pressure for more modern urban management strategies that will take into account not only physical infrastructure planning but also social issues such as pockets of urban poverty and environmental pollution.

Countries with Complex Emergencies

Some countries in the region have witnessed crisis, both man-made and natural. Others are currently experiencing such crisis. During such difficult periods, political and social systems are ruptured, institutions that protect the vulnerable are destroyed and in many cases law and order and the state that protects them collapse. Restoring law and order, protecting the vulnerable, creating a dialogue leading to confidence building become priorities in conflict and post-conflict situations.

Support to most countries in crisis requires, quick, multidisciplinary, well coordinated and effective approach. Any support in a crisis context should work towards re-establishing structural stability; recognizing a vital link between the relief and development and reinforcing country level coordination. It has recently been realized that development in crisis countries cannot be separate from relief efforts.

From a governance perspective, support can be given before, during and after a crisis. Reconciliation and consensus building can be initiated and national capacities can be built to avoid, manage and mitigate crises. It is also important to strengthen capacities of the state, and civil society in identifying geographic and sectoral SHD gaps and challenges through regular information gathering (such as national SHD reports) and addressing these as a preventive measure.

During crises, support is needed both for macro and local planning initiatives and reconciliation. Supporting civil society in participatory planning and implementation of small-scale development initiatives has proven successful in many countries during a crisis. Support to the national confidence building process and assistance to the development of basic governance, management and coordination capacities is also critical.

In post crises situations, governance-related requirements need to be addressed, priority given to rebuilding those strategic capacities that have the greatest impact and the needs for resource mobilization should be identified and coordinated. This could include assistance to rebuild such core institutions as the executive, legislative and judicial branches of government. Supporting the preparation for, and holding of, elections, supporting the judiciary, human rights and enhancing consensus building dialogues (on national political, economic, social, environmental and other developmental issues) are examples of curative development after crisis.

Previous Experiences and Lessons learned

The RBAS organized *Regional Conference on Social Development and Poverty Alleviation* held in Damascus in 1996 identified governance as an important element of the development process in the region and concluded that its presence on the national and regional agenda needs to be further strengthened. This led to a *Regional Conference on Governance for Social Development* in Beirut in December of 1997. Both meetings were well attended by high level officials from the governments of the region and representatives of NGOs and research institutions. Both meetings recommended that a regional level governance project would be instrumental in supporting country level activities, especially with regard to awareness building. This view was also strengthened by representatives of Arab Governments and NGOs that attended the *Global Conference on Governance for Sustainable Growth and Equity* in July of 198 in New York. The cluster meetings of the Resident Representatives of the region as well as their contributions to a questionnaire on the issue consolidated the main themes and approach of the present project.

A series of consultations by the Director of the Regional Bureau for Arab States and the cluster meeting of the Resident Representatives of the area in March of 1999 in Marrakech sharpened the focus of the project and gave it its present form.

The 1996 Office of Strategic Planning and Evaluation (OESP) evaluation of regional programmes, an analysis of the mandatory regional projects evaluation and the

OESP/Regional Bureau for Arab States (RBAS) evaluation of public sector management and reform in the Arab States (1996) stressed on several important lessons. These included: (a) the need for stronger partnership- and ownership-building to achieve greater dynamic sustainability of results of technical cooperation; (b) the importance of a demonstration learning approach and networking in enhancing regional capacities to increase efficiency and effectiveness of activities and (c) the necessity of integrating regional initiative with country programme activities to optimize the synergistic impact of both.

In 1999 Country Offices replied to a questionnaire on governance issues prepared by RBAS. Analysis of these responses revealed that among the constraints to working with governance in the region: a) sensitivity of the issue of governance in general and human rights in particular; b) poor understanding of the governance concept; c) weak government capacity; d) delays in designing and implementing national reform agendas; e) some cultural constraints; and f) limited resources.

Further analysis and reflections also underscore the importance of (a) linking SHD to governance; (b) reaching national (and in some instances regional) consensus on priority issues to be tackled; and (c) relatively weak partnerships with regional and international institutions that can be resourceful in addressing governance issues in the region.

In indicating possible approaches to governance in the region, Country Offices pointed in their responses to—among others— (a) advocacy in support of governance concepts and programs; (b) a gradual approach; and (c) capacity building and strengthening institutions on all levels.

Additional analysis indicates that focussing governance support activities initially on areas of potential positive short term impact is an important element in the success of governance projects in the region. Such areas of potential positive impact include (1) modern financial management and accountability (2) strengthening of parliamentary legislative and oversight functions; and (3) judicial reform in relation to trade and investment laws. Highest impact can be had if all three areas indicated are approached with the objective of optimizing the eventual integration of Arab economies in the global market. Other areas of potential positive impact include (a) decentralization; (b) governance and the media; (c) women and decision making; and (d) governance in crisis countries.

Ongoing UNDP activities

Regional Programme: The 1997-2000 Regional Cooperation Framework (RCF) sets for itself an overall goal of “enhancing the environment for SHD, especially in the area of poverty eradication”. The RCF goes on to address this goal with two programs targeting “capacity[ies] for increased efficiency in the use of economic resources and interaction with the global economy” and “Optimizing conditions for human development, with a special focus on poverty eradication”.

Under the first programme issues with clear and direct governance implications include reforms of institutions dealing with international trade, the international financial system, intellectual property, as well as, institutions dealing with supporting the private sector.

The second programme addresses “governance for social development” and targets institutional capacity building for those institutions dealing with social development including NGOs and traditional welfare institutions.

These two programmes complement each other to address some of the key and most fundamental governance challenges in the Arab Region. The present project will complement and reinforce these programmes.

Country Office activities: During the period of 1992-1996 One hundred and Seventy Six million US dollars’ worth of programmes and projects in the Arab Region were spent on governance activities. Of these close to US\$ 64 million on economic and financial management, US\$ 44 million on public sector management, US\$ 23 million on governance in crisis countries, US\$ 19 million in aid coordination while the rest were allocated to the other categories of governance.

An analysis of the ongoing 1997-1999 country programmes based on the CCF and on questionnaires filled by country offices of the region revealed that almost all countries have governance programs or governance related activities. These projects are distributed as follows:

| Governance Focus Area | Projects |
|--|-----------------|
| Public Sector Management: | 29.70% |
| Economic and Financial Management: | 29.50% |
| Decentralized Local governance | 11.20% |
| Democratic Accountability and Integrity and Civic Responsibility | 9.85% |
| Aid Coordination | 7.04 % |
| Human Rights Institutions: | 7.04 % |
| Governing Institutions | 5.63 % |
| Urban Management | 2.81 % |

Development Objective

The long term objective of this project is to contribute to the economic and social development of the countries of the region through the creation of an environment in the Arab region where good governance is practiced and advocated through partnerships between Governments (central and local), civil society and the private sector.

Strategy

It is hoped that the **long term impact** of the activities of this project in concert with those undertaken by other donors as well as the national governments and other beneficiaries on the country level would be the significant enhancement in the standard of living in each of these countries as reflected in the national Human Development Indicators. It is hoped that this would be achieved through a series of actions including:

- a) a review and redefinition of the role of the state in socio-economic development with the view of including all resources of society in the managing of their affairs and optimizing the use of these resources;
- b) review of the governance experiences of other societies and making use of new innovative thinking in this area in light of which undertaking the necessary political, structural and administrative changes keeping in mind and building on national and regional cultural traditions; and
- c) adoption and adaptation-in harmony with national and regional traditions and cultural values- of universally acknowledged standards for good governance; and
- d) undertaking concrete steps in implementing the necessary changes, monitoring progress of such implementation and adapting them as the needs arise keeping in mind the ultimate goal of enhanced standards of living to all members of society in an equitable manner while preserving the natural environment as per the SHD principle.

While it is clear that this long term impact is an ideal situation that is difficult to attain, it is useful to keep it in mind as the direction towards which all regional and national governance support activities should be directed.

Reforming governance systems for Sustainable Human Development is a long term enterprise requiring the meeting of many conditions in specific historical circumstances in the political life of a country or a region. A comprehensive approach to reform is usually more effective but determining what is to be reformed, when and what time can only come about as a result of a comprehensive, interactive and inclusive dialogue of the main stakeholders. While these circumstances may not be present at the moment, many activities can be undertaken to raise the capacities of these stakeholders and strengthen the institutions through which they interact. It should be kept in mind that good governance is seen as a mean to enhanced SHD. It is a long term undertaking and is subservient to national conditions and specific national contexts. As such demonstrating linkage between achieving higher standards of living of the SHD type on one hand and good governance on the other is the central message of the project. The project should be seen as one of raising awareness and establishing new institutional partnerships aimed basically at enhancing capacity in the region to advocate for good governance for SHD.

In this respect the project will follow a two pronged approach. It will concentrate on advocacy and awareness raising through building of networks and partnerships and it will demonstrate the importance of the initiatives the project is advocating through limited key pilot activities.

Partnerships While not being fully dependent on partnerships, the success of this project will be positively influenced by partnerships forged locally and internationally. In this respect local consultancies to NGOs and research institutions should be seen as partnerships and not only simple contractual arrangements. With regard to Arab regional institutions, for instance the League of Arab States, the Arab Parliamentary Union and others, the relationship should be seen as a strategic, long-term partnership that would include in some cases elements of selective capacity building. Finally, with regard to partnerships with donors, this project should be seen as preparing the ground for their expanded involvement in governance issues in the region. As such longer term financial partnerships could be sought with each in accordance with their own areas of interest.

Beneficiaries

The direct beneficiaries of the project are national and regional government and non-governmental institutions whose main tasks and functions are advocacy for governance. They include (a) parliaments and parliamentary associations; (b) judicial corps and systems; (c) Ministries of finance and auditing offices of selected countries; (d) institutions dealing with decentralization and women's participation in decision making; and (e) national and regional institutions, think tanks, NGOs and other organisations involved with advocacy and capacity building for governance.

The indirect beneficiaries are the peoples of the region whose life would be enhanced as a result of improvements in governance practices as promoted and supported by this project.

B. STRATEGY FOR USE OF UNDP RESOURCES

Almost all national governments and many key donors are currently investing in projects addressing administrative governance including public sector reform and financial management. Some donors are also involved in a very modest way in projects advocating popular participation and even smaller investments are being made to strengthen governance institutions. This is done with little coordination and without a concerted effort to link these activities to a governance concept proper to the region. In using its resources, UNDP will attempt to fill this vacuum by focusing on advocacy for a more active role for the governments, institutions and people of the region in developing and implementing a form of governance most suitable to the region's needs. It is hoped that this will generate enough momentum in the region to encourage a more coordinated and more focussed approach to supporting governance initiatives in the region by national governments and external donors. It is also hoped that UNDP resources invested in this process will generate enough evidence and documentation on the linkage between SHD and Governance. Consequently, governments of the region and donors would be encouraged to further invest in this area of development. Most importantly it is expected that this project will lead to the development of many capacity building initiatives and projects which will be supported by donors and implemented by the national governments and regional institutions. Without such important capacity building follow

up the sustainability of the advocacy and change that will be brought about could be weakened.

UNDP will use its resources to reach the objectives of the project by (a) supporting the creation of regional networks; (b) the provision of funds for conferences and other means of advocacy including internet websites and publications; (c) and supporting the design and implementation of key pilot activities in selected countries for demonstration and replication value.

C. IMMEDIATE OBJECTIVES, OUTPUTS INDICATORS, and ACTIVITIES

The overall goals of the project are to:

1. Create a level of awareness on key governance issues appropriate to the region and establish and demonstrate their linkage to SHD.
2. Create a sustainable level of regional dialogue on governance policies through an extensive network of partners and an accessible forum for dialogue.
3. Demonstrate through key pilot activities that standards of good governance can be adapted to national realities at a reasonable levels of commitments.

The project will have seven components. They are as follows:

Component 1- Sound Financial and Administrative Management

Recognition of the fact that poor financial management of public resources and poor accountability is a constraint to enhanced fiscal, monetary and economic management is an important first step to addressing this issue. Linkage between effective and transparent fiscal management and the global market is not often realized or appreciated. Exposure to the latest advances in approaches to dealing with financial accountability creates an important momentum for longer term changes which will situate countries who undertake them in a better position to tackle challenges of globalisation. Forging partners in the area of transparency, financial management and accountability gives the region a sustained source of technical and financial support.

Immediate Objective 1: To create regional and national awareness of the importance of effective and accountable financial management of public resources and facilitate the transfer of knowledge in recent advances in the area of accountability and financial management especially in as far as they relate to international trade and integration in the global market.

Outcome 1.1: Awareness raised on importance of accountability and sound financial management, cost of poor financial management to development and linkage to SHD.

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| <u>Indicator of Success</u> Number of countries adopting or initiating programmes for better financial accountability in 18 months. |
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Output 1.1 Six national studies estimating annual cost of poor and unaccountable financial management of public resources and linking poor financial management to slow economic and social development (4 months)

Activity 1.1.1 Prepare TORs for studies and select countries

Activity 1.1.2 Identify and recruit consultants

Activity 1.1.3 Undertake study

Activity 1.1.4 Publish study and disseminate (500 copies)

Output 1.2 Regional workshop to discuss findings of studies, discuss experiences of other regions and explore priorities and strategies for the region (6 months)

Activity 1.2.1 Prepare workshop aide-memoire

Activity 1.2.2 Identify and select participants

Activity 1.2.3 Identify and select partners

Activity 1.2.4 Hold workshop

Activity 1.2.5 Publish proceedings

Outcome 1.2 Awareness raised on key issues for sound financial management and challenges for countries of the region in the 21st century through a sustainable regional dialogue on governance policies.

Indicators of Success (1) New literature developed in the area on the subject of accountability (in 18 months) and (2) Number of institutions in the region including the subject of accountability on their research agendas (in 18 months)

Output 1.2 Network of institutions (private and public) dealing with financial aspects of public policy formed and web page developed

Activity 1.2.1 Identify partner institutions

Activity 1.2.2 Prepare TORs for Website content

Activity 1.2.3 Refine website design and operational activities of network during meeting of partner institutions

Activity 1.2.4 Develop website

Activity 1.2.5 Advertise website

Outcome 1.3 Policy dialogue in selected countries undertaken on accountability and evidence shown that universal standards of transparent financial management can be adapted to national realities at reasonable levels of commitments.

Indicator of Success Number of new initiatives undertaken in the region emulating pilot activity (in three years)

Output 1.3 Pilot activity in one key country

Activity 1.3.1 Prepare TORs for design of country specific pilots

Activity 1.3.2 Identify partners for pilots (donors and/or local partners)

Activity 1.3.4 Carry out pilot activity

Activity 1.3.5 Document and disseminate pilot results

Component 2 – Strengthening Legislative Capacities

Legislative and oversight functions of parliaments in relation to trade and foreign investments in countries wishing to integrate in the global economy through adherence to the World Trade Organization (WTO), the Euro-Mediterranean partnership or other similar arrangements will need to be performed at a high level of efficiency. They will need to take into account recent advances in parliamentary efficiency and the latest rules and regulations pertaining to global trade and investment issues. They will also need to be alert to the possible socio-economic and environmental consequences of integration in the global economy and play a role in lessening their negative impact on the population.

Immediate Objective 2: Create a level of awareness on the key role of parliaments with regard to legislative and oversight functions in general and with regard to those same functions as they relate to international trade and investment in particular.

Outcome 2.1 Enhanced performance of parliamentarians in legislative matters relating to international trade and investment laws

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| <u>Indicators of success</u> Number of initiatives undertaken by parliamentarians reflecting outcome of workshop |
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Output 2.1 Workshop/training program delivered to 50 key parliamentarians on legislative relations with the executive and judiciary branches as well as constituents using economic integration into the global market as the area of demonstration.

Activity 2.1.1 Prepare TORs for national consultants carrying out national studies

Activity 2.1.2 Identify and recruit national consultants

Activity 2.1.3 Carry out national studies

Activity 2.1.4 Carry out consultation on workshop design with IPU, APU & key parliamentarians

Activity 2.1.5 Develop and formulate workshop material

Activity 2.1.6 Deliver workshop/training programme

Outcome 2.2 Enhanced awareness of the role of parliaments and the resources available to them through partnerships

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| <u>Success Indicator</u> Initiatives taken reflecting learning from network and inputs from IPU and other agencies (in 18 months) |
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Output 2.2 Arab Parliamentary Union strengthened through stronger link with IPU and local and regional think tanks and web page produced.

Activity 2.2.1 Identify partner institutions, APU, IPU and other key actors

Activity 2.2.2 Prepare TORs for Website content

Activity 2.2.3 Refine website design and operational activities of network

Activity 2.2.4 Develop website

Activity 2.2.5 Advertise website

Outcome 2.3 Significant change in parliamentary practices in pilot country (in 18 months)

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| <u>Indicators of success</u> Legislation passed and policies adopted reflecting enhanced relations with executive, judiciary and constituents (in 18 months) |
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Output 2.3 Pilot activity to strengthen the legislative of one key country in the region.

Activity 2.3.1 Prepare TORs for design of country specific pilot

Activity 2.3.2 Identify partners for pilots (donors and/or local partners)

Activity 2.3.3 Carry out pilot activity

Activity 2.3.4 Document and disseminate pilot results

Component 3 - Judicial Reform

Demonstrating that strong linkages exist between judicial reform related to international trade and investments on the one hand and economic growth and social development on the other, makes it clearer why such judicial reforms in this area are needed. For Arab countries interested in strengthening their positions in anticipation for integration with the global market, the priority and nature of these reforms needs to be approached in the context of their overall economic development plans.

Immediate Objective 3: Create a level of awareness on the importance of judicial reform in relation to integration of national economies in the global market through networks, conferences and a number of key pilot activities.

Outcome 3.1 Improved understanding of the role of the judiciary in enhancing and enforcing legislation on trade and foreign investment.

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| <u>Indicators of Success</u> Number of national initiatives relating to the judiciary and international trade |
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Output 3.1.1 Advocacy conference on role of judiciary with regard to trade and investment national legal structures as they relate to integration with the global market.

Activity 3.1.1 Hold consultative expert group meeting

- Activity 3.1.2** Prepare TORs for national assessments
- Activity 3.1.3** Identify and recruit national consultants
- Activity 3.1.4** Prepare concept paper in light of assessments
- Activity 3.1.5** Prepare workshop aide-memoir
- Activity 3.1.6** Identify and select participants
- Activity 3.1.7** Identify and select partners
- Activity 3.1.8** Hold workshop
- Activity 3.1.9** Publish proceedings

Outcome 3.2 Enhanced understanding in the region of the extent and nature of judicial reforms required to strengthen the position of Arab Countries vis-à-vis the global market.

Indicator of success Number of reform initiatives undertaken in region showing learning from network

Output 3.2 Network of national and regional institutions and an accessible website containing state of the art and dialogue for a established and sustained.

- Activity 3.2.1** Identify partner institutions
- Activity 3.2.2** Prepare TORs for Website content
- Activity 3.2.3** Refine website design and operational activities of network during meeting of partner institutions
- Activity 3.2.4** Develop website
- Activity 3.2.5** Advertise website

Outcome 3.3 Trade and investment legal structure of one key pilot country reformed and judiciary's capacity to implement reforms strengthened

Indicator of success Reported new initiatives and improvement of functioning of national court system dealing with international trade and investment litigation

Output 3.3.1 One pilot project undertaken in the region

- Activity 3.3.1** Prepare TORs for design of country specific pilots
- Activity 3.3.2** Identify partners for pilots (donors and/or local partners)
- Activity 3.3.3** Carry out pilot activity
- Activity 3.3.4** Document and disseminate pilot results

Component 4 – Governance and Media

The role of the media in enhancing public participation in governance issues for economic growth and social development is a powerful one if played in a proactive and positive manner.

Immediate Objective 4.1: Create a level of awareness on the importance of the media in promoting good governance for SHD.

Outcome 4.1 Significant change in reporting methods

Indicator of success Number of articles, programs reflecting new thinking (in 18 Months)

Output 4.1.1 Training for key journalists on role of media in governance and development.

Activity 4.1.1 Prepare concept paper

Activity 4.1.2 Identify and select participants

Activity 4.1.3 Identify and select partners

Activity 4.1.4 Hold workshop

Activity 4.1.5 Publish and disseminate findings

Outcome 4.2 Significant change in understanding of the role of journalism

Indicator of success Changes in curricula of journalism schools and number of references to the redefined role of journalists in local press (in 18 months)

Output 4.2.1 Network of journalists and journalism schools in region.

Activity 4.2.1 Identify partner institutions

Activity 4.2.2 Prepare TORs for website content

Activity 4.2.3 Refine website design and operational activities of network during meeting of partner institutions

Activity 4.2.4 Develop website

Activity 4.2.5 Advertise website

Component 5 - Women Decision Makers

Immediate Objective 5: Enhance the level of awareness on the role of women in decision making in the region

Outcome 5.1 Awareness raised on key issues for women participation in decision making

Indicator of success Number of countries adopting measures and policies facilitating women's participation

Output 5.1.1 Workshop launched for members of parliaments and NGOs of the region on importance of women's role in decision making

Activity 5.1.1 Prepare workshop aide-memoir

Activity 5.1.2 Identify and select participants

Activity 5.1.3 Identify and select partners

Activity 5.1.4 Hold workshop

Activity 5.1.5 Publish proceedings

Outcome 5.2 Awareness raised on key issues for women participation in decision making through enhanced locally produced literature on issue

Indicator of success Number of instances issue is discussed in national debates

Output 5.2.1 Strengthen regional women institute CAWTAR (or other regional Institute) by linking to many national institutes into a network.

Activity 5.2.1 Identify partner institutions

Activity 5.2.2 Prepare TORs for Website content

Activity 5.2.3 Refine website design and operational activities of network during meeting of partner institutions

Activity 5.2.4 Develop website

Activity 5.2.5 Advertise website

Outcome 5.3 Significant change in attitude towards women participation in decision making in pilot country

Indicator of success Changes in legislation and concrete examples of increased women participation

Output 5.3 One pilot activity with national parliament, NGOs and other stakeholders

Activity 5.3.1 Prepare TORs for design of country specific pilot

Activity 5.3.2 Identify partners for pilots (donors and/or local partners)

Activity 5.3.3 Carry out pilot activity

Activity 5.3.4 Document and disseminate pilot results

Component 6 - Decentralized Governance and Urban Management

Immediate Objective 6: Create a level of awareness on role of local governments in social and economic developments and expose the region to international best practices in decentralized governance.

Outcome 6.1 Increased awareness of role of local governments

Indicator of success Number of countries committing themselves to decentralization in three years

Output 6.1 Regional advocacy workshop - conference on importance of local government to achievement of SHD goals

Activity 6.1.1 Prepare workshop aide-memoir

Activity 6.1.2 Identify and select participants

Activity 6.1.3 Identify and select partners

Activity 6.1.4 Hold workshop

Activity 6.1.5 Publish proceedings

Outcome 6.2 Enhanced awareness of concrete examples from the region and abroad of success in local government practices and improved regional thinking and contribution through sustained dialogue and networks.

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| Indicator of success Number of countries expressing interest in strengthening local governments |
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Output 6.2.1 Network of regional local government authorities and website

Activity 6.2.1 Identify partner institutions

Activity 6.2.2 Prepare TORs for Website content

Activity 6.2.3 Refine website design and operational activities of network during meeting of partner institutions

Activity 6.2.4 Develop website

Activity 6.2.5 Advertise website

Outcome 6.3 Improved conditions of local population in pilot area

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| Indicator of success Enhanced SHD local monitoring capacity and institutionalised popular participation |
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Output 6.3.1 Pilot activity for design of decentralization policy and start of implementation in one key country

Activity 6.3.1 Prepare TORs for design of country specific pilot activity

Activity 6.3.2 Identify partners for pilots (donors and/or local partners)

Activity 6.3.3 Carry out pilot activity

Activity 6.3.4 Document and disseminate pilot results

Component 7 – Support to Countries with Complex Emergencies

Immediate Objective 7 Enhanced knowledge with regard to recent developments and best practices in the area of governance in situation of crisis and conflict.

Outcome 7.1 Enhanced understanding of practical and concrete governance practices in crisis situations

Indicator of success Measures undertaken by authorities in crisis countries

Output 7.1.1 Workshop on international experiences of governance in crisis situations

Activity 7.1.1 Prepare workshop aide-memoire

Activity 7.1.2 Identify and select participants

Activity 7.1.3 Identify and select partners

Activity 7.1.4 Hold workshop

Activity 7.1.5 Publish proceedings

Outcome 7.2 Learning and mutual support opportunities enhanced among practitioners in the region

Indicator of success Reported use and duplication of best practices picked up from network

Outcome 7.2.1 Network of authorities operating in crisis situation and supported by OCHA and others

Activity 7.2.1 Identify partner institutions

Activity 7.2.2 Prepare TORs for Website content

Activity 7.2.3 Refine website design and operational activities of network during meeting of partner institutions

Activity 7.2.4 Develop website

Activity 7.2.5 Advertise website

Outcome 7.3 Enhanced and in-depth understanding of new initiatives to dealing with specific governance challenges in crisis situation as applied in one pilot country.

Indicator of success Reported replication of the pilot activities in other crisis countries

Outcome 7.3.1 Pilot Activities undertaken inspired from international experiences on issue

Activity 7.3.1 Prepare TORs for design of country specific pilot project

Activity 7.3.2 Identify partners for pilots (donors and/or local partners)

Activity 7.3.3 Carry out pilot activity

Activity 7.3.4 Document and disseminate pilot results

D. INPUTS

UNDP's input will be used to fund the activities of the program as described in section C above. It is hoped that specific country level and regional projects and programmes that might be generated from the various workshops and networks will be funded by bilateral

donors and national funds. In this respect UNDP funds will have played a role of leveraging funds for more extensive governance programmes in the region. MDGD inputs will be used for supporting strategic activities that promote learning and enhancement of UNDP's knowledge of governance in the region.

In addition, UNDP will provide technical support and substantive input into the design and implementation of each of the components. The Regional Bureau of Arab States (RBAS) will provide the overall leadership and the substantive guidance and orientation of the project. MDGD will assist in areas of substantive input, exposure to experiences of other regions and state of the art conceptual thinking on each of the components.

E. RISKS AND PRIOR OBLIGATIONS

The success of the project depends on the degree to which it can introduce the subject of governance as a positive supporting element to Sustainable Human Development in the region. It is also partially dependent on the types of partnerships and quality and commitment of partners it chooses to work with. In this respect all partners chosen should see themselves as partners of the national governments in their joint efforts to achieve their SHD goals.

Measures undertaken to minimize risks include a careful selection of the initial entry points and focussing on the issue of integration in the global market and the governance implication of this important priority for the countries of the region. Other measures include a flexibility of design that follows the same pattern for each component. This design calls for a high degree of participation in discussions and dialogues raising awareness and setting regional and national priorities. This approach dilutes the impact but ensures higher levels of ownership. It is felt that this is important at this early stage of introducing the concepts.

F. MANAGEMENT AND IMPLEMENTATION ARRANGEMENTS

The project will be implemented by UNOPS in partnership with local and regional institution, to be identified in association with each of the components.

The project will have a Steering Committee headed by the Regional Director of the Regional Bureau for Arab States (RBAS). The committee will include, the Regional Director of RBAS, the Director of MDGD, the backstopping regional programme officer in RBAS, the SURF Coordinator, the Project Manager and two or three Resident Representatives.

The Committee will give the project the overall guidance and direction and will oversee its progress, as reported by the Project Manager in accordance with the work plan and the monitoring plan. The committee will also clear all publications that result from the project before they are printed or disseminated.

The Regional Bureau for Arab States (RBAS) through the Director and key Resident Representatives, will give the project overall guidance and substantive input, especially with regard to the developmental realities, regional partnerships and recent trends in governance in the region. The SURF will facilitate the regional and national inputs and will bring in substantive inputs where possible reflecting recent thinking in the region on governance issues in general and the issues of the project in particular. The SURF will also play a key role in identifying and selecting the national staff for the project and regional experts for preparing the national papers where needed. MDGD will bring into the project experiences of other regions in the areas the project is tackling and will facilitate partnerships with international institutions. It will also bring in UNDP's experience, technical input and policy aspects for each of the various components. MDGD will also play a role in documenting and disseminating lessons learned from the project and strengthening its own knowledge on governance in the region.

The project operations will be managed in a decentralized way.

This will involve the Project Manager assisted by 3 Coordinators and 4 Assistants. The function of the Project Manager will be always entrusted to an experienced international expert. The specific qualifications, type and duration of contract as well as his/her location will remain flexible and may vary throughout the life of the project, in the interest of assuring the highest possible quality of project implementation.

The Coordinators will each manage two of the components. They will ensure that implementation is carried out according to schedule and ensure delivery of inputs to the project. They will coordinate the implementation of the relevant workshops, recruitment of the necessary consultants and formulation and dissemination of reports and information related to their components. All the Coordinators will be national staff members that will be placed in the UNDP Country Offices in three of the countries where a major pilot activity supported by the project will take place. The Coordinators will report to the Project Manager and will be under the guidance of the Resident Representative of the countries where they are based. Each Coordinator will be assisted by an Assistant. The Coordinators will also play the role of "sub-project" managers for the pilot activities. The Project Manager will coordinate the development of all the components and will manage one of the components.

Progress of the project will be reported on a regular basis (quarterly) to the Steering Committee that will make available the progress report to the Resident Representatives of the Region. A more comprehensive report will be presented at the Resident Representative cluster meeting for their input and views.

G. MONITORING AND EVALUATION

Monitoring: The project will be closely monitored and will be evaluated at its end. Monitoring missions will take place shortly after the beginning of activities of each component with a very short term mission (one week) to establish the indicators to follow and monitor through the life of the project. Another mission between the mid and end

points of the life of each component will take place and will monitor progress for each of the components. In between missions the component coordinators will undertake the task of collecting data required for the monitoring. The second monitoring mission will be analytical and will build on the substance of lessons learned to advise on steps to follow after the end of each component and will document lessons learned. Each of these mission will also take into account the findings of the midterm consultation. MDGD will contribute to the monitoring missions with the purpose of enhancing its own body of knowledge on governance innovation and good practices in the region and disseminating this knowledge in other regions.

Regional Consultation: Half way through the life of the project, a meeting comprising eminent personalities from the region will meet to examine what the project was able to achieve and will discuss future orientations. The Project Manager will prepare for this meeting building on the recommendations of the various workshops, findings of monitoring missions that may have taken place and other materials, findings and recommendations produced by the project. This consultation will be forward looking and will validate or change the approach to governance issues in the region.

Final Evaluation: The project will be evaluated upon its termination. The evaluation will build on the monitoring reports, reports of the regional consultation, views of the Resident Representatives of the region and the documentation of the Websites and pilot activities to provide a general assessment of the impact of the project. It will also draw plans for future orientation of possible follow up activities at the regional and national levels.

H. LEGAL CONTEXT

This programme document shall be the instrument referred to as such in Article I, paragraph 1 of the Standard Basic Agreement between the Governments and Territories participating and the United Nations Programme. The host country-implementing agency refers to the government co-operating agency described in the agreement.

The following types of revisions may be made to this programme document with the signature of UNDP principal programme representative only, provided the representative is assured that the other signatories of the programme document have no objections to the proposed changes:

1. Revisions in, or additions, of any of the annexes of the programme document [with the exception of the Standard legal Text for non-SBAA countries which may not be altered and the agreement to which is a pre-condition for UNDP assistance].
2. Revisions that do not involve significant changes in the immediate objectives, outputs or activities of the programme, but are caused by the rearrangement of inputs already agreed to or by cost increases due to inflation.
3. Mandatory annual revisions that rephrase delivery of agreed programme inputs or increased expert or other costs due to inflation or take into account agency expenditure flexibility.