TOWNSHIP DEMOCRATIC LOCAL GOVERNANCE PROJECT (TDLG)

Mid-Term Review: Main Report

Final – 27 January 2020

PROJECT INFORMATION		
Project/outcome title	Township Democratic Local Governance Project	
Atlas ID	00089167	
Corporate outcome and output	CPD outcome 1.1	
Country	Myanmar	
Region	Bago Region, Mon State	
Date project document signed	11.12.2017	
Project dates	**Start**	**Planned end**
	01.11.2017	31.12.2020

CONTENTS

ACRONYMS

AWP	Annual Work Plan
CFM	Complaints/Feedback Mechanism
CPD	Country Programme Document (UNDP)
CSO	Civil Society Organization
CSPM	Conflict Sensitive Programme Management
DFID	Department for International Development (United Kingdom)
DRR	Disaster Risk Reduction
EAO	Ethnic Armed Organization
FGD	Focus Group Discussion
GAD	General Administration Department
GoM	Government of Myanmar
KNU	Karen National Union
MSDP	Myanmar Sustainable Development Plan
MTR	Mid-Term Review
MYWP	Multi-Year Workplan
NCA	National Ceasefire Agreement(s)
NLD	National League for Democracy
NMSP	New Mon State Party
OSS	One-Stop Shop
PDIA	Problem-Driven Iterative Adaptation
PFM	Public Financial Management
PPCP	Peaceful and Prosperous Communities Project (World Bank)
SAVI	State Accountability and Voice Initiative
SDC	Swiss Development Cooperation
TDLG	Township Democratic Local Governance Project
TGO	Township Governance Officer
TPIC	Township Planning and Implementation Committee
UNDP	United Nations Development Programme
W/VTA	Ward/Village Tract Administrator

EXECUTIVE SUMMARY

This report presents the approach, findings and recommendations of the independent Mid-Term Review (MTR) of the Township Democratic Local Governance Project (TDLG). The MTR focused on project performance against its specified results areas, the project's relevance, effectiveness, efficiency and sustainability, and considerations for future programming.

The TDLG is a local governance project that "addresses the institutional challenges in Myanmar's local governance structures, emphasizing planning at the township level" using four workstreams. It is implemented by UNDP, and now also forms part of the UNDP Country Programme strategy. These workstreams correspond to the project components and aim to:

1. Strengthen the capacities of township administrations to meet local needs;
2. Facilitate information sharing and meaningful participation in planning processes;
3. Facilitate township administrations engaging with ethnic armed organisations (EAOs) on service delivery coordination;
4. Utilize lessons learned by the project to advocate for policy change.

TDLG focuses on improving township planning capacity by providing discretionary grants for inclusive local planning and implementation. The project aims to address the "supply" of township planning and the "demand" of participation via its components intended to support Civil Society Organizations (CSO), female, and EAO participation or engagement.

TDLG was designed and piloted at a time when there was relative confidence about exploring alternative models of governance and decentralization by the government, however, several key assumptions documented at the outset have not materialized. Most importantly, the assumption that the NCA had introduced or would lead to interim arrangements sufficient to guide and legitimize an EAO inclusive version of TDLG did not hold true, and continues to be subject to challenging political dynamics among the NLD, the military, and EAOs. In addition, all political and governance reform will in the next year be influenced as the focus turns to the election campaign. The NLD government has also instituted important reforms and changes that accelerate the early movement under the previous government, towards more inclusive and democratic practices. At the same time, the increased clarity on decentralization policy assumed in the project document has not materialized but remain areas of policy that will be crucial.

RA 1: Township Administration Capacity

Township Administrations consider the TDLG as strongly aligned and complementary to the Government of Myanmar's stated "bottom-up" approach to planning. Township and State/Region actors see the TDLG as providing additional "process" benefits beyond the planning exercise and the project grant:

- **Improved horizontal and vertical information flows:** The MTR found substantial evidence of improvements to horizontal coordination among township departments and to information flow on government services to people's representatives both as VTAs or CSOs.
- **Introduction to strategic planning and prioritization both within TDLG and beyond.** The review noted a clear progression among TDLG townships with more experience – particularly those who participated in the pre-project pilot in Kawa and Bilin – towards a more strategic and practical approach to TDLG project selection.

- **Integration of the TDLG planning cycle with their own processes**: the information generated did aid department planning; the workshop allowed discussion of the whole "budget" for the Township, not just TDLG; and TDLG projects are considered among the other sources of capital support in a "master list" to avoid duplication or substitution.
- **Exposure to alternative models and behaviours**: Township administrative officials reported quite widely reflecting on and applying aspects of the TDLG workshop methods and information to their own work.

Capacity in TDLG has been conceptualized and implemented primarily as the ability to plan more inclusively (e.g. hold a workshop) and to execute a grant (e.g. procure and contract). This focus on township level procurement raises issues of alignment between sub-project procurement requirements and market capacity, as well as government policy.

There are other valuable areas of Township capacity – particularly around strategic planning, appraisal, cost-benefit analysis, and safeguards – that could benefit from attention. TDLG is well positioned to provide this kind of wider capacity development to Townships.

TDLG sub-project identification appears to respond to both a perceived need to address poverty or remoteness challenges, and to implement in ethnic areas. UNDP support to One-Stop Shops (OSS) is not currently connected to the TDLG model and theory of change but may have been useful in building trust with government.

In summary, there is considerable change in capacity or approach among Townships that can be traced in part to TDLG activities. Townships remain a valuable locus for programming, and the TDLG offers a sound model of township capacity development but can be strengthened in a few important areas.

RA 2: Improved engagement between people and Township Administrations

The project has made significant gains in improving vertical coordination through increased information flows and increased consultation. There is more knowledge of community and township needs and more knowledge of government's structure, systems and processes. However, these gains represent the start of a "ladder of participation".

The TDLG and Townships conceptualize VTAs as the main route for people's involvement in planning. There are varying levels of VTA engagement and confidence with both TDLG and planning more generally.

TDLG and government have not instituted adequate complaints and feedback mechanisms. This is a significant opportunity to further enhance local governance.

The TDLG approach to CSOs is not clear. TDLG has separated the "supply" and "demand" sides of Township planning, and Mon and Bago present different requirements and contexts for CSO engagement.

There are also differences in the quality of participation and the role of women (and CSOs) between Mon and Bago. The creation of safe spaces and capacity for women leaders to play a constructive role in TDLG and wider society has increased participation in TDLG, though its approach to gender can be deepened.

RA 3: EAO Engagement

There is a disconnect between the project and government's conceptualisation of the role of EAOs in contested areas, and EAOs perception of the situation. Where there are unresolved claims to authority over territory with "ethnonationalist armed groups struggling for self-determination", mainly strengthening the ability of one side in those conflicts to developmentally manage territory will be strategically acceptable.

There are varying but significant ongoing interactions between TDLG and EAOs at local level. On the ground, TDLG staff have at every step of the project interacted with and informed EAOs, even if informing may be a relatively weak form of engagement.

EAO participation has declined over time for external reasons related to the peace process as well as dynamics in the project. Most important was the withdrawal of the KNU from the NCA process, and other factors include the focus on government processes and its impact on EAO legitimacy; insufficient constructive engagement on the project beyond information sharing at local levels of EAO structures; and concerns over government access to EAO controlled areas.

There is little evidence to suggest that closer collaboration in TDLG will improve wider trust and cooperation between the government and EAOs: lack of collaboration is not the main source of mistrust between conflict parties and service delivery will likely not significantly alter the protracted ethno-political conflict.

Moving to a broader support package for EAOs is a good step. The EAO packages are a start to improving programme quality and should be followed by a strategy to link TDLG and EAO theories of change, strengthen Mon and Karen support, and demand-driven capacity development linking EAOs and other stakeholders.

RA 4: Informed Policy Dialogue

The TDLG promotes policy reform through three primary routes, but these are modestly resourced and not based on a clear evidence to policy strategy. The main planned activities are knowledge products, lessons learned workshops and/or a "Governance Forum", and development of guidelines.

There are opportunities for enhanced policy engagement by or surrounding TDLG. While in the short-term the election of 2020 will present heightened implementation and conflict sensitivity risks, in the long term the likely growth in the diversity of state and region representation nationally and locally may open further avenues of interest in effective decentralization policy. At the Union level, opportunities to connect evidence to policy are a new national procurement law (envisioned January 2020), the interest of GAD in strengthening W/VTAs, and the establishment of a Public Financial Management Academy.

Currently somewhat disconnected processes could be redirected towards an explicit evidence to policy strategy or strategies. A more explicit strategy for evidence to policy – if fully resourced and implemented – could include more substantive and innovative steps that capitalize on the number of civil servants exposed to TDLG and their subsequent deployment patterns, and more diverse and strategic communications products.

TDLG Structure, Resourcing, Capacity and Organization

Two of TDLG's most important components have internal logics that are in tension with each other in the current context. This tension requires ongoing conflict sensitivity and political economy capabilities to both analyze and respond.

TDLG's activity was very uneven across its four interconnected results areas, and the originally budgeted level of resources for these was not mobilized or used. There is a cycle of lack of prioritization of these activities and consequent under-resourcing with various contributing factors including limits to funds but also prioritization of existing resources around grants, lack of programmed strategies in RA 3 and 4, and the different needs over the project cycle for those types of inputs.

TDLG has operated with a flat, relatively affordable but also overly concentrated management structure. TDLG has had difficulty identifying, or in some cases retaining, key project support roles.

It has been a challenge consistently integrating political economy, risk, and conflict analysis into project management processes. Key risks were identified in the project document, and risk monitoring in the annual and semi-annual reporting is detailed. Context-specific conflict expertise was available, but contextual conflict analysis did not have a clear home in the design and did not result in project realignments.

Overall project expenditure has been slow to moderate but is climbing. The project began life with a significant unfunded component and continued to expend a small share across its civil society, EAO and policy Results Areas.

An "us and them" dynamic is apparent at times in internal and external relationships and TDLGs partnership with Oxfam is in principle sound, but, shows significant strain. TDLG will need to address clarifying for all partners the roles and importance of CSOs in the model; assess and build the quality and usefulness of current CSO capacity building; and finally improve ways of working in partnership to be mutually respectful and beneficial.

TDLG has a new Monitoring and Evaluation framework, but this may need resources to function. The framework can be supplemented with a learning and communications function that also feeds to the Output 4 area, qualitative analysis capacity and more explicit monitoring of physical subproject outcomes.

Conflict sensitivity

For TDLG there are strategic and local levels of conflict sensitivity, both of which are not consistently or sufficiently addressed. The first is a strategic level, in which TDLGs core design as a local development fund comes into tension with the dynamics of Myanmar's ongoing conflicts with the EAOs in its area of operation. The second is conflict sensitive project selection and management at local level for individual sub-projects and is relevant to all areas of TDLGs operation.

The TDLG approach implicitly derives legitimacy as a relationship between the Government of Myanmar and the communities in the States and Regions of Mon and Bago. This approach is problematic in the context of contested territory and governance function (with some EAOs having parallel governance systems), and the existence of a fragile NCA and peace process. TDLG remains a project with a primary focus on the Government of Myanmar system as the conduit for local governance and service delivery and has not modified its design in areas of mixed control.

Sub-project and Procurement CSPM have also received relatively little explicit attention. TDLG procurement guidelines do not adequately include means to either eliminate companies that may be linked to local politicians or military personnel, or to monitor or mitigate such links; do not make provision for who the companies employ; or explicitly document community level CSPM risk.

In the lead up to the election, TDLG must navigate two types of conflict sensitivity and programme quality risks. One, is to ensure TDLG and its infrastructure (selection, handing over) are not hijacked for election campaigning purposes and that the role of MPs remain to as observers. Secondly, EAOs are wary of UNDP project/s being co-opted for election purposes, raising the risk of EAO's further scaling back their involvement.

Gender and inclusion

TDLG identified early on the participation of women to be a key dimension of participation in the planning process but **found very limited possibilities as there are very few female VTAs in Myanmar.** As a result, it included 10 and 100 female household leaders. In Bago and in Mon, women strongly supported the selection of infrastructure projects and reported these having gender sensitive benefits.

The ability to bring to the fore the needs of the community and women has been empowering, further aided by the capacity strengthening support they have received (in Mon through Oxfam). Many of the women the MTR team spoke to wanted stand for the position again in future election, and a few have ambition to stand as VTAs.

TDLG pays less attention to systemic change than individual capabilities among women. TDLG will benefit from developing a parallel set of activities to sensitise men and where possible the immediate community the women represent. The role of civil society and a civil society partner in this area is very important.

Conclusions

TDLG remains highly relevant to Myanmar's governance and decentralization reforms, while its approach to engaging EAOs requires significant reorientation to ensure relevance and conflict sensitivity in areas of mixed control. TDLG can widen its relevance to policy either through broadening and deepening the project or more effective integration with policy dimensions of other programming.

TDLG has effectively promoted increased information flow, consultation and planning capacity at Township level, and could be further refined to deepen and sustain these results. Broadening this platform could include other aspects of Township planning, as well as introducing flexible capacity support that is more demand driven and could include strategic planning, local economic development, project appraisal, cost-benefit analysis, and safeguards such as DRR.

The project has also contributed to significant policy and behaviour change. Beyond the "moderate" changes from "business as usual" signaled by respondents, exposure to TDLG has prompted experimentation and reform at the State/Region level and has opportunities to engage more formally with Union institutions and processes such as GAD and Public Financial Management (PFM) reforms.

TDLG's resourcing has been constrained and unbalanced, contributing to a narrow focus for capacity development, unintegrated CSO support, inadequate strategic EAO support, and little formal policy advocacy. Alternative approaches to TDLG implementation in light of the conflict context are possible and have not been adequately explored.

TDLG uses a minimal grant level and limited resources on important functions. Our findings concur that the grant amounts are as low as is feasible for the project model, and that other activity costs are low (too low, in fact).

There is a gap in perception among stakeholders of the role of management costs and support. The UNDP policy on Direct Project Costs was shared, and further clarification and agreement may be needed before a future phase of support.

The TDLG has started to build a foundation for sustainable governance improvements at Township level. A further indirect but important impact on sustainability has been through the transfer of civil servants involved in TDLG to more senior positions at both State/Region and Union Ministry levels.

TDLGs clearest routes to the greatest long-term sustainable impact are through robust influence on policy, and potentially leveraging Myanmar resourcing either at Union or State/Region levels. Such an approach is foreseen in the UNDP CPD which considers "a presence at state/regional level enabling more inclusive state and community engagement, with the potential to link activities to national-level policy development".

A refined approach – perhaps in a confidence building phase – to EAO engagement is also essential if the project is to inform future interim arrangements. State and Region governments do have a strong sense of TDLG as a collaboration of which they have significant ownership, which is a good foundation for this type of approach to sustainability.

There is a strong case to further refine and develop the model for a second phase with attention to a wider range of township capabilities and new incentives aimed towards transitioning to Myanmar Union or State/Region systems or revenues. A second phase should seek through a more integrated programme offering additional funds and increase state/region revenues as discretionary resources.

Should donor resources become available, modest scaling of the model is both feasible and may be desirable, if there is adequate attention and flexibility for the approach in conflict settings. However, there is a trade-off between breadth of coverage and deepening the results areas of the project, and these issues should be a high priority over spreading the project too thinly.

TDLG's integration with the subsequent UNDP Country Programme has been hampered by different perceptions of TDLGs role within it, but there are opportunities to connect future phases with wider programming. The most obvious areas may be in more systematically using analytical work connecting TDLGs work and lessons to policy dialogue activities using shared resources in the knowledge management, evidence to policy or communications area.

TDLG has informed and will require coordination with the Myanmar Peaceful and Prosperous Communities Project (PCPP). PCPPs component 2.2 is explicitly modeled on the TDLG and may reproduce some of the concerns for EAOs described here.

Short-Term Recommendations

Prioritize adequate short-term resourcing and effective use by the TDLG team of its components in terms of expertise and finances, with the emphasis on ensuring a strong RA 4 strategy and attention to the current demand-driven needs assessments for EAOs.

- Continue to support activities such as the Governance Forum and develop and start to implement a more systematic evidence to policy strategy for RA 4.
- Consider identifying the grant separately in the TDLG structure and budget and considering supply and demand side capacity development (RA1 and RA2) together as an integrated set of activities.

Continue the current effort with EAOs to identify demand driven capacity and governance needs as expressed at a strategic and HQ level, not only at local levels and to build confidence around these (Mon State and expansion areas including Rakhine and Kachin).

- Allow additional time and resources for relationship building in conflict affected areas, for example to develop joint protocols for attendance, location and facilitation.
- Work with EAOs to agree inclusive processes and roles for EAO linked VTAs, alongside government.
- Consider joint (with Government and EAOs) conflict analysis and/ or conflict sensitivity analysis to build confidence in TDLG, and to develop a shared understanding of conflict sensitivity considerations and risks.
- Identify the key areas of concern for future programming, and potential issue areas of focus.
- Develop a stronger communications approach, with a focus also on EAOs, regarding TDLG approaches, achievements and processes.
- Consider how to retain key governance elements of the design while using temporary off-budget approaches managed jointly with EAOs to build confidence.

Develop a more focused and detailed RA 4 Evidence to Policy strategy to consolidate this phase's gains.

- Work together with Myanmar counterparts on key messages and developing more diverse communications and knowledge products.
- Set up and implement alumni and community of practice approaches.
- Strengthen channels of raising awareness locally about Township lessons on the value participatory planning and prioritization.
- Understand and plan for the future progression of Township officials, possible in concert with Union GAD or other key departments; e.g. ssupport an association of TDLG alumni and peer events, journal, and emphasise transferable capabilities in training approaches.

Address issues in project governance, management and organizational culture and capacity

- Ensure there is enough managerial and technical division of labour and staffing to ensure that strategic, knowledge management, and policy influencing receive systematic attention.
- Consider refining the project board and technical working group process so it can consider issues as they arise including different perceptions of the project purpose and costs.
- Address the poor collaboration between the TDLG project and supportive elements such as conflict analysis, shared understanding of conflict sensitive practices within TDLG, Oxfam and their role, and other potential partners such as knowledge partners.
- Consider capacity and confidence building measures within TDLG for improved application of conflict analysis and conflict sensitivity approaches.

Consider an approach to CSO engagement that is not counterpart based, but rather capability and process based.

- UNDP and Oxfam's expertise and inputs should be applied to both supply and demand side actors through more shared activities, rather than each "owning" one or the other type of partner.
- Continue to consider a range of options for partners working on participation or inclusion depending on specific context – particularly in conflict affected areas.

- Develop a gender strategy to CSO and potentially EAO engagement that focuses on fostering awareness among all CSOs of gender issues, prioritizes women's and gender focused CSO engagement.
- Recognize there are capacity development needs among UNDP and Oxfam staff themselves and prioritize joint capacity development and training, joint working and accompaniment, and mutual support.

Assess the relevance to core project objectives, and potential alternatives to the current Township level procurement approach, considering Myanmar's emerging procurement legislation.

- Continue to expand procurement awareness to demand-side actors and VTAs through information sharing or innovative capacity approaches;
- Focus on procurement as a key element of CFM.
- Consider how to resolve procurement / market misalignment.

Include more monitoring and evaluation information on the actual sub-project outcomes.

- Introduce some monitoring and evaluation information related to the strategic and beneficiary impact of sub-projects over time.
- Link this monitoring to capacity development for the Township.
- Consider a monitoring indicator related to quality of sub-projects or number of quality control issues including assessment of gender and conflict safeguards.

Consider more continuity and joint ownership of project evaluation and design work, possibly including an independent standing shared review function.

- Consider an independent standing technical support, learning and review function.

Recommendations for future phases or projects

Critically examine the objectives and requirements for a future phase of TDLG to inform the project's balance between a clear, focused approach to local governance support (as in TDLG) and a broader more multi-dimensional or flexible approach.

Explore areas and means of broadening Township capacity development beyond the current focus on workshop facilitation and procurement.

- Support to States and Regions on own source revenue generation, with an expectation or plan that additional revenue might be partially allocated to match TDLG funds;
- Support to introducing and managing limited new criteria in the allocation formula.
- Cost benefit analysis/project economic appraisal.
- Social and environmental impact assessments.
- Facilitation techniques.
- Consider holding some planning workshops outside township seats to broaden participation and possibly facilitate EAO engagement.
- Consider a modest facility for Townships and/or EAOs to access on a demand basis tailored training.
- Consider OSS support through TDLG only as linked to demand-driven capacity development in specific issue areas.

At the same time, identify options for further development of the grant modality in the next phase.

- Introducing an incentive for State and Region matching TDLG funds to some degree, either by bringing own source funds into the TDLG planning process, or over time bringing TDLG funds into a State and Region mechanism funded by government.
- Consider allocating a window of the grant or some other monitored support to allow Township's own planning processes to better emulate the TDLG resourced consultations, perhaps as part of the incentive for matching funds.
- Consider incentives (via a specialized window or other performance linked approach) for measures of governance performance (e.g. gender representation, participation, project impact, budget execution or other areas of concern).
- Consider off-budget delivery or an off-budget component of the grant for mixed control areas, if this is seen as important by EAO partners.

Develop a model or models for local governance support in areas where authority is contested by EAOs that retains core TDLG elements but also addresses the contradiction in the current project model for EAOs.

- Continue the current effort with EAOs to identify demand driven capacity and governance needs as expressed at a strategic and headquarters level, not only locally.
- Identify sectoral or other areas of focus with EAOs and Government of Myanmar jointly.
- Consider how to retain key governance elements of the design while considering temporary off-budget approaches managed jointly with EAOs to build confidence.
- Consider mechanisms to enhance EAO contributions to the formal decision-making process.
- Consider further ways to enhance delivery in ethnic languages.
- Assess UNDP and/or other organization's positioning over time as a trusted and neutral manager for the EAO model. It may be advisable to separate implementation of future elements of programming with EAOs, though not necessarily so.

1   INTRODUCTION

This report presents the approach, findings and recommendations of the independent Mid-Term Review (MTR) of the Township Democratic Local Governance Project (TDLG). This review is called for in the TDLG Project Document, was commissioned by UNDP Myanmar in October 2019.[1] It was conducted in November-December 2019 by a multi-disciplinary team of three members with decentralization, local governance, conflict and peacebuilding experience with both decentralization and conflict issues in Myanmar.[2]

As it comes approximately 1 year prior to the end of the current TDLG project, the review is relevant to both mid-project reflection and consideration of next steps beyond the current phase. The report introduces the project, briefly outlines contextual issues, and describes the approach by the MTR taken in Sections 1.1, 1.2 and 1.3. The findings of the review are presented in Section 2 and the overall conclusions and recommendations are provided in Section 3.

1.1   WHAT IS BEING EVALUATED?

The TDLG is a local governance project that "addresses the institutional challenges in Myanmar's local governance structures, emphasizing planning at the township level" using four workstreams. It is implemented by UNDP, and now also forms part of the UNDP Country Programme strategy.[3] These workstreams correspond to the project components and aim to:

5. Strengthen the capacities of township administrations to meet local needs;
6. Facilitate information sharing and meaningful participation in planning processes;
7. Facilitate township administrations engaging with ethnic armed organisations (EAOs) on service delivery coordination;
8. Utilize lessons learned by the project to advocate for policy change.[4]

The TDLG seeks to contribute to a long-term "vision for democratic local governance in Myanmar". This vision is "Inclusive and responsive public institutions collaborate with local stakeholders to improve service delivery, leading to increased trust between the State and the people, and contributing to peace and stability in Myanmar".[5] Such a high-level objective is consistent with Myanmar national development goals as set out in the Myanmar Sustainable Development Plan (MSDP) and UNDP country programme strategies.

TDLG focuses on improving township planning capacity by providing discretionary grants for inclusive local planning and implementation. In doing so, it is "testing fiscal decentralization and supporting [Township Planning and Implementation Committee] TPICs to establish an inclusive and participatory model and a regulatory framework for annual township development planning and public service

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[1] UNDP Myanmar (2017), Project Document: Township Democratic Local Governance Project (Yangon: UNDP): 66.

[2] The TDLG MTR Team comprised Aung Tun (Myanmar Governance Institutions and Context), Sweta Velpillay (Conflict and Inclusion), and Hamish Nixon (Team Leader/Decentralization, Local Governance and Fragility). The team was joined by a Language Assistant for the data collection mission.

[3] United Nations (2017), Country programme document for Myanmar (2018-2022), DP/DCP/MMR/2: 5.

[4] UNDP Myanmar (2017): 1.

[5] UNDP Myanmar (2017): 6-7.

delivery."[6] The project addresses the "supply" of township planning and the "demand" of participation via components intended to support Civil Society Organizations (CSO), female, and EAO participation or engagement.

Box 1: TDLG Theory of Change (abridged)

If township departments, led by TPICs, plan and coordinate better development and public service delivery vertically and horizontally, and inclusively, then…

- Institutional capacity of townships will be strengthened;

- Participation in planning will be widened;

- Township government / EAO collaboration will be strengthened;

- Vertical and horizontal coordination and sharing of information will improve;

- State, Region and Township Government will have more democratic accountability;

- Satisfaction with public services will improve, and State, Region and Township Government will be more trusted;

- Lessons will influence national policies on decentralisation and intergovernmental fiscal system.

These changes are supported through an intervention logic that uses "fiscal decentralization and discretionary funding to townships as a driver of change" to leverage efforts in "developing processes, systems and procedures" and "changing attitudes and behaviour". The logic posits that having some measure of discretionary funding will further incentivize improvements to governance institutions (planning, budgeting, participation) while also creating a link to national policies through piloting a form of fiscal decentralization.


TDLGs Theory of Change combines a narrative (Box 1) and a specific intervention logic based on fiscal decentralization principles. The strategy annexed in the project document illustrates the links between the Theory of Change and the project's four results areas (Figure 1). An important element of the theory of change is that it directly links strengthened EAO and Government collaboration with township administration-led efforts to engage EAOs more effectively.

The project supports capacity development sessions and facilitated planning workshops in Townships to programme and then implement a modest local development grant delivered from state or region government according to a formula that considers population (70% weight), land area (15%) and a small (15%) fixed share.[7] The workshops involve enhanced participation by village tract administrators, women leaders from communities, CSOs and EAOs. Project selection is aligned with other plans in the Township, and training is given on use of evidence and procurement to support the implementation of the project. By gathering lessons, the project also hopes to strengthen wider decentralization policy.

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[6] UNDP Myanmar (2017): 6.
[7] The grant has often been described by both programme staff and interlocutors as "about $1 per capita". While this is a useful measure to ensure a grant is meaningful, it is slightly deceptive as a description in that the point of the formula is to enhance understanding of how to address relative not absolute needs.

Figure 1: Theory of Change and Four Results Areas[8]
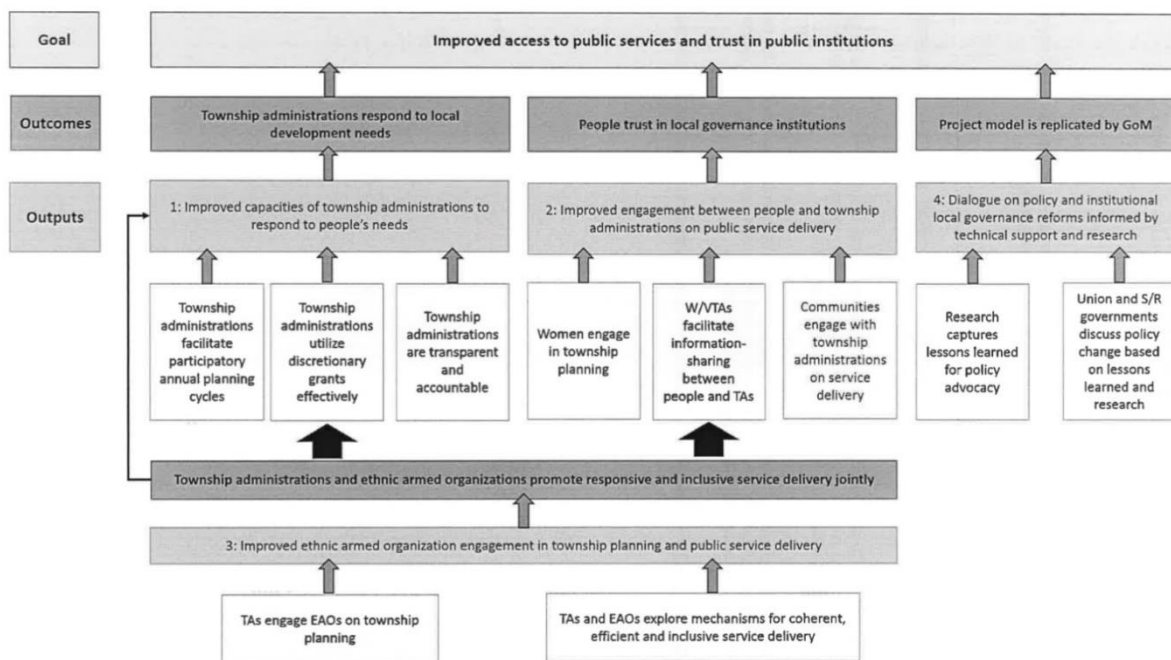
TDLG is a type of project called a Local Development Programme (LDP) or Local Development Fund (LDF). Such initiatives share a broad theory of change and some common features: a focus on local governance capacity building through grant implementation; a fixed local development fund or grant for investments planned locally; support for scaling or policy influence. The projects rely on the insight that capacity is better built or behaviour changed through practical application by local administration, in this case through the planning and implementation of a local development grant. They also target the connection between infrastructure development, capacity development and broader decentralization reform. The approach has been implemented widely and over several decades, and considerable lessons to have been identified.[9]

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[8] UNDP Myanmar (2017): Annex 6.

[9] This paragraph draws from a comprehensive distillation of experience of these programmes (also cited in TDLG project documentation): United Nations Capital Development Fund (2006), *Delivering the Goods*, 12. This report will refer to LDFs rather than LDPs given the centrality of the discretionary local grant in the intervention logic. LDFs also share characteristics with Community Driven Development (CDD) programming such as the use of a transparent fixed grant amount and devolved decision-making within parameters. However, LDFs and CDD tend to differ in important ways, with LDFs typically focused on formal institutions of government planning (and their counterparts) and CDD more community-based, supporting or constituting local project bodies. There are some projects that blend these approaches or have transitioned between them over a period of time.

Among those lessons are the experience of LDF approaches in conflict affected settings, which combine an explicit focus on statebuilding ("strengthening state legitimacy, authority and political stability") alongside the local democracy and local development aspects of the model. It is important to note that LDFs have primarily been implemented in post-conflict peacebuilding scenarios rather than instances of unresolved armed contestation over territorial authority. One exception is Nepal, where the project model required substantial modification and reduced scope.[10]

TDLG has origins in the significant experience and interest by Swiss Development Cooperation (SDC) in continuing and deepening its humanitarian and peacebuilding programming among the Southeast of Myanmar, and in Mon State in particular. As such TDLG also has a focus on areas of Myanmar affected by conflict, and subject to differing degrees of control among the state and several EAOs. The project also benefitted from a pilot which preceded it in two townships that later continued to TDLG implementation.

TDLG was developed and approved in 2017. In 2018 UNDP Myanmar adopted a new Country Programme Document (CPD) covering 2018 – 2022. UNDP introduced five new flagship integrated projects to support CPD implementation. While elements of the TDLG project are included in output 4 of the new SERIP project 2018-22 that is aligned to the new CPD, the TDLG project continued as with the support of its exiting donors SDC and DFID under a 'ring-fencing' arrangement for TDLG funds.

1.2 CONTEXT

The peace process has continued to be a national priority for the NLD-led government since it came to power in 2015. Aung San Suu Kyi initiated the Union Peace Conference – 21st Century Panglong – evoking the spirit of the historical Panglong Agreement signed by ethnic leaders in 1947. However, despite the efforts of NLD government, the peace process has re-entered a stalemate due to disagreements between the parties on a wide-ranging issues such as the Tatmadaw engaging in sporadic military offensives including with signatories of the NCA, restriction on the movement of some EAOs to attend dialogues, and general goodwill and trust-deficits around the willingness of government to address core issues of autonomy and federalism in the peace process. More recently much domestic and international attention has been on the Rohingya crisis.

TDLG was designed and piloted at a time when there was relative confidence about exploring alternative models of governance and decentralization by the government, the EAOs and the international community, and when prospects for power-sharing and federalism appeared positive. A wide endorsement of the NLD in the election, including in ethnic areas, appeared as a powerful mandate. However, four years since the drafting of the National Cease-Fire Agreement (NCA), this optimism has diminished during TDLG implementation. Chapter 6 of the NCA recognizes the roles of EAOs (NMSP and KNU in relation to TDLG) in the fields of health, education, development, environmental conservation and natural resource management, preservation and promotion of ethnic cultures and languages, security and the rule of law, and illicit drug eradication. However, there are no clear mechanisms for operationalizing this recognition and interim arrangements to do so have not emerged. Furthermore, with the steady flow of international aid into NCA signatory areas, government officials at times perceive EAOs as service delivery agents, and as heard during MTR interviews, as interest groups of "citizens with the same rights" as others, rather than actors asserting

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[10] United Nations Capital Development Fund, 39–40. LDFs have been successfully implemented in post-conflict settings, including Cambodia, Lao PDR, East Timor.

a claim to governance of territory backed by force of arms and recognized as such in an ongoing, if stalled, peace process.

Interlocutors active in the peace process report a sense among EAOs that the current government are not responsive to EAOs' frustration in the political and dialogue processes or of their claim to political legitimacy, and that mechanisms for ongoing confidence-building have degraded since 2015. The concern at this stage is that all political and governance reform will in the next year be influenced or stalled as the focus turns to the election campaign. In 2015 ethnic minority parties overwhelmingly supported NLD to enable them to have a parliamentary majority. However, the lackluster progress in the peace process among other reasons is likely to see minority parties adjusting their support to NLD in 2020 and fielding more own candidates. While any change in parliamentary arithmetic is not likely to be overwhelming, there will likely be changes in power dynamics between the minority parties and government, between them and the EAOs in the same constituencies, and shifts in the composition of state and region governments.

Despite these challenges in the area of peace and security, the NLD government has instituted important reforms and changes that accelerate the early movement under the previous government, towards more inclusive and democratic practices. In particular, the introduction of direct election (albeit one vote per household) to select W/VTAs in place of the previous practice GAD appointment, has notably opened space for "bottom-up" approaches and prompted a rethinking of the role of the VTA. The team noted a shift to a service and representation function over the previous tracking and data collection roles, and this has been found in other more detailed research. However, the challenge of supporting VTAs to better take on their roles and improve performance is a large one and is acknowledged but remains unaddressed through national policy or TLDG activity given the number of VTAs (approximately 16-17,000).

The shift of the GAD from the Ministry of Home Affairs (in military gift under the 2008 Constitution) to the Ministry of Union Government, is another major contextual development, and opens opportunities for continued reform support at all levels of administration. At the same time, the increased clarity on decentralization policy towards townships (or even states and regions under federal arrangements) assumed in the project document has not materialized.[11]

Thus, several key assumptions documented at the outset have not materialized. Most importantly, the assumption that the NCA had introduced or would lead to interim arrangements sufficient to guide and legitimize an EAO inclusive version of TDLG did not hold true, and continues to be subject to challenging political dynamics among the NLD, the military, and EAOs. This is the most important contextual shift encountered by TDLG, essentially undermining core aspects of the theory of change at least in respect to Results Area 3. While progress of decentralization has also not occurred as quickly as assumed, the TDLG experience shows that government emphasis on "bottom-up" approaches and ongoing reforms of administration has confirmed the continued value of working at township level on strengthening governance.

1.3 EVALUATION PURPOSE, SCOPE AND METHODS

Overall, the MTR Terms of Reference gave solid guidance for the conduct of the review, but some refinement was recommended due to the time and resources available for the MTR. The Terms of

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[11] UNDP Myanmar (2017), 11.

Reference referred to both a review "to determine the relevance and fulfillment of objectives, developmental efficiency, effectiveness, and sustainability" of TDLG activities (Aid Effectiveness); the other proposes the "MTR will be conducted primarily to assess the progress of the project against the project document to assess against the context to provide recommendations for any adjustments to the project design, management and implementation."[12] The MTR primarily addresses the Project's four results areas, theory of change, and adaptation to context first. Following that, the findings of this review are applied to the aid effectiveness criteria of relevance, effectiveness, efficiency and sustainability. This approach is consistent with guidance across UNDP which states that "[t]he primary purpose of a project evaluation is to make improvements; to continue or scale up an initiative; to assess sustainability and replicability in other settings; to demonstrate accountability for results; or to consider alternatives." Such evaluations "should be built on explicit results frameworks and theories of change, where available."[13]

Box 2: Evaluation purpose and scope

In short, the team proposes to organise primary data collection and analysis to review the TDLG against its context, theory of change, and organizational performance. Data will then be analyzed to inform a secondary assessment against to OECD-DAC criteria of relevance, effectiveness, efficiency and sustainability.

1.3.1   Evaluative questions

The MTR's approach and evaluative questions were guided by TDLGs own four results areas, outcomes, theory of change and intervention logic. As a result, the evaluative questions followed the four outcome areas as well as the other cross-cutting issues such as gender, conflict sensitivity, structural, organizational factors and sustainability and transition (for full list see Annex III: Evaluation Matrix). To ensure the MTR team gathered the most useful information during each interview and FGD in an efficient manner, these evaluative questions were used to develop semi-structured themes adapted to suit the context and the relationship of the interviewee/s to the project (See Annex IV: Semi-Structured Interview Guides.

1.3.2   Methods

The MTR carried out the following data gathering activities:

- Ongoing desk review of project documents, UNDP documents, and relevant secondary sources (See Annex I: Documents Consulted
- Contextual and project level interviews with development partners, government counterparts, and project partners;
- Selection of representative townships for:
  - o Semi-structured interviews with project staff, government counterparts, EAO representatives;
  - o Focus group discussions with project staff and partners, CSO representatives, TPIC members, project beneficiaries/staff, female representatives;
- Observation of project processes.

The MTR team selected townships for site visits to allow for varying these according to:

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[12] UNDP Myanmar (2019), *TDLG MTR Terms of Reference* (Unpublished): 2, 10.
[13] UNDP (2016), *The UNDP Evaluation Policy*, DP/2016/23 (New York: UNDP): 4.

- Project year/cycle to assess progression over time ("Generation 1, 2, 3");
- Townships with areas of mixed GoM and EAO control and those without;
- Townships more and less accessible from main routes and district/state/region seats.

Three townships were selected Mon State (Bilin, Paung and Thanbuzeat) and two in Bago Region (Kawa and Paukkaung) (Table 1: MTR Township Selection

Table 1: MTR Township Selection

Criteria	Mon	Bago
Generation 1	Bilin	Kawa
Generation 2	Thanbuzeat	Paukkaung
Generation 3	Paung	N/A
Mixed Control	Bilin	N/A
Relatively Remote	Thanbuzeat	Paukkang

1.3.3   Limitations

It is not uncommon to encounter challenges and limitation in conducting a review especially in a complex context and this MTR is no exception. The following are the most significant limitations faced by the MTR team:

- *Time limitation*: the MTR team was mobilized at short notice, resulting in much of the desk review and drafting of the inception report being done during the field mission. One the one hand it placed some pressure not being able to sequence the MTR process, but on the other, it enabled the team to adapt its approach and the lines of inquiry based on in-country discussions at the start of the mission.
- *Limitations of data*: As mentioned above the site visits were limited to five townships, each of which involved interviews and FGDs with key projects interlocutors in GAD, village administrators, TPIC members, 10/100 female household leaders and CSOs, as well as, in four of five cases, visit to an infrastructure project. In several townships, the GAD Township Administrator was absent for training, so the review relied on deputies. TDLG has recently developed an M&E framework that has not yet been used for a full cycle, leading to a disconnect in available monitoring data. Continued resourcing of the M & E framework, including with country office support is noted later in the report. To overcome this MTR collected some additional monitoring information on sub-projects to supplement the information available in the two progress reports, and has triangulated, validated and extrapolated information where possible.
- *Eliciting the views of the EAOs*: UNDP and the MTR team initially envisaged interviews with New Mon State Party (NMSP) and Karen National Union (KNU) which control territory and to varying degrees have governance structures in Mon State. However, owing to a recent clash between the Tatmadaw and NMSP, an interview with NMSP was no longer possible. With regards to KNU, the MTR team was able to conduct interviews in person and via phone representatives, at the Liaison Office, at the district level and with a brigade level official. The MTR was not able to interview the leadership of KNU which is an important gap. The perspectives of EAO were assessed by a combination of (above mentioned) interviews and several secondary sources who have insights into the EAOs, the peace process and the general context.

2 FINDINGS

This section presents the main findings of the Mid-Term review, according to the TDLG results areas, the structure and organization of TDLG, and its cross-cutting performance in gender and conflict sensitivity. As the sustainability of the project is also one of the four UNDP standard evaluation criteria, these findings are provided in the conclusion.

2.1 RA 1: TOWNSHIP ADMINISTRATION CAPACITY

TDLGs first results area is "improved capacity of township administrations to respond to people's needs", which in turn is linked to higher levels of the UNDP Country Programme Outcomes in the 2018-2023 UNDP CPD. The TDLG revised 2019 results framework interprets the measure of this capacity improvement to be the ability to conduct a planning process, the use of the local development grant, and the level of transparency and accountability shown by Township Administration.[14] This area has received the bulk of the funds and the attention of the project team, as evidenced by the analysis at Section 2.5.

Township Administrations consider the TDLG as strongly aligned and complementary to the Government of Myanmar's stated "bottom-up" approach to planning. Representatives at all township and state and region administration meetings referred to the government policy of introducing a "bottom-up" approach. This approach provides these officials the rhetorical framing for the introduction of TPICs with (limited) civilian membership, the use of direct household elections for Ward and Village Tract Administrators, and a general interest in having external input to planning.[15] In two cases township administrations noted that this period is really the first time they are beginning to engage citizens and they have to learn about that process. At the township level – given the relative lack of discretion over planning and spending under mainstream government arrangements – several respondents viewed TDLG as a concrete opportunity to implement their government's policy: "as it is a transparent, participatory process, it is a bottom-up process" (TPIC members, Mon State).

Township and State/Region actors see the TDLG as providing additional "process" benefits beyond the planning exercise and the project grant. Across most or all townships, several benefits deriving from TDLG activities were identified to the MTR team, and these demonstrate the central governance dimension to TDLG is being recognized beyond the material benefits of a project grant:

- **Improved horizontal and vertical information flows:** The MTR found substantial evidence of improvements to horizontal coordination among township departments and to information flow on government services to people's representatives both as VTAs or CSOs, as these were reported by all those groups across the townships. All TPICs and many VTAs, CSOs, and others shared the view that the TDLG process – and the planning workshops in particular – had improved the level of understanding among government and non-government stakeholders of 1) the needs and situation of the township and 2) the procedures, organization and responsibilities. For example, several VTAs discussed the value of knowing their local situation in context, and TPIC leaders had a consistent view that increased participation by rural VTAs, more women, and others improves planning by sharing more about conditions across their

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[14] UNDP Myanmar CPD 2018-2022, *TDLG Indicators* (February 2019).
[15] Members of the review team were reminded of the "people-centred" approach of the USDP Party leadership under the previous government – in both cases the team perceives that local officials are seeking guidance on what specifically does it mean to implement these somewhat rhetorical directives.

townships: in one official's words "more inclusive means less mistakes". VTAs, CSOs, and many government departments also felt that community members understood government roles better than they would have otherwise which they claimed aided some in accessing help. While such information sharing is only a weak form of participation, it is also an enabler for establishing more meaningful participation and could be further strengthened and supported.

- **Introduction to strategic planning and prioritization both within TDLG and beyond.** The review noted a clear progression among TDLG townships with more experience – particularly those who participated in the pre-project pilot in Kawa and Bilin – towards a more strategic and practical approach to TDLG project selection. In general, the number of projects was reduced to 1-3 projects, and strong narrative rationales were given as to the reasoning for supporting these projects over others. Some VTAs reported that despite a desire to develop their own areas, they saw value in agreeing a strategic or multi-year focus.

Figure 2: Township Sector Official Explains Sub-Project Rationale

- **Integration of the TDLG planning cycle with their own processes**: the information generated did aid department planning; the workshop allowed discussion of the whole "budget" for the Township, not just TDLG; and TDLG projects are considered among the other sources of capital support in a "master list" to avoid duplication or substitution. One township made an explicit comparison with National Community Driven-Development Programme, the Emerald Green revolving fund ("Mya Sein Yaung") and Village Development Plans – they noted that unlike these initiatives, by not forming separate committees, the TDLG strengthens Townships to "engage with VTAs and communities". In both Mon and Bago there was engagement between TDLG and the more routine TPIC planning or engagement activities, such as the bi-monthly TPIC engagement with VTAs. [16] Limited examples were also given of skills exposure at TDLG workshop having been helpful to those carrying out local village development plan consultations by the Rural Development Department.

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[16] The review team could not observe these processes or verify how frequently they really take place; townships claimed universal adherence to a bi-monthly engagement with VTAs, which some VTAs noted is onerous and may be more frequent than necessary.

- **Exposure to alternative models and behaviours**: Township administrative officials reported quite widely reflecting on and applying aspects of the TDLG workshop methods and information to their own work. Several referred to the need to develop the "habit of working together with people and with other departments". In one case, the spread of requests for additional excel and data training to

> At the Veterinary Department we are not implementing any of the TDLG funds or projects, but through the workshop in 3 or 4 years I will have good skills to do my department planning like this…
>
> - Township Department Head

departments beyond the administrator's office evidenced a demand for skills to plan better, a demand also echoed in the TDLG Lessons Learned workshop summary.[17] A potentially more significant aspect of this exposure is the introduction of a transparent budget ceiling into planning – a major change for many officials and one that is generating a reflective process. Several township officials noted that TDLG and government represent two different processes: "in Government normally the projects is first to be done, then the budget; in TDLG the budget comes first and then the projects". While some simply noted this difference, others would like to see wider application of a budget ceiling having come to the view that "knowing the amount is important so we can plan better" (TPIC member Mon State). As Section 2.4 notes, this exposure has had some dramatic concrete policy impacts at Region level, and is an investment in critical policy analysis among civil servants that can yield deeper benefits over time, particularly as they move to future positions. In recent lessons learned workshops participants suggested wider use of TDLG type workshops for the other resources

Capacity in TDLG has been conceptualized and implemented primarily as the ability to plan more inclusively (e.g. hold a workshop) and to execute a grant (e.g. procure and contract). These areas – as noted at the start of this section – are in line with the project result framework. There was evidence in some – but not all – townships that the Township administration's role in organizing and facilitating aspects of the planning workshops was growing over time. Most respondents also agreed procurement was a welcome subject, and it dominated discussions of training as it represented the practical side of grant implementation for the townships. Several TPICs noted the challenge of accurate costing and or the rigidity of government schedules – in one Township costing was still being done by the GAD, though in most the relevant departments appear to play that role now.

This focus on township level procurement raises issues of alignment between sub-project requirements and market capacity, as well as government policy. The review finds exposure to procurement principles is valuable and might even be extended to firms and VTAs or communities further. VTAs and CSO monitoring roles could be strengthened by equivalent exposure to procurement processes. However, it is apparent in most, if not all, Townships, that there are mismatches between project requirements and available capacity in the market. The MTR encountered cases where projects were too minor or remote to draw contractor interest, and where sub-projects were too complex for local providers to deliver to quality. These mismatches do not follow a simple pattern: they depend on the size and complexity of the projects selected, the township level market for construction, and the remoteness and accessibility of target communities. As a result, several townships have had to reopen tenders, call upon political influence to mobilise firms (on two occasions at their own expense), or select firms with ties to EAOs where relevant. Some VTAs indicated certain projects may be amenable to community contracting, though this does represent a significant shift

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[17] TDLG Lessons Learned Workshop: summary report (Draft - November 2019).

towards a community-based approach. Such a shift would need consideration in light of the project logic, which may mean it is better focused on larger projects.

While there has been some learning and efforts to address some issues there is limited flexibility within the current procurement provisions, and there is some tension in the differences between government and UNDP/TDLG procurement processes. For example, some re-tendering has used more realistic costings. The TDLG, in introducing more stringent procurement procedures than the government's 2017 provisions while trying to devolve to the township, exaggerates these challenges. TDLG uses a pass/fail arrangement while a points system is in use at state/region level. Finally, there is ambiguity over the real degree of autonomy enjoyed by the township in this process. At the time of fieldwork, the Townships visited were all awaiting approval from State or Region level of their bid selections for the pending projects. While some noted this was simply an endorsement, some noted they "recommend" the winning bid and the State or Region in fact approves or may reopen tenders. Several Townships shared concerns over the delay this step causes. The upcoming passage of revised procurement laws by the Government expected in early 2020 should provide an opportunity to reflect on procurement approaches within TDLG and seek even greater alignment with government approaches while maintaining some innovations.

There are other valuable areas of Township capacity – particularly around strategic planning, appraisal, cost-benefit analysis, and safeguards – that could benefit from attention. TDLG has focused in its first phase on the planning workshop and the procurement phases of the LDF process. The TDLG can do more in future to identify and support opportunities to build equally or arguably more relevant Township capabilities across at least three areas[18]:

- **Strategic Planning or Local Economic Development:** The CPD and TDLG outcome indicator 1 refers to "government development plans", as a component of "effective public institutions enabled to develop and implement evidence-based policies and systems that respond to the needs of people."[19] The review found that Township development plans – in the sense of prioritized and broadly costed multi-year strategies – generally did not exist. In the two Townships where administration mentioned having such a plan was either under development or described as "rough and not much use at budget time" (1st Generation/3rd Cycle TPIC). Given that the project has already made progress prompting more strategic project selection, and the great opportunity provided by the co-location of the TGOs, a more robust effort on area-based strategic planning support would be valuable. However, such planning should consider the fiscal arrangements which currently preclude a unified Township "budget" due to the deconcentrated budget structure of Myanmar below State and Region. Nevertheless, there is reason to believe based on the experience of TDLG thus far, that quality

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[18] These areas are also reflected in requests at the recent lessons learned workshops held by TDLG: TDLG Lessons Learned Workshop: summary report (Draft – November 2019).
[19] UNDP Myanmar CPD 2018-2022, *TDLG Indicators* (February 2019), 2.

local strategic plans could be an additional potential impetus to further reforming budgeting structures for Townships in future**.**[20]
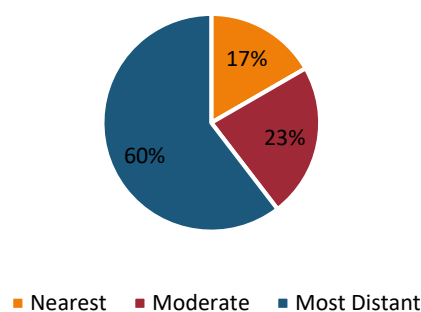
- **Appraisal and cost-benefit analysis**: There are opportunities to strengthen Township abilities to assess local needs and prioritize them more robustly before moving from project selection to tendering. As noted above, several townships provided narrative rationales for why they have progressively selected larger projects based on their development impact and beneficiary pool, or the relative needs of the target area. There are opportunities to support progressively more advanced appraisal techniques such as cost-benefit and social impact analyses through the cycles of TDLG. Such support builds naturally on the training already conducted around data and spreadsheet use, and there is a significant amount of useful data already held by Townships.

- **Safeguards, sensitivity and inclusion:** The TDLG project aligns itself strongly to government regulations, but this has left a gap around environmental, DRR or conflict safeguards for the project selection or implementation process that may also be of interest and benefit to Township Administration if introduced. Based on the evidence provided above, there seems to be interest in more support to inclusion or community engagement among Townships, awareness of safeguarding issues especially DRR related, and initial openness but little exposure to models for feedback and grievance. These may be an area where linkages with other elements of the country programme may be relevant and useful. The implementation, through two different approaches, of a Quality Control agent, is a good example of this approach already underway by TDLG and should be studied to learn what next steps might be appropriate.

TDLG is well positioned to provide this kind of wider capacity development to Townships, potentially with other partners, because of the combination of the incentives a grant provides and the brokering and accompaniment role of the Township Governance Officer (TGO). Both these strategies are important components of more effective capacity development by applying the principle of "learning by doing". Township administrations pointed to difficulties in matching staff to the capacity building activities, time commitment for appropriately senior staff, and the frequent (3 yearly roughly) rotation of department staff. One township mentioned some administrative costs (printing) associated with the project that now could be met but previously were challenging.

TDLG sub-project identification appears to respond to both a perceived need to address poverty or remoteness challenges, and to implement in ethnic areas. Analysis of projects according to whether they are implemented in areas with EAO influence, and by remoteness (using government criteria for travel allowances), suggest planning outcomes are in fact responsive to these factors.

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[20] This approach would be consistent with the original project emphasis on clarifying decentralization policy over time and the findings and recommendations of recent comprehensive research on local planning and budgeting which recommends "build the township as platform for local/community planning and budgeting" and "strengthen the role of the Township Plan Formulation and Implementation Committees and their capacity to meaningfully appraise projects and facilitate the planning process": Roger Shotton, 'Financing Local Development in Myanmar: Arrangements, Outcomes and Options for Improvement', 13; and Richard Batchelor, 'Where Top-Down Meets Bottom-Up: Planning and Budgeting in Myanmar' (Yangon: The Asia Foundation, July 2019), 61–62.

Figure 3: Project distribution in Mon and Bago[21]

Distribution of Projects In Mon State

24.50%

75.50%

■ EAO Controlled Area ■ Non-EAO Controlled Area
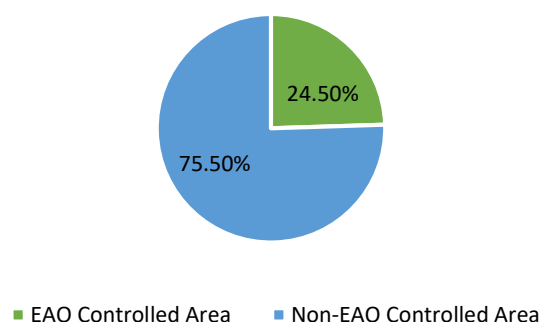
Project Distance from Nearest Town in Mon State (No. of Projects)

17%

23%

60%

■ Nearest ■ Moderate ■ Most Distant

Project Distance from Nearest Town in Bago Region (No. of Projects)
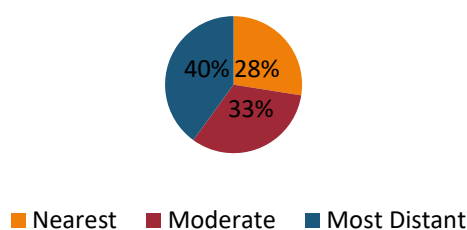
40% 28%

33%

■ Nearest ■ Moderate ■ Most Distant

UNDP support to One-Stop Shops (OSS) is not currently connected to the TDLG model and theory of change but may have been useful in building trust with government by supporting a visible

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[21] Data covers two cycles of projects in Mon (those completed in 2018-19 and 2019-20), and three in Bago (includes the Kawa pilot projects in 2017-18). EAO area percentages are of project value, while project distance is a percentage of the total project number.

government policy. Scorecards, workshops and reviews of the OSS support show that while it is appreciated, there is little if any connection between the role of OSS and the current focus of TDLG on planning and procurement of local development funds.[22] International experience would suggest, and the reports from 2019 on OSSs functioning agree, that support around a specific service delivery issue or process that is salient to local government as well as the GAD are more likely to generate observable results (e.g. the interest in business registration or possibly key local issues such as managing displacement). In a next phase, OSS should be one among many options for addressing demand-driven capacity development ideas. For example, if TDLG moves towards working on local fees and non-tax revenue, then addressing these capabilities through OSS may make sense. There may also be a link in TDLG to the OSS in the need for more feedback loops or mechanisms, but the approach to these should be considered carefully before assigning a role to OSS simply because they are there.

In summary, there is considerable change in capacity among Townships that can be traced in part to TDLG activities, and townships remain a valuable locus for programming. The design offers a sound model of township capacity development but can be strengthened in several important areas. The MTR team considers that these relationships and results have appeared in quite a short period of

> *The project is preparing our township to be ready for the decentralization process. Our people and staff are getting used to it.*
>
> - TPIC Member

time. In several but not all Townships, the project required considerable time and effort to get approval for co-locating the Township Governance Officer (TGO) at the Township administrative office and in several cases only did so by early 2018. Without being able to assess the alternative, the MTR believes this co-location is likely to be supportive of local capacity development through closer accompaniment and good coordination.

2.2 RA 2: IMPROVED ENGAGEMENT BETWEEN PEOPLE AND TOWNSHIP ADMINISTRATIONS

The project has made significant gains in improving vertical coordination through increased information flows and increased consultation. As described in the preceding section, many stakeholders within and outside government administration reported more knowledge of community and township needs enabling strategic planning, and more knowledge of government's structure, systems and processes enabling some increased access and inclusion. However, these gains represent the start of a "ladder of participation" which includes variants of participation from manipulation, through

> *As govt officials are not very close to community the workshop allows more contact and understanding for us, helps people know our rules, and women participate and have a different perspective.*
>
> - Female TPIC member and Department Head

information, consultation, partnership and delegated decision-making.[23] Notwithstanding the need for improved participation and trust between CSOs and the sub-national governments, overall, MTR found the project improving trust towards government authorities through the information benefits of greater participation, responsive planning and meeting of critical infrastructure needs, and greater transparency. However, the impact on trust in Mon state appears somewhat mixed. Based on anecdotal evidence, the trust between CSOs and GAD in some townships have seen significant improvement through TDLG, while in areas with strong Mon CSOs, some felt that the engagement

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[22] UNDP (2018) OSS Scorecard Report and UNDP (2019) OSS Trip Report and Workshop Report on Mobile Services.

[23] http://www.citizenshandbook.org/arnsteinsladder.html.

could improve beyond tokenism. It is also worth noting that the project stakeholders have a strong and relatively consistent understanding of the TDLGs design, outcomes and implementation arrangements – there are few interlocutors who do not refer to the governance and institution-building elements of the project alongside the local project content. The TDLG Lessons Learned process also flagged the opportunity to disseminate project information to the public more widely.[24]

The TDLG and Townships conceptualize VTAs as the main route for people's involvement in planning. As they are newly elected community representatives, the generation and strengthening of a formal

> *VTA knows reality on ground, and some balancing and information sharing about needs and project weaknesses and strengths with VTAs.*
>
> *VTA the main source for us to understand needs.*
>
> - TPIC Members

channel of representation built around W/VTAs seems entirely appropriate. However, the review found – unsurprisingly and both directly and indirectly – varying levels of VTA engagement and confidence with both TDLG and planning more generally. Simply including VTAs in processes will not in itself create more inclusive, participatory and accountable community level governance. Some TPIC respondents noted that VTA attitudes and capabilities are a primary driver of community engagement and mobilization with the planning workshops, particularly

for more remote areas. From the VTA point of view, TDLG is considered a supplementary source of support, but one that impacts VTA behaviour to be more participatory in general. There is therefore – notwithstanding the challenges of VTA numbers – an opportunity to further strengthen community level participation and the quality of planning at township level through creative capacity support to VTAs. This has also been identified by the Union GAD leadership as a priority need and a government partnership seems feasible.

Creative approaches to capacity development – peer learning and associations, public information campaigns, digital remote or self-directed learning, partnership with other development programmes (NCCDP or PPCP), creation of VTA feedback loops, and other methods could be explored for a next phase of programming, together with the GAD. A major shift to training VTAs at community level is probably departing too far from TDLGs core model (and would require significant new resourcing). However, strengthening or at least creating more consistency in VTA capabilities should receive more attention given its foundational role in the project and the government's interest through the GAD's national reform framework. An important consideration is that in mixed areas there are also EAO appointed VTAs, but these individuals have not participated in TDLG in the same way due to restrictions or lack of clarity emerging from EAO leadership as well as an unclear status for these individuals in comparison to the GoM elected VTAs.

TDLG and government have not instituted adequate complaints and feedback mechanisms, a significant opportunity to further enhance local governance. Participatory planning is at the heart of TDLG and the workshops and the procurement process follows the participatory processes built into the project design. However, the project assumes that these participatory planning workshops including the final community meeting is an adequate substitute for a complaints and feedback mechanism (CFM). Frequently, the team heard how the lack of complaints at these meetings was seen to demonstrate the project is functioning well, and that any issues are resolved "when the process is explained". This transparency is admirable but is not the same thing as providing a trustworthy,

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[24] TDLG Lessons Learned Workshop: summary report (Draft – November 2019), 4.

sensitive channel to feedback to the Township or the project. Currently, issues are raised directly to the tender committee, or to the project staff. An effective CFM would help TDLG identify potential conflict triggers and programme quality concerns early on and address them efficiently before they have an adverse reputational effect on TDLG and UNDP or create tensions on the ground. It can also model sensitive governance practices for Townships. An effective CFM will also require the non-state actors and VTAs to participate in some degree of procurement sensitization.

The TDLG approach to CSOs is not clear. CSO is a catch-all term applied without much clarity and rigour in the current Myanmar programming context (not only in TDLG). The concept captures both registered and unregistered entities, issue-based organizations, social or economic affiliates of EAOs, as well as community-based self-help groups (such as funeral societies). CSOs are clearly identified in the Grant manual as participants in the planning process. There is no role identified for CSOs in the manual for the monitoring of projects where they have an interest, a role that would be typical of civil society in many other settings.

Mon and Bago present different requirements and contexts for CSO engagement. The MTR found the nature of CSOs being engaged by the project is different in Mon and Bago – with the former presenting more issue-based organizations with an interest in local development and the latter mainly engaging with local service organisations (e.g. funeral societies) with little direct connection to TDLG activities. In Bago, CSO participation is managed directly via the Township and thus involves only registered entities, while evidence suggested these may not be the most relevant CSO/CBOs for this work. In Mon there is more varied involvement of CSOs, and there are secondhand reports of them also participating in the monitoring of TDLG projects. These also vary in their geographic or ethnic coverage and make-up. As a result, the sustainability of CSO engagement can be expected to be different, with Mon CSOs more likely to continue to request the means to participate in inclusive governance processes, to play a watchdog role, and potentially to have a key confidence building function with EAOs.

There are differences in the quality of participation and the role of women (and CSOs) between Mon and Bago. In Mon the female 10 or 100 household leaders reported benefitting from the training and other capacity support provided by Oxfam. Many participants in Mon noted that the model of theoretical and conceptual training they receive and the practical application of this knowledge during planning workshops is a helpful model to increase their confidence, hone their leadership skills and advocate for priority community needs. The creation of safe spaces and capacity for women leaders to play a constructive role in TDLG and wider society has increased participation in TDLG, though its approach to gender can be deepened as described in Section 2.7. In Bago, the attention to female leaders was notably less, and the quality of participation and engagement was less evident than in Mon.

In Mon, Oxfam's role has been identified with CSO support and become somewhat artificially separated from the project logic. Some TDLG staff see community engagement and CSOs as Oxfam's responsibility somewhat apart from TDLG, and this contributes to less effective joint working. TDLG has artificially separated the "supply" and "demand" sides of Township planning by defining UNDP and Oxfam's roles in terms of "who" they engage with rather than by issue or competency: the UNDP component of TDLG trains TPICs while Oxfam supports CSOs or female leaders. The MTR could not assess firsthand the strength of Oxfam's implementation, however, there would be need for significant time and leadership investment on both partners in the TDLG in response to the shift in role. Currently CSOs are not receiving support in their issue areas in advance of the planning workshops and are often being tasked with data gathering. The project model should in fact connect supply and demand by allowing the implementing partners to apply their strengths across the

stakeholders, not in exclusion. For example, several TPIC departments stated they wanted "more connection" with Oxfam to assist them to think more creatively about township needs, and UNDP might contribute more content on planning to Oxfam's preparation with CSOs. Until this integration improves, it will be hard to assess the full potential of having a separate CSO oriented partnership in the project.

2.3   RA 3: EAO ENGAGEMENT

The MTR approached result area 3 (township administrations and ethnic armed organizations promote responsive and inclusive service delivery jointly) through the perspectives of the original project document, the results framework, the EAO engagement strategy and the dynamic operating context. Result area 3 is expected to be achieved through "improved EAO engagement in Township planning and public service delivery" by township administrations engaging EAOs in township planning and township administrators and EAOs exploring mechanisms for coherent, efficient and inclusive service delivery.

Where there are unresolved claims to authority over territory with "ethnonationalist armed groups struggling for self-determination"[25], mainly strengthening the ability of one side in those conflicts to developmentally manage territory will be a strategic issue for EAOs – even if the aim is to help those institutions be more inclusive of ethnic concerns. TDLG has many contacts with local level EAO representatives and is progressing projects in some areas of mixed control. However, until it develops and resources a balanced and alternative model of capacity development linked to planning for areas of mixed control, it will be strategically vulnerable to the politics of the peace process, and cannot be expected to make a positive contribution to that process. Failure to explicitly address this tension has contributed to misunderstandings and mismatches between project stakeholders on "what kind of project TDLG is". There are positive steps in this direction being taken through new engagements with EAOs that are more demand focused, and this is primarily an issue for the areas and townships where there are areas of mixed control, a minority of TDLGs locations.

There is a disconnect between the project and government's conceptualisation of the role of EAOs in contested areas, and EAOs perception of the situation. Both TDLG and government representatives report their role towards EAOs is as "citizens of the country just like everyone else". The approach of channeling funds through the State and Region budget – a valid and valuable approach from a statebuilding perspective – creates a dynamic where government will justifiably require government policies to be observed but EAOs will also perceive this as a barrier to meeting their own priorities and requirements. Furthermore, the Theory of Change assumes that the one of the key drivers of conflict and weak governance in Myanmar is due to lack of services in EAO areas and

> *If this was peace time we will not have a problem in working with the government on this project. But we are not in peace time.*
>
> - EAO Representative

participation by the EAOs themselves. A national level and area-based conflict analysis would prove this assumption to be wrong.

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[25] Ashley South and Christopher M. Joll, 'From Rebels to Rulers: The Challenges of Transition for Non-State Armed Groups in Mindanao and Myanmar', *Critical Asian Studies*, 7 April 2016, 1, https://doi.org/10.1080/14672715.2016.1161963.

EAOs see themselves as governance actors and may wish to engage in the project through alternative arrangements. Such arrangements may include purposefully separate decision forums or review processes for EAO leadership outside the TPIC, participation in monitoring, or identification of specific grant resources for issue areas of prior agreement at higher levels of authority. The more recent attention being given to understanding demand driven concerns among EAOs such as through the ongoing NMSP needs assessment is very valuable. Another important consideration is to evaluate the current positioning of UNDP as a trusted neutral interlocutor in these processes, as this was an assumption at the time of designing this component.

EAOs perceive unequal decision-making power. The project and the government's vision of EAO participation at least at the outset is on the minimalist end of the spectrum, viewing invitation of EAOs to planning workshops as an adequate measure. At a strategic level, both representatives of EAOs and key interlocutors raised this lack of recognition as a key reason for EAOs growing reluctance to actively participate in TDLG. As the grant manual stipulates,

> *Township departments will be encouraged and supported 'to reach out' and make sure that the available resources are spread in an equitable manner … even though in the end, the allocation decisions for the township grant (as public funds) are to be taken by peoples' representatives in discussion with the departments.[26]*

While the EAO's having a seat at TPIC is not possible within the current framework of TPICs, the project has not explored alternative options to give EAOs more equal footing in decision-making – such as through creating a specific role for EAO Liaison Officers or EAO-linked CSOs. TDLGs area-based approach may also be in tension with a centralizing dynamic within EAOs themselves and may reflect a desire to manage what issues and sectors are most important to them.

EAO participation has declined over time for external reasons related to the peace process as well as dynamics in the project. Most important was the withdrawal of the KNU from the NCA process. Nevertheless, the EAO participation in the township planning process has declined over the past 12-18 months culminating in the last round of workshop days with EAO's not formally being represented, instead in some cases informally sending VTAs, representative of the village or village elders. Reviewing the sequence of events on EAO engagement to date the MTR found that EAO were initially positive to TDLG and were keen to engage in township planning processes. However, over time EAOs became disillusioned for various reasons including the focus on government processes and its impact on EAO legitimacy; insufficient constructive engagement on the project beyond information sharing at local levels of EAO structures; to some extent the perceived lack of support to one of their key domains of asserted authority – national education and the lack of recognition of Mon language schools as priority projects; and some concerns over government access to EAO controlled areas under the guise of infrastructure development.

This disillusionment was influenced by unrelated delays and setbacks in the peace process and potentially broader issues with development partner activities in EAO areas. EAOs' responses to TDLG are also influenced by NMSP-KNU relationships, possibly creating a knock-on effect. MTR acknowledges that TDLG feels to be successful the project needs smooth relations with government therefore is reluctant to challenge the status quo. However, the implicit view that Result Areas 2 and 3 exist in service to Result Area 1 is problematic in a contested context – the assumption in the Theory of Change that Townships and EAOs will have means to collaborate has not held. The decision to co-

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[26] UNDP/Governments of Myanmar, Bago Region and Mon State (2018), 46.

locate the TGOs with GAD, which had important benefits for Results Area 1, and the resulting change of scope for Oxfam perhaps further complicated the extent of engagement in Results Area 3.

EAO strategy is a start to improving programme quality. The EAO engagement strategy and the Theory of Change for result area 3 are good starting point to fill some of the gaps TDLG and the MTR has identified in this area. The levels of participation noted in the strategy as "informed, consulted, involved and empowered" could become a useful signpost to track progress. As of now, the MTR can conclude that TDLG informs the EAOs at the local level, and following lessons from an infrastructure project posing security risks to EAOs, TDLG consults EAOs in the form of approval for infrastructure projects in EAO controlled areas (one that TPIC checks before approving). However, support to EAOs to properly evaluate and communicate needs earlier and throughout the process rather than providing a no objection would enhance their participation. In at least one area MTR found strong levels collaboration between EAO, the government and TDLG in identifying the need, and building and maintaining the infrastructure. However, this appears to be an exception to the situation in general.

The project falls short in enabling and empowering EAOs to operate within democratic spaces which is a lost opportunity. Furthermore, there is little evidence to suggest that closer collaboration in TDLG will improve wider trust and cooperation between the government and EAOs for two reasons: lack of collaboration is not the main source of mistrust between conflict parties and service delivery will likely not significantly alter the protracted ethno-political conflict. Interviewees stated, at village and districts levels that local interaction and cooperation between EAOs and various arms of the government takes place around access and management of small-scale projects pre-dating TDLG, and that this local collaboration is not the main barrier to further trust-building.

There are varying but significant ongoing interactions between TDLG and EAOs at local level. On the ground, TDLG staff have at every step of the project interacted with and informed EAOs, even if informing may be a relatively weak form of engagement. The major issues have been the lack of information or engagement at leadership level (recently improved) and quality or depth of local liaison engagement (informing vs more substantive engagement). While EAOs at the leadership level are reticent about TDLG in the current context, as observed by the MTR there is significant contact and collaboration between EAOs and TDLG and Township staff at the ground level. This is even though there have been additional restrictions posed by the government of Myanmar on working with EAOs and TDLG is navigating these challenges. A dedicated Karen-speaking staff member as focal point for liaising with EAOs is an important contribution to improving EAO participation. There is some evidence that diversity within TDLG in terms of the ability to speak Mon and Karen language would support inroads with EAOs. Staff working in these areas need ongoing support and accompaniment to further develop conflict and political economy skills and approaches, and deeper understanding of the drivers or characteristics of the conflicts.

Nevertheless, it is important not to mistake local EAO acceptance of TDLG for a stable strategic level buy-in. Existing evidence suggests that this localized collaboration needs to be complemented by meaningful leadership-level engagement and more comprehensive support for EAOs within an enhanced participation framework. There is slow communication and understanding across levels of EAO hierarchy of TDLG processes, approaches and achievements and a more active communication strategy would be helpful.

Moving to a broader support package for EAOs is a good step. It is understood at the time of MTR's field mission that NRPC has approved UNDP's broader support package for NMSP and has given

permission to develop a similar package for KNU. Based on the observations of the MTR on the challenges encountered in township planning workshops and obstacles to EAO participation, it will be critical for UNDP and TDLG to:

- approach the support package not as one-off trainings, instead to have a robust theory of change that is linked to TDLG and potentially an integrated EAO confidence building initiative within the framework of the country programme.[27]
- Provisions are made for use of Mon and Karen language.
- Has opportunities for experiential learning, and not strictly use theoretical models and concepts in trainings.
- Ensure consistency in participation across all levels and departments of the EAOs.
- Where appropriate open-up the training package to include mixed groups with EAO linked CSOs and political parties.

2.4   RA 4: INFORMED POLICY DIALOGUE

There is significant evidence of policy change in response to TDLG activities at the Township (see Section 2.1 above), state-region, and in a nascent sense, Union level. The most concrete example is the adoption by the Bago Region Government in the current fiscal year of a formula-based approach to allocating a significant pool (52 billion MMK for 2019/20) of local development funds through what it calls its "citizen budget". This development is a significant achievement in a short time, both because of its impact on local development allocation and transparency, and its part in the emergence of an inter-governmental fiscal architecture in Myanmar that is needed to support decentralization over time. The TDLG is directly credited with prompting this reform by various stakeholders. The TDLG has enabled local officials to better understand and potentially engage with other national reforms now or later in their career – for example the exposure to formula-based allocation principles has been cited by senior GoM officials at state and region level as assisting with their consideration of other policies at those levels.[28]

The TDLG promotes policy reform through three primary routes, but these are modestly resourced and not based on a clear evidence to policy strategy. The main planned activities are knowledge products, lessons learned workshops and/or a "Governance Forum", and development of guidelines. The concentration of activity in these functions is low: in 2018 the Annual Report showed 1.6% of the budget for standalone Output 4 activities, and in 2019 4.7% when the project would be expected to have matured and be seeking ore policy impact. Even though it is logical to not over-emphasise lessons learned early in the project, certainly there is for 2020 space for more concerted efforts. The project design estimated an allocation of 10.7%, more than double the share currently being used for this results area.

- **Knowledge products:** The 2018 and 2019 Annual and semi-annual reports list several knowledge products produced or finalized including survey data on One-Stop Shop

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[27] This approach is supported by recent independent research: Richard Batchelor, 'Where Top-Down Meets Bottom-Up: Planning and Budgeting in Myanmar', 65.
[28] Roger Shotton, 'Financing Local Development in Myanmar: Arrangements, Outcomes and Options for Improvement', 35. While TDLG is not directly engaged, Union level general state and region transfers have adopted (albeit partially and with technical issues) a formula driven approach to allocating at least some of the transfer pool. The review team observed that several Township and State/Region officials were cognizant of, and in two cases provided critical feedback on this national approach, referring to their experience with TDLG.

perceptions, a draft study of women in public administration, a review of Bago planning practices, and some CSO mapping and conflict analysis in Mon state. In the case of the Bago review, there was a connection made to subsequent training. However, in the other cases the knowledge products seem programming or learning aids associated with the other three output areas rather than elements of a structured decentralization policy engagement strategy.[29] Most of these products have been drafts, "living documents", and have not been prepared for or subjected to dissemination outside TDLG. It is not apparent that they form part of a strategic approach to policy engagement.

- **Workshops:** In terms of lessons learned, the project has held internal workshops by state or region in 2019 and produced a draft meeting summary (November 2019). Participants suggested these lessons be shared beyond TDLG townships, through CSO networks, and through media.
- **Guidelines:** The development of guidelines has been limited to guidelines for the grant and procurement processes of TDLG itself, which are useful resources but are not examples of wider policy support per se.

There are opportunities for enhanced policy engagement by or surrounding TDLG. The pace of decentralization reform has not matched the ambitious assumptions of the project document. However, the analysis of the Township as a viable and valuable arena for process reforms has been borne out by the project. While in the short-term the election of 2020 will present heightened implementation and conflict sensitivity risks, in the long term the likely growth in the diversity of state and region representation nationally and locally may open further avenues of interest in effective decentralization policy. An evidence to policy strategy would involve sustained and structured engagement to assess areas of key demand for policy input, as well as the 'supply' of lessons learned at the level of the project. At the Union level, opportunities to connect a conscious evidence to policy strategy are apparent with the implementation of a new national procurement law (envisioned January 2020), the strong interest of GAD in strengthening the work and role of W/VTAs, and the establishment by project partner the Ministry of Planning and Finance (MOPF) of a Public Financial Management Academy.

Currently somewhat disconnected processes could be redirected towards an explicit evidence to policy strategy or strategies. The TDLG is having policy impact outside its immediate sphere, even with a very limited set of transmission strategies. Some of this impact has been via the influence of individual officials in key roles or moving into key roles. A more explicit strategy for evidence to policy – if fully resourced and implemented – could include more substantive and innovative steps that capitalize on the number of civil servants exposed to TDLG and their subsequent deployment patterns, and more diverse and strategic communications products.

2.5 TDLG STRUCTURE, RESOURCING, CAPACITY AND ORGANIZATION

Two of TDLG's most important components have internal logics that are in tension with each other in the current context, and this tension requires ongoing conflict sensitivity and political economy

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[29] Several of the knowledge products reported in Q1-2 2019 are in fact finalization of products already reported in 2018. Both reports point to how such knowledge has contributed to learning within the project (e.g. increasing female participation by tapping 10 HH leaders), but are less clear entirely on a strategy for impact beyond the project.

capabilities to both analyze and respond. As the introduction and the review of Results Areas 1, 2 and 3 indicate, there are tensions between the objectives of Results Area 1 to build Township capacity and strengthen government systems, and the objectives of Results Area 3 to engage EAOs more systematically. Once the NCA had not produced movement to clear agreement on interim arrangements, the statebuilding emphasis of the LDF design of TDLG ran counter to the situation in areas of mixed control. It is therefore crucial that the project can understand, respond to and communicate issues of conflict sensitivity in the project chain of command. Some resourcing of this capability has been in place in the past but has not been retained.[30]

TDLG's activity was very uneven across its four interconnected results areas, and the originally budgeted level of resources for these was not mobilized or used throughout the project. There are various contributing factors in the imbalance of activities, including limits to funds but also importantly the project's prioritization of existing resources around grants, lack of programmed strategies in RA 3 and 4, limiting RA 2 to Oxfam's budget and responsibility, and the different needs over the project cycle for those types of inputs. There is a cycle of lack of prioritization of these activities and consequent under-resourcing. For example, despite significant investment in conflict expertise, a concrete and resourced workplan for EAO engagement did not emerge, and only recently has been picked up again. Certainly, also the RA 4 work would be expected to grow only over time, but in the context of investment in strategic direction and communications capabilities.

TDLG has operated with a flat, relatively affordable but also overly concentrated management structure. For much of the full operation of the project the CTA has managed both the primary technical and managerial functions, a considerable burden that leaves less time for knowledge and evidence to policy work, programme refinements, and strategic engagement. The addition of a project manager is positive, and a clear division of labour in technical and strategic responsibilities will help manage workloads. The two Senior Technical Specialists (STS) show strong management capabilities in each state and region but would benefit from more continuous support in the areas of conflict analysis, safeguards, M & E, and potentially engineering.

TDLG has had difficulty identifying, or in some cases retaining, key project support roles. The TDLG Project document anticipates a "Project Support Team" including a civil engineer, M & E specialist, associate etc. to manage many important ongoing routines including monitoring and managing risk. The project manager and M & E roles became vacant in the early part of the project, while the conflict specialist departed after the first year of full implementation, and the PM role was not re-filled until the first half of 2019. Engineering capacity has been available to some degree through UNDP Country Office, but may need further consideration. The standalone status as a pre-existing project, and the direct funding of TDLG as well as poor collaboration with the UNDP programme may have exacerbated under-resourcing of key functions.

It has been a challenge consistently integrating political economy, risk, and conflict analysis into project management processes. Key risks were identified in the project document, and risk monitoring in the annual and semi-annual reporting is detailed. Context-specific conflict expertise was available, but contextual conflict analysis did not have a clear home in the design and did not result in project realignments. Support in this area has not been retained or provided through the UNDP country team resources on a reimbursement basis. While providing technically sound advice, this model is not the best fit for TDLG as it does not allow for the necessary team capacity development

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[30] There were differences of opinion (some contradictory) on the reasons for the failure to retain or utilise integrated conflict expertise.

and contextual analysis through close accompaniment of project staff, and may not be not sustained or contextualized enough to support necessary confidence-building with counterparts.

The project began life with a significant ($3.9 million or 21%) unfunded component and continued to expend a small share in its three other Results Areas. As detailed in Table 2 and 3, *non-grant budgets* for RA1 have been 80% (2017), 49% (2018), and 61% (2019) respectively, a share that sheds light on the impressive results in that area and the questions around others. The share of available resources used for RA 3 and 4 have significantly declined as a planned share of the total. If we consider the share of project budgets *excluding the grants* then by 2019 planned expenditure in RA 3 was around 60% of the original project budget amount, while RA 4 had less than half of its original allocation. Actual expenditure in RA 3 fell further to 65% of that planned amount – no doubt due to the issues in EAO engagement described.

Overall project expenditure has been slow to moderate but is climbing. All the issues just described no doubt contribute to overall execution rates that have grown from 66% (2017) to 74% (2019), and this demonstrates that lack of budget is only one issue alongside other managerial and strategic factors that affect implementation. There are also constraints to the TDLG budget that would be challenging to alter. The project is committed to three grant cycles with the Mon and Bago state and region governments. That commitment therefore has become the starting point for building annual work plans. Grants have climbed to be 47% of the project costs overall, and well over half if General Management costs are excluded.

Table 2: Summary of Multi-Year Project Budget and Annual Work Plan (AWP) Without Grants (USD)

FISCAL YEAR	OUTPUT	PROJECT BUDGET	AWP WITHOUT GRANTS	SHARE OF PROJECT BUDGET
		a	b	
2017	Output 1	471,692	281,766	80%
	Output 2	26,714	0	0%
	Output 3	26,714	0	0%
	Output 4	36,714	52,000	15%
	PMC	174,707	20,000	6%
	Sub Total	**736,541**	**353,766**	
2018	Output 1	2,362,835	1,668,683	49%
	Output 2	576,121	363,664	11%
	Output 3	392,932	246,256	7%
	Output 4	433,431	62,686	2%
	PMC	1,742,049	1,094,897	32%
	Sub Total	**5,507,368**	**3,436,186**	
2019	Output 1	3,546,398	2,107,345	61%
	Output 2	472,637	845,725	24%
	Output 3	419,446	280,508	8%
	Output 4	458,947	221,415	6%
	PMC	1,484,154	0	0%
	Sub Total	**6,381,582**	**3,454,993**	
Total		**12,625,491**	**7,244,945**	

Source: UNDP Myanmar

Table 3: Budgets and Expenditure by Results Area (USD)

FISCAL YEAR	OUTPUT	Original Budget (MYWP)	Funded Budget (AWP)	Expenditure	Delivery /MYWP	Delivery /AWP
		a	b	c	d=(c/a)	e=(c/b)
2017	Output 1	471,692	463,000	312,304	66%	67%
	Output 2	26,714	0	0		
	Output 3	26,714	0	0		
	Output 4	36,714	52,000	21,000	57%	40%
	PMC	174,707	20,000	17,751	10%	89%
	Sub Total	**736,541**	**535,000**	**351,055**	**48%**	**66%**
2018	Output 1	2,362,835	2,230,105	1,617,728	68%	73%
	Output 2	576,121	363,664	253,620	44%	70%
	Output 3	392,932	246,256	113,483	29%	46%
	Output 4	433,431	62,686	77,162	18%	123%
	PMC	1,742,049	1,094,897	698,760	40%	64%
	Sub Total	**5,507,368**	**3,997,608**	**2,760,753**	**50%**	**69%**
2019 *	Output 1	3,546,398	4,021,406	2,969,193	84%	74%
	Output 2	472,637	845,725	617,381	131%	73%
	Output 3	419,446	280,508	182,666	44%	65%
	Output 4	458,947	221,415	221,415	48%	100%
	PMC **	1,484,154	0			
	Sub Total	**6,381,582**	**5,369,054**	**3,990,655**	**63%**	**74%**
Total		**12,625,491**	**9,901,662**	**7,102,463**	**56%**	**72%**
* 2019 Expenditure is provisional						
* *Project Management Cost (PMC) including GMS is included at output level in the 2019 AWP						

Source: UNDP Myanmar

TDLGs partnership with Oxfam is in principle sound, but, shows significant strain. The rapid reconfiguration of the project partnership before implementation in late 2017 may have undermined mutual understanding of goals and division of labour. The siloing of responsibilities referred to above and perceptions of lack of commitment or capacity at Oxfam reduced communication and joint effectiveness in addressing problems. TDLG will need to address several aspects of the approach to CSO engagement via Oxfam or any partner before formulating a strategy for the next phase: clarifying for all partners the roles and importance of CSOs in the model; assess and build the quality and usefulness of current CSO capacity building; and finally improve ways of working in partnership to be mutually respectful and beneficial. These programmatic refinements should drive the choice of future partners – if any – rather than simply adopting either the current Bago or Mon model as both are not performing to full potential with respect to civil society engagement.

An "us and them" dynamic is apparent at times in internal and external relationships. The MTR, being a snapshot, cannot wholly determine the most important issues driving each of these dynamics, but it was observed with project partners and within UNDP itself consistently enough to suggest a systematic issue around partnership engagement.

TDLG has a new Monitoring and Evaluation framework, but this may need resources to function. The framework can be supplemented with a learning and communications function that also feeds to the Output 4 area. The framework is less able to trace outcomes or change pathways without qualitative analysis capacity. One area of potential refinement could include some more explicit monitoring of physical subproject outcomes including post-cycle impact and issues. While the TDLG emphasizes the Township's ownership of project management, it is still possible to monitor and learn from project outcomes. The MTR found, as did the TDLGs own lessons learned workshops, that monitoring of sub-projects, CSO engagement, and grievance mechanisms are areas project stakeholders identified for improvement.[31]

2.6 CONFLICT SENSITIVITY

Conflict sensitivity provides a framework for organizations to implement conflict-informed projects and programmes in fragile contexts.[32] It is a pre-requisite for all project and policy related interventions, as conflict-blind implementation is likely to exacerbate existing social, political and economic tensions, and undermine hard-won gains in a transitional context such as Myanmar. Conflict sensitivity is not limited to humanitarian programmes and does not require the programme to have a peacebuilding objective or mandate. TDLG defines conflict sensitivity as a three-step approach based on continuous conflict analysis.[33] Within the scope of the review and the time available, the MTR arrived at the following findings, which must be read in conjunction with the findings under Result Area 3, described above.

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[31] TDLG Lessons Learned Workshop: summary report (Draft - November 2019).

[32] In general, conflict sensitivity is the ability to: understand the context in which you operate; understand the interaction between your intervention and the context (how the context affects the intervention and how the intervention affects the context); and act upon the understanding of this interaction, in order to avoid negative impacts and maximise positive impacts.

[33] UNDP Myanmar (2017), Project Document: Township Democratic Local Governance Project (Yangon: UNDP): 9.

For TDLG there are strategic and local levels of conflict sensitivity, both of which are not consistently or sufficiently addressed. The first is a strategic level, in which TDLGs core design as a local development fund comes into tension with the dynamics of Myanmar's ongoing conflicts with the EAOs in its area of operation. In short and as described earlier TDLGs core decentralisation and statebuilding features include local autonomy and decision-making over projects through local government institutions – an approach that weakens EAO control and ownership at leadership level in Mon. This dimension is also discussed in Section 2.3. The second is conflict sensitive project selection and management at local level for individual sub-projects and is relevant to all areas of TDLGs operation. The MTR had little direct evidence of localized conflict sensitivity issues related to the projects visited, but also noted there was not explicit and documented analysis of CSPM issues in the portfolio reporting.

The Interim Arrangements that TDLG relied on in its initial theory of change for a framework to engage with EAOs have not materialized. In Myanmar's fragile '*no-peace, no-war'* context, the peace process for the most part has stalled, and the nation-wide ceasefire agreement has come under threat with skirmishes between EAOs and Tatmadaw.[34] Within this context TDLG remains a project with a primary focus on the Government of Myanmar system as the conduit for local governance and service delivery, and has not modified its design in areas of mixed control. Even as examples of local EAO engagement continue this creates a power imbalance between the government and EAOs, and as articulated by the EAOs and other key interlocutors, undermines the EAOs and their willingness to constructively engage in the project, thus posing reputational risks to UNDP, and straining the relationship between the EAOs, the Government and UNDP.

The lack of response to this new conflict context to adapt the programme contributes to conflict sensitivity concerns arising from Mon State. A significant issue in Mon state is the inability of TDLG to respond to and accommodate request for Mon national school infrastructure due to it not being part of government national policy. The rejection has caused considerable dissatisfaction towards the government (Mon language and schools being a historical grievance), thus maintaining or increasing the divide between the government and CSO and communities. Furthermore, the TDLG design tends stakeholders towards the selection of rural road infrastructure, a sensitive area for EAOs in general and the KNU in particular. One selected road project was subsequently rejected by the KNU, although since then TDLG put measures in place where projects will not be approved by TPIC in EAO/mixed-controlled areas unless they come with EAO permission. Such measures can be further communicated and form the basis for a more conflict aware model of the project for mixed-control areas.

The TDLG approach implicitly derives legitimacy as a relationship between the Government of Myanmar and the communities in the States and Regions of Mon and Bago. This approach is problematic in the context of contested territory and governance function (with some EAOs having parallel governance systems), and the existence of a fragile NCA and peace process. While the Interim Arrangement has not taken shape, the project assumes that there will be convergence of systems, eventually leading to the government system being the dominant if not sole system. While EAOs and community interlocutors the MTR team spoke to welcome the planning and provision of infrastructure, however, they voiced concerns

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[34] One may characterize the current situation broadly as "negative peace" where the relative absence of fighting can obscure lack of progress on the foundational issues that prevents moving to a situation of more "positive peace."

about delegitimizing the EAOs and legitimizing the role of the government within their constituency. Informally the team observed some recognition of potential conflict dynamics in relation to local projects, while other accounts stressed potential areas of concern – at the least, a documented monitoring and review process for conflict sensitivity that can be drawn on to look at issue in the portfolio seems absent.

Furthermore, strengthening government capacity, increasing the role of the community and CSOs to advocate with the government for responsive planning combined with declining opportunities for meaningful participation by EAOs poses risks. This highlights the need to meaningfully engage the EAOs in TDLG and to focus on providing additional support on increasing their capacity to work within democratic space. Recent progress on capacity development "packages" for EAO representatives may be a good step forward.

Recognising both the project and the EAO engagement strategy are relatively new and that *building trust* between conflict actors is a long term process, the MTR found little evidence that the project is set up to improve trust between EAO leaders and the government through collaboration in TDLG. On the one hand the project's focus on the use of government system combined with a broader political stalemate can contribute to mistrust and fear of government or Tatmadaw expansion of control. On the other hand, at the ground level, there is ongoing collaboration between EAO and Ministry of Border Affair that predates the project.

> *We have always worked with Border Affairs and the government locally. TDLG is not doing something new for us.*
>
> - EAO Representative

Sub-project and Procurement CSPM have received relatively little explicit attention. Within the limited time available, the MTR team examined the existing procurement guidelines and conducted interviews to assess the extent to which TDLG procurement is conflict sensitive. There were no specific complaints relating to procurement exacerbating social, economic or political tensions – for example, that it was providing opportunities for those affiliated to conflict parties to enrich themselves or to exercise undue pressure to secure contracts. All stakeholders stated that the procurement was strictly following UNDP and the government's 1/2017 policy, though limited exceptions or retendering were also reported. The following observations may be useful to consider for any phase 2 and where possible, remainder of the current project period:

- TDLG procurement guidelines while technically sound and following government guidelines, do not adequately include means to either eliminate companies that may be linked to local politicians or military personnel, or to monitor or mitigate such links;
- The guidelines also do not make enough provision for who the companies employ. As learnt from similar contexts, it will be important to safeguard against influx of projects bringing cheap labour from outside the State and Region, thus causing tensions from between those workers and locals. As Myanmar approaches election year, there is likely to be sensitivities and perceptions of migrant workers' eligibility to vote thus fear of these workers affecting local politics.
- There was at least one instance where an infrastructure was built in EAO controlled area using EAO sanctioned company. While this is evidence for engagement of EAO in TDLG and with the government, it also points to the need for having appraisal criteria that incorporates conflict

sensitivity principles, and to build the capacity of EAOs to function effectively in democratic spaces.

In terms of market effects, MTR did not find any evidence of the constructions distorting the local markets. However, this is not to say that negative market effects do not take place, instead highlights the need for stronger conflict sensitivity dimension in procurement to capture identify and address such cases.

The upcoming elections will exacerbate the need for both strategic and local CSPM. The role of MP and associated political parties is one that has pros and cons in TDLG. For the most part it is not possible to eliminate the participation of MPs in the workshops, which makes the project political. However, the FGDs and interviews showed that so far MPs have been able to help negotiate and advocate for the needs of the community. In the lead up to the election, TDLG must navigate two types of conflict sensitivity and programme quality risks. One, is to ensure TDLG and its infrastructure (selection, handing over) are not hijacked for election campaigning purposes and that the role of MPs remain to as observers. Secondly, EAOs are wary of UNDP project/s being co-opted for election purposes, raising the risk of EAO's further scaling back their involvement.

2.7 GENDER AND INCLUSION

TDLG focuses on women's participation as a key aspect of improving local governance and fostering equitable local development. As such, the project document and results framework focus on the role of women in planning processes (indirectly or directly). However, strengthening women's roles in local governance is more than a question of participation (which itself can have several meanings, or rungs on the "participation ladder"). To assess the project's contributions more broadly to gender equality, as well as women's participation as a signpost for how planning, budgeting and execution of the TDLG sub-projects can foster inclusion more generally, the MTR uses a simple and versatile analytic tool called the "Gender at Work" Framework (see Annex V). The top two quadrants relate to the individual changes - increase in resources, voice, freedom from violence, access to health and education (on the right), and individual consciousness and capability such as knowledge, skills, political consciousness, and commitment to change toward equality on the left.

In Bago and in Mon, women strongly supported the selection of infrastructure projects and reported these having gender sensitive benefits. Most notable is the road project in Kawa where up to 400 female garment factory workers from neighbouring villages access the road, effectively cutting their commute by about two hours each day.

TDLG identified early on the participation of women to be a key dimension of participation in the planning process but **found very limited possibilities as there are very few female VTAs in Myanmar.** As a result, it included 10 and 100 female household leaders. In terms of the changes the project is producing, the women in this group that the MTR spoke to overwhelmingly stated their ability to participate in the planning workshops by proposing and prioritizing projects and felt that there was no constrains to their participation. There were instances where while VTAs were either ineffective or do not participate in the workshops, the women were stepping in to fill the role of the VTA within TDLG. It is evident that the ability to bring to the fore the needs of the community and women has been empowering, further aided by the capacity strengthening support they have received (in Mon through Oxfam). Many of the women the MTR team spoke to wanted stand for the position again in future election, and a few have ambition to stand

as VTAs. The operating/grant manual provided an option for enhancing female participation by having a male and female community representative alongside the VTA in future cycles, and it is not clear if this has been actively explored.[35]

TDLG pays less attention to systemic change than individual capabilities among women. The Gender at Work Framework draws attention to systemic change – both formal rules as laid down in laws, and policies and informal discriminatory norms, structures and practices that maintain inequality. The project primarily works with women to increase women's participation, without working with men and the wider community the women live in. Almost all the women the MTR spoke to discuss their role being undermined by both men and other women in society. The MTR recognises that changing gender norms is a long-term undertaking, one that requires safe spaces for women in plans for capacity building. However, the focus on women alone without working with other actors who constrain women's participation in society and in decision making is less likely to yield systemic change. TDLG will benefit from developing a parallel set of activities to sensitise men and where possible the immediate community the women represent. The role of civil society and a civil society partner in this area is very important.

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[35] UNDP/Governments of Myanmar, Bago Region and Mon State (2018), 45.

3   Conclusions and Recommendations

The review findings are here summarized according to the standard criteria provided in UNDP guidance: Relevance, Effectiveness, Efficiency and Sustainability. Short- and medium-term recommendations follow.

3.1   Relevance

TDLG remains highly relevant to Myanmar's governance and decentralization reforms, while its approach to engaging EAOs requires significant reorientation to ensure relevance and conflict sensitivity in areas of mixed control. TDLG is currently a project with two aspects: a township institutional development project, and an EAO engagement effort. Unfortunately, these aspects are in some contradiction with each other in the current context. As a mechanism for strengthening Township governance and influencing decentralization policies, the project has a sound theoretical approach with strong intellectual antecedents and is generating results despite under-resourcing of or narrow approaches to some of its activities.

There is a continued strong case for a focus on Township governance. Although Myanmar's progression on decentralisation policy has not occurred at the pace assumed by TDLGs design, this has not closed the space for fruitful work at township level. The original project analysis – that Townships play possibly the key role in service delivery, are relatively ignored by development assistance, and may be suffering from a lack of resourcing and decision-making as much as individual capacity – is still completely valid in our view. The continued openness by Union GAD and State and Region governments to experimentation at Township level further affirms this conclusion.

TDLG can widen its relevance to policy either through broadening and deepening the project or more effective integration with policy dimensions of other programming. While the project remains relevant, there is an opportunity cost to funding one project over another. At the present time, there are not significant alternative approaches to supporting Township governance in implementation (despite useful research in the area), but aspects of future projects are envisioned to operate in this area. Properly resourced or through effective partnerships with others, TDLG may be able to better situate itself in the strategic decentralization discussion in Myanmar by addressing targeted policy areas such as revenues, local economic development, and potentially federalism if TDLG succeeds in transitioning to a conflict relevant model in ethnic areas. Such moves may imply moving from a project model in which TDLG has clear objectives and a single, articulated theory of change towards a more flexible modality.

3.2   Effectiveness

TDLG has effectively promoted increased information flow, consultation and planning capacity at Township level, and could be further refined to deepen and sustain these results. TDLG's "philosophy on capacity development is that all parties learn by doing, whereby the grant is the incentive to 'set the ball rolling'".[36] In fact, the TDLG platform combines the incentives of a grant with the known capacity development benefits of accompaniment and mentoring through the assignment of a TGO per township. Broadening this platform could include other

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[36] UNDP/Governments of Myanmar, Bago Region and Mon State (2018), 47.

aspects of Township planning, as well as introducing flexible capacity support that is more demand driven (possibly based on something akin to the current NMSP needs assessment process) or issue-based activities (where local officials identify potential reform or service delivery challenges, not just projects). The grant manual itself already notes some of the general areas where a widened Township reform and capacity component could contribute over time (see box). These could be supplemented with, among others, strategic planning, local economic development, project appraisal, cost-benefit analysis, and safeguards such as DRR.

> *As the grant evolves, explicit local governance and performance indicators may be developed, against which the township administrations can be assessed, in order to get to a discussion on how to further improve performance. Such indicators would fall under the headings of the five main institutional and organisational areas the grant seeks to address:*
>
> - *Democratic and inclusive governance*
> - *Participatory Planning and Budgeting*
> - *Township Operations and Budget Execution*
> - *Township Public Financial Management*
> - *Transparency and Accountability*
>
>   - TDLG Operations/Grant Manual, 45.

The project has also contributed to significant policy and behaviour change. Beyond the "moderate" changes from "business as usual" signaled by respondents, exposure to TDLG has prompted experimentation and reform at the State/Region level and has opportunities to engage more formally with Union institutions and processes such as GAD and Public Financial Management (PFM) reforms. This policy influence through direct TDLG exposure could progress to a more targeted and strategic evidence to policy strategy that works both on "demand" for policy inputs and "supply" of lessons around decentralization issues. Knowledge management and communications capabilities form an important part of that approach.[37]

Alternative approaches to TDLG implementation considering the conflict context are possible and have not been adequately explored. The TDLG's results with Townships are in part the result of the project working closely with them while allowing them to lead the process. It is not possible to preserve every aspect of that model while working consistently and carefully within the current conflict context in TDLGs area of operations. Some special provisions for engaging EAOs will need to be part of the approach, and these may exist outside the framework of settled policy in non-conflict areas, meaning a degree of interim or conditional arrangements. What is important is to preserve the most important elements of the framework. In our – and other researchers – views these are effective decentralization of actual decision-making, making the fixed allocation transparent to generate real planning and prioritization, building capacity development around the local development grant, and a conduit for learning and policy advocacy. These elements can be retained while exploring or negotiating adjustments that may allow for more comprehensive EAO buy-in (see recommendations).

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[37] For example, the Grant manual discusses the importance of specific poverty measures in effective allocation formulae but notes lack of Township data – collecting and using such data is an area where support might be targeted: UNDP/Governments of the Union of Myanmar, Bago Region and Mon State (2018), *Township Development Grant Standard Operating Procedures/Grant Manual*, Yangon (February), 19, 45.

TDLG's resourcing has been constrained and unbalanced, contributing to a narrow focus for capacity development, unintegrated CSO support, inadequate strategic EAO support, and little formal policy advocacy. Under these circumstances, the project's inter-connected theory of change is strained, and the project cannot meet its full potential with very slim capacity or financial resources across the three other results areas. At the same time, TDLG has displayed organizational rigidity that has slowed down the integration of new information such as EAO concerns into design or implementation changes, although efforts are more recently being made in this area. UNDP has provided cross-cutting support including but not limited to conflict sensitivity inputs to offset these challenges, but without this being integrated in the TDLG project team more thoroughly and involved in sustained engagement with stakeholders and staff alike it is not likely to resolve the challenges outlined in the MTR.

3.3 EFFICIENCY

TDLG uses a minimal grant level and limited resources on important functions. The MTR noted the preliminary and planned Value for Money (VfM) analysis being undertaken for the DFID funded portion of the project, while also recognizing its preliminary findings are contested. The review proposes using a sound VfM approach in use in a number of settings.[38] This approach refers to the cost of achieving given outputs as well as efficiency and economy considerations. The project is preliminarily rated "high" for efficiency, "high" for the economy of its staffing structure, and "low" for the economy of management and direct project costs. However, this rating perhaps artificially separates project costs from project inputs and contributions made by the UNDP country office management to the running of the projects – particularly where support has been needed in light of the retention and staffing issues detailed in Section 2.5.

Our findings concur that the grant amounts are as low as is feasible for the project model, and that other activity costs are low (too low, in fact). As noted elsewhere, international experience suggests an average grant level no lower than TDLGs, and other community-based programmes have or plan up to about 10 X the per capita grant allocation used in TDLG (though among smaller population units). Should the TDLG become more focused on Village Tract or higher-level infrastructure, the grant may even need to be increased, or have a matching dimension. The level of support that surrounds the grant to support civil society and policy influence is currently sub-optimal, and there is also a need to resource additional elements of a potential "EAO model" whether delivered through TDLG or partners. Some may balk at the cost of full-time TGOs, but this accompaniment is a proven effective approach to capacity development, however it can be exploited more thoroughly if the project expands the scope of its capacity efforts.

There is a gap in perception among stakeholders of the role of management costs and support. TDLG is subject to costs for General Management Services (GMS) and Direct Project Costs (DPC). The former is akin to a management fee, in that it is a "contribution to the organization's costs in support of its corporate structure", while the latter is "organizational costs incurred in the implementation of a development activity or service that can be directly traced and attributed to that development activity (projects &programmes) or service".[39] The purpose of the DPC is to enable "shared services" by the country office, which should allow for savings and consistency of quality assurance over individual project management units. As DPC was introduced mid-project, the provisions of UNDP policy that "DPC for development

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[38] DFID Burma (2019), *VfM Preliminary Assessment (LGSP-TDLG)*, Yangon (September).
[39] UNDP (no date), "Direct Project Costs" [unpublished policy document].

effectiveness, programme and implementation support services are negotiated during the project formulation phase" could not be observed, and donors reported uncertainty over the transition or composition of the costs of operating TDLG incurred by the UNDP Country Office moved to the DPC component of the budget, and the reasoning behind the share used while there is still a General Management Services component as well. The UNDP policy on Direct Project Costs was shared, and further clarification and agreement my be needed before a future phase of support.

3.4 SUSTAINABILITY

The TDLG has started to build a foundation for sustainable governance improvements at Township level. It is not realistic for these changes to become internalized – or resourced from national resources – after only two to three years of full implementation. Nevertheless, several interlocutors remarked they would probably continue similar workshops even without TDLG, but these would not be as comprehensive in their inclusion. They noted that the views and data generated are useful beyond the grant. Of course, local officials also equally attributed the project's importance to the grant itself and many expressed a desire for grants to be increased. This willingness to see the value in the process over the grant alone is a potential opportunity moving forward as the cost of further supporting capacity development and participation is minor as compared to the grants themselves. A further indirect but important impact on sustainability has been through the transfer of civil servants involved in TDLG to more senior positions at both State/Region and Union Ministry levels – there was a significant observed influence of TDLG exposure on the approach of senior civil servants now at Region government and Union Planning and Finance (Deputy Director-General) levels.

TDLGs clearest routes to the greatest long-term sustainable impact are through robust influence on policy, and potentially leveraging Myanmar resourcing either at Union or State/Region levels. Consequently, proper resourcing and strategy for the Policy Influencing function (RA 4) is essential as noted in Section 2.4 above. Such a strategy could be implemented through a dedicated policy function, or more likely a policy influence function through existing SERIP components where possible. Such arrangements might require clear working approach between technical inputs in the policy area of decentralization and in strategic policy communications. Such an approach is foreseen in the UNDP CPD which considers "a presence at state/regional level enabling more inclusive state and community engagement, with the potential to link activities to national-level policy development".[40]

A refined approach – perhaps in a confidence building phase – to EAO engagement is also essential if the project is to inform future interim arrangements. State and Region governments do have a strong sense of TDLG as a collaboration of which they have significant ownership, which is a good foundation for this type of approach to sustainability. This is also referenced in the UNDP CPD:

> *securing a durable peace will require efforts to build effective national and subnational institutions to address the immediate needs of all of Myanmar's communities, build the trust necessary to underpin an eventual political settlement that helps resolve decades of conflict, and*

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[40] UNDP (2018), 3.

prepare institutions for increased decentralization in line with an eventual political settlement. In so doing, governance mechanisms must mitigate conflict risks posed by inequality, exclusion and vulnerability linked to climate change, disaster risk and natural resources management.[41]

There is a strong case to further refine and develop the model for a second phase with attention to a wider range of township capabilities and new incentives aimed towards transitioning to Myanmar Union or State/Region systems or revenues. The relatively low grant amounts were purposely chosen for this reason, and as noted elsewhere represent a minimum level likely to produce the desired incentives. In fact, transitioning to some cost sharing with Myanmar may require some additional resourcing of a co-financing window. A second phase should seek through a more integrated programme offering additional funds and increase state/region revenues as discretionary resources.

Should donor resources become available, modest scaling of the model is both feasible and may be desirable, if there is adequate attention and flexibility for the approach in conflict settings. However, there is a trade-off between breadth of coverage and deepening the results areas of the project as described in Section 2.5 above, and these issues should be a high priority over spreading the project too thinly. Nevertheless, with structural changes there may be both scope and support to use a township-based approach in expanded issue areas such as displacement.

TDLG's integration with the subsequent UNDP Country Programme has been hampered by different perceptions of TDLGs role within it, but there are opportunities to connect future phases with wider programming. TDLG's status as a pre-existing programme complicated its integration within the framework of the Country Programme. TDLG (except for RA3) is a clearly focused project with a single, articulated theory of change, and represents a different development approach than a more strategic but possibly less clearly elaborated programmatic approach to higher-level outcomes as represented in the CPD. In one view, UNDP is an implementer for a clearly defined project for which it should be judged according to cost and performance. In another, TDLG forms part of an integrated UN country programme with the attendant contributions and oversight of the UNDP Country Office team, to which bilateral donors should be contributing through a project management and Direct Project Cost (DPC) allocations within the country office. The project team has asserted this as distracting from the project's focus and diverting other donor funds towards newer aspects of the country programme while a gap in TDLG resourcing remains, and the donors have requested their funds be ring-fenced for TDLG purposes. The UNDP view is that the project's activities are supportive of a broader strategy, and that implementing through the UN involves centralized operations and quality assurance that are not options to be chosen but rather benefits of implementing as part of a country programme. There is a chance to more clearly structure where these synergies exist in a coming phase. The most obvious areas may be in more systematically using analytical work connecting TDLGs work and lessons to policy dialogue activities using shared resources in the knowledge management, evidence to policy or communications area.

TDLG has informed and will require coordination with the Myanmar Peaceful and Prosperous Communities Project (PCPP).[42] PCPPs component 2.2 is explicitly modeled on the TDLG, but introduces

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[41] UNDP (2018), 3.

[42] World Bank (2019), *Myanmar Peaceful and Prosperous Communities, Annex: 2 Detailed Project Description* and consultation materials.

some modifications including a separate development forum with male and female village representatives, a more significant grant level per township, and a retention of the current State and Region level procurement. The state focus of 2.2 and its reliance on EAOs to propose projects suggests it may reproduce the same difficulties with respect to EAO engagement as TDLG is encountering. Both TDLG and PCPP might usefully consider a higher-level dialogue with EAOs on the areas of concern that they can agree with government. The World Bank noted that "further specifics of how this might work will be worked out together with government and other key stakeholders as part of the development of the operational procedures for component 2.2 (which would be a disbursement condition under the project)".[43]

3.5 RECOMMENDATIONS

3.5.1 Short-term Refinements

Prioritize adequate short-term resourcing and effective use by the TDLG team of its components in terms of expertise and finances, **with the emphasis on ensuring a strong RA 4 strategy and attention to the current demand-driven needs assessments for EAOs.**

- Continue to support activities such as the Governance Forum and develop and start to implement a more systematic evidence to policy strategy for RA 4.
- Consider identifying the grant separately in the TDLG structure and budget, and considering supply and demand side capacity development (RA1 and RA2) together as an integrated set of activities (e.g. create an output area for the grants and their implementation and a combined RA1/2 for capacity development around supply-demand linkages). This approach may help more balanced consideration of the project as having four areas that all are important to support the grant modality and outcomes.

Continue the current effort with EAOs to identify demand driven capacity and governance needs as expressed at a strategic and HQ level, not only at local levels (Mon State and expansion areas including Rakhine and Kachin).

- Allow additional time and resources for relationship building in conflict affected areas, for example to develop joint protocols for attendance, location and facilitation of planning workshops etc.[44]
- Work with EAOs to agree stronger inclusive processes and roles for EAO linked VTAs, alongside government.
- Consider conducting a joint conflict analysis and/ or conflict sensitivity analysis to build confidence in TDLG, and to develop a shared understanding of conflict sensitivity considerations and risks across the project and partnerships.
- Identify the key areas of concern for future programming, and potential issue areas of focus.
- Develop a stronger communications approach, with a focus also on EAOs, regarding TDLG approaches, achievements and processes.

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[43] World Bank, remote input.
[44] Consistent with the UNDP (2017) Country Programme Document, 8.

- Consider how to retain key governance elements of the design while using temporary off-budget approaches managed jointly with EAOs to build confidence.[45]

Develop a more focused and detailed RA 4 Evidence to Policy strategy to consolidate this phase's gains. This may include targeted policy briefs, multi-media, digital or traditional media focused on a small set of targeted messages to be developed with counterparts at Township and State and Region level.

- Work together with Myanmar counterparts on key messages, and developing more diverse communications and knowledge products (possibly co-resourced through integration with knowledge work in other parts of the UNDP programme) including online or media formats and discussion for a.
- Set up and implement alumni and community of practice approaches.
- Strengthen channels of raising awareness locally about Township lessons on the value participatory planning and prioritization, through public information means (posters, signboards, media that publicize the planning process and the principles used at Township level).
- Understand and plan progression of Township officials, possible in concert with Union GAD or other key departments; e.g. ssupport an association of TDLG alumni and peer events, journal, and emphasise transferable capabilities in training approaches.

Address issues in project governance, management and organizational culture and capacity

- Ensure there is enough managerial and technical division of labour and staffing to ensure that strategic, knowledge management, and policy influencing receive systematic attention. The MTR team considers that TDLG – should it remain a project with an EAO focus – requires full-time or part-time support but fully integrated with the team, preferably with a strong degree of specific contextual knowledge.
- Consider refining the project board and technical working group process so it can consider issues as they arise including different perceptions of the project purpose and costs and achieve consensus or binding decisions. There may need to be a donor/implementer specific steering committee or subcommittee for these purposes where they do not directly involve GoM or full board processes may not be appropriate.
- Address the poor collaboration between the TDLG project and supportive elements such as conflict analysis, shared understanding of conflict sensitive practices within TDLG, Oxfam and their role, and other potential partners such as knowledge partners, including attention to how TDLG relates to its partners that will improve collaboration and conflict sensitivity within TDLG. The MTR has seen the value of third-party facilitation in similar situations and believe these issues are serious enough to merit its consideration.
- Consider capacity and confidence building measures within TDLG for improved application of conflict analysis and conflict sensitivity approaches.

Consider an approach to CSO engagement that is not counterpart based, but rather capability and process based. The "supply" and "demand" side of local governance have become artificially silo-ed by

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[45] A few prominent and successful LDF approaches began with off-budget mechanisms, often linked to CDD type approaches, before transitioning to on-budget and eventually nationally funded mechanisms: Cambodia and Rwanda are two prominent examples.

dividing project partners' responsibilities according to their counterparts, rather than the knowledge or approach they should be bringing to those arenas where supply and demand meet.

- UNDP and Oxfam's expertise and inputs should be applied to both supply and demand side actors through more shared activities, rather than each "owning" one or the other type of partner. For example, a return to the intent of co-design and facilitation should be considered among the two partners for the planning workshops, renewed activities with EAOs. This may be accompanied by a joint assessment of the two partners capabilities and corrective action as needed in the last year.
- Continue to consider a range of options for partners working on participation or inclusion depending on specific context – particularly in conflict affected areas.
- Develop a gender strategy to CSO and potentially EAO engagement that focuses on fostering awareness among all CSOs of gender issues, prioritizes women's and gender focused CSO engagement, for example working on pathways for women's representation in communities.
- Recognize there are capacity development needs among UNDP and Oxfam staff themselves in such an innovative project, and prioritize joint capacity development and training, joint working and accompaniment, and mutual support.

Assess the relevance to core project objectives, and potential alternatives to the current Township level procurement approach, considering Myanmar's emerging procurement legislation. The TDLG approach to bring procurement capabilities close to the decision-making process is valuable and will benefit officials even if procurement law does not change markedly as they circulate in the system. However, given the evidence of procurement mismatches at Township level, consideration should be given to a tiered approach that may revert to States and Regions in some cases. Consider closer alignment of TDLG procurement and emerging GoM procurement legislation and policies;

- Continue to expand procurement awareness to demand-side actors and VTAs through information sharing or innovative capacity approaches;
- Focus on procurement as a key element of CFM.
- Consider how to resolve procurement / market misalignment. In some cases it may be advisable to refer the smallest scale project proposals emerging from planning processes to community-development approaches or individual departments if they are available; the aim of TDLG should probably be to target projects that are not simply repeating community-driven development approaches and providing benefits that cross village tract.

Include more monitoring and evaluation information on the actual sub-project outcomes. The TDLG is often described as a "governance" or even "government" project, with the implication (sometimes explicitly) that the physical project outcomes are secondary to the main purpose. The Monitoring and Evaluation Framework is limited to the procurement and project completion. It is important that the local sub-projects are clearly monitored themselves against implementation, impact and conflict and gender sensitivity criteria – the MTR found several competing claims over the quality or sensitivity of sub-projects, but little treatment or assessment of these in M & E reporting.

- Introduce some monitoring and evaluation information related to Activity Result 1.2 on the strategic and beneficiary impact of sub-projects over time; such data does not mean second

guessing the Township's own decision-making process, it simply better allows measurement of whether better processes continue to produce better outcomes over time.

- Link this monitoring to capacity development for the Township by integrating this monitoring with the broadening of capacity development activities to include appraisal and cost-benefit analysis.
- Consider a monitoring indicator related to quality of sub-projects or number of quality control issues including assessment of gender and conflict safeguard issues.

Consider more continuity and joint ownership of project evaluation and design work, possibly including an independent standing shared review function. TDLG has prompted a range of attempts to review its performance and learn, each coming from the perspective of individual stakeholders. Furthermore, general UNDP evaluation guidance suggests it can be important to consider how evaluation work can contribute to partner capacity to conduct such evaluations.[46] As a project with good national ownership and an emphasis on country systems, TDLG provides a good opportunity to build national evaluation capacity. It may be valuable to consider how Myanmar's domestic project evaluation capacity may be supported through joint evaluation, review or design activities. Joint evaluation with EAO or CSO participation may even be an activity that can be added to potential confidence-building measures under a revamped EAO engagement model, and could involve Oxfam, Covenant or other appropriate partners enjoying a high degree of EAO awareness and trust.

- Consider establishing an independent standing technical support, learning and review function to work with counterparts over time, and create a credible long view of project progress or dig deep into specific issue areas. Such a function might be achieved through a contracted knowledge centred organization or a network/advisory board type approach.

The MTR represents an opportunity for engaging respondents, beneficiaries and programme staff and a plan to utilize MTR findings may be useful. While the MTR will be used to inform the TDLG Project Board and presumably any other Government and Donor stakeholders, it is also good practice to engage the local stakeholders in the results and actions arising out of review and evaluation activities. This is also an area where gender focus can be enhanced through specific engagement on gender dimensions.

3.5.2 Preparation for potential future phases or projects

Critically examine the objectives and requirements for a future phase of TDLG to inform the future balance between a clear, focused approach to local governance support (as in TDLG) and a broader more multi-dimensional or flexible approach. There are pros and cons for both approaches, and TDLGs performance in RA 1 demonstrates that the simpler one may work. However, there appears to be a case for a more multi-dimensional or demand-driven approach if a future phase includes an evolved grant modality, more diverse capacity development support, and a reframed approach to EAOs.

Explore areas and means of broadening Township capacity development beyond the current focus on workshop facilitation and procurement. This preparation will help guide new phases of capacity support, or the introduction of a more demand-driven capacity development facility. This capacity development "menu" should consider, but not be limited to:

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[46] United Nations (2016), *UNDP Evaluation Policy* (DP/2016/23), 12-13.

- Support to States and Regions on own source revenue generation, with an expectation or plan that additional revenue might be partially allocated to match TDLG funds;
- Support to introducing and managing limited new criteria in the allocation formula – the obvious candidate for this would be collecting, using and applying sub-Township data to measure relative need via poverty or other means. This is already anticipated in the grant manual.
- Cost benefit analysis/project economic appraisal.
- Social and environmental impact assessments.
- Facilitation techniques.
- Consider holding some planning workshops outside township seats to broaden participation and possibly facilitate EAO engagement.
- Consider a modest facility for Townships and/or EAOs to access on a demand basis tailored training (building on something akin to the current NMSP needs assessment) or issue-based facilitation support (where local officials identify potential reform or service delivery challenges and work with partners to address these problems through process reforms rather than physical projects).[47]
- Consider OSS support through TDLG only as linked to demand-driven capacity development in specific issue areas such as revenue, CFM, or civil society engagement (there may be an argument to continue OSS support at the policy level through other programming as it is a key government policy).

At the same time, identify options for further development of the grant modality in the next phase. The combination of the grant modality and the capacity development approach should continue to evolve hand in hand and require careful design. Options considered should include, but not be limited to:

- Introducing an incentive for State and Region matching TDLG funds to some degree, either by bringing own source funds into the TDLG planning process, or over time bringing TDLG funds into a State and Region mechanism funded by government (as in the Bago 'citizens budget' initiative). Such incentives must be designed carefully so as not to exacerbate the disadvantage of states or regions with lower revenue capacity and thus less absolute ability to match funds.
- Consider allocating a window of the grant or some other monitored support to allow Township's own planning processes to better emulate the TDLG resourced consultations, perhaps as part of the incentive for matching funds.[48] Concerns on potential leakage while supporting administrative costs might be alleviated by co-management of the funds by the resident TGO.
- Consider incentives (via a specialized window or other performance linked approach) for measures of governance performance (e.g. gender representation, participation, project impact, budget execution or other areas of concern); however, it is important not to overburden the grant

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[47] Prominent examples of issue-based approaches include some of Pyoe Pin's earlier work, the State Accountability and Voice Initiative (SAVI) in Nigeria, and Problem-Driven Iterative Adaptation (PDIA) approaches championed by the Building State Capabilities team at Harvard University.

[48] The *Seila* project in Cambodia allowed over time for some administrative costs to be charged to the grant, which may have contributed to the transition over about a decade to full Cambodian government funding, achieved nation-wide by about 2010.

design and any incentives should probably be consolidated in one or maximum two additional windows and/or allocation criteria.

- Consider, in line with the last recommendation below, off-budget delivery or an off-budget component of the grant for mixed control areas, if this is seen as important by EAO partners.

Develop a model or models for local governance support in areas where authority is contested by EAOs that retains core TDLG elements but also addresses the contradiction in the current project model for EAOs. TDLGs approach to capacity building by doing, planning and prioritization with a clear budget constraint, and linking experience to policy, are worth retaining. They can be while other modifications may be able to alleviate the strategic tension between the statebuilding oriented aspects of the model and EAO concerns. Additional elements of the project that reflect key EAO concerns will be needed. One consideration will be whether there should be specific provision or direction for issue areas or sectors of focus to be agreed with EAOs and GoM. The MTR understands that there was discussion during design of potential sectoral support along the lines set out in the NCA, but this was not pursued at that time. It may be worth revisiting more targeted sectoral approaches with EAOs and seek agreement with GoM.

- Continue the current effort with EAOs to identify demand driven capacity and governance needs as expressed at a strategic and headquarters level, not only locally.
- It may be necessary to identify sectoral or other areas of focus with EAOs and Government of Myanmar jointly.
- Consider how to retain key governance elements of the design while considering temporary off-budget approaches managed jointly with EAOs to build confidence.[49]
- Consider mechanisms to enhance EAO contributions to the formal decision-making process – this might mean either supplementing TPICs with some agreed interim institution that includes EAOs in a decision role, or simply having a parallel EAO grant mechanism that supplements the TDLG mainstream approach.
- Consider further ways to enhance delivery in ethnic languages.
- Assess UNDP and/or other organization's positioning over time as a trusted and neutral manager for the EAO model. It may be advisable to separate implementation of future elements of programming with EAOs, though not necessarily so.

Developing such a model will need joint inputs on statebuilding and fiscal decentralization, and Myanmar's conflicts, conflict transformation, confidence-building, and conflict sensitivity. While these resources are available, there is a need to integrate these more consistently and effectively in the workings of the project.

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[49] Several prominent and successful LDF approaches began with off-budget mechanisms, often linked to CDD type approaches, before transitioning to on-budget and eventually nationally funded mechanisms: Cambodia and Rwanda are two prominent examples.

ANNEX I: DOCUMENTS CONSULTED

TDLG AND UNDP DOCUMENTS

UNDP Country Programme Document

UNDP Strategic Plan 2018-2021

UNDP Conflict Sensitivity Strategy

TDLG Conflict Sensitivity Scan / Recommendations

UNDP (2017), Township Democratic Local Governance Project Document, Yangon.

UNDP/Governments of the Union of Myanmar, Bago Region and Mon State (2018), *Township Development Grant Standard Operating Procedures/Grant Manual*, Yangon (February)

TDLG Procurement Guidelines

TDLG Fast Facts

TDLG Annual Report 2018

TDLG Monitoring and Evaluation Framework

TDLG Indicators and Methodological Note

TDLG EAO Engagement Strategy

TDLG Lessons Learned Workshop: summary report (Draft - November 2019)

UNEG Norms & Standards

UNDP Evaluation Guidelines

UNDP Evaluation Policy

TDLG Project Board Minutes 2018-19

TDLG context/conflict analysis (as per the annual report)

TDLG Board Meeting- Meeting Minutes, October 2018

TDLG Semi-annual Progress Report 2019

TDLG Board Meeting – Meeting Minutes, August 2019

DFID TDLG Reflections on Change [unpublished document]

UNDP Four Townships Report, Bilin, Kawa, Thaton, Yedashe, 2019

DFID Burma (2019), *VfM Preliminary Assessment (LGSP-TDLG),* Yangon (2 September)

UNDP (2018) OSS Customer Satisfaction Scorecard Findings for 6 Pilot Townships

UNDP (2019) Workshop Report, Developing Appropriate Models of Mobile Service Delivery

UNDP (no date), "Direct Project Costs" [unpublished policy document].

SECONDARY SOURCES

Richard Batchelor (2018), "State and Region Governments in Myanmar: New Edition", Yangon: The Asia Foundation.

Richard Batchelor (2019), 'Where Top-Down Meets Bottom-Up: Planning and Budgeting in Myanmar' (Yangon: The Asia Foundation (July).

General Administration Department, "Approach to Central-State/Region Relationship Framework," Unpublished presentation.

Paul Minoletti (2016). 'Fiscal Decentralization and National Reconciliation in Myanmar', Yangon: The Asia Foundation.

Ashley South and Christopher M. Joll, 'From Rebels to Rulers: The Challenges of Transition for Non-State Armed Groups in Mindanao and Myanmar', *Critical Asian Studies*, 7 April 2016, 1–25, https://doi.org/10.1080/14672715.2016.1161963.

Jesper Steffensen (2010), "Fiscal Decentralization and Sector Funding Principles and Practices", DANIDA

Union of the Republic of Myanmar (2018), *Myanmar Sustainable Development Plan*, Naypyitaw.

United Nations Capital Development Fund, *Delivering the Goods: Building Local Government Capacity to Achieve the Millennium Development Goals : A Practitioner's Guide from UNCDF Experience in Least Developed Countries* (New York: United Nations Capital Development Fund, 2006).

World Bank (2019), "Peaceful and Prosperous Communities Project: Consultation", Unpublished Presentation (October).

ANNEX II: MID-TERM REVIEW MISSION SCHEDULE AND MEETINGS HELD

Itinerary for TDLG MTR mission
25ᵗʰ November to 13ᵗʰ December 2019

Time (hrs)	Activity	Location	Remarks	Attending, other notes
Monday, November 25 – Day 1				
Hamish Nixon arrives The team will stay in Chatrium Hotel while they are in Yangon Initial meeting with Archana, Khin Thuzar and Wint Yee/ Completed Meeting with Dawn, Joerg and Archana for initial briefing and finalize itinerary/ Completed Meeting with Anki and Gulbahor to finalize the itinerary/ Completed				
Tuesday, November 26 – Day 2				
Sweta Velpillay arrives				
Afternoon	Meeting between team	UNDP office		MTR team
Afternoon				
1.00-2.00	Meeting with Chloe	Chatrium Hotel		Chloe
4-5.00	Meeting with Sammy	UNDP		Sammy (Conflict Sensitivity and the work on EAOs)
5.00-6.00	Meeting with Sujeeta (M&E)	UNDP		Sujeeta (M&E)
Wednesday, November 27-Day 3				
9:30-10:30	Meeting with Peter Barwick, UNRC's Office	RC office meeting room	Updates on current context and dynamics and	Peter Barwick
2.00-4.00	Asia Foundation Presentation	Chatrium Hotel		
4.00-5.00	Meeting with Dawn	UNDP		Dawn and MTR team
Thursday, November 28-Day 4				
8.20	Leave from Hotel to SDC Office			
9-11.00am	Meeting with SDC	SDC		Rea Bonzi
11.30-1.30pm	Lunch Meeting with TDLG team	Novotel		Anki, Gulbahor and the team
2.00pm-3.00pm	Meeting with Oxfam	Inya Lake Hotel	Carron Basu Ray is not available	Phyo, Htoi San Awng, Senior Programme Manager, and Mi Hanni Htun, Team Leader

Time (hrs)	Activity	Location	Remarks	Attending, other notes
3.30-4.30	Meeting with Center for Good Governance	CGG Office	No. 34 L/A, San Yae Twin Street, Thathana Yeik Thar Ward, Bahan Township	Jane Lonsdale, Team Leader, Centre for Good Governance
Friday, November 29-Day 5				
10.30-11.30	Meeting with DFID	DFID Office	British Embassy, Strand Road	Ben Powis and Cindy
3-4pm	Meeting with Asia Foundation	Asia Foundation Office	Asia Foundation Office, Ko Min Ko Chin Road, Bahan Tsp	Richard Batcheler
4.30pm-5:30pm	Meeting with Payal, Team Leader for Programme Management Unit	UNDP, 1st floor meeting room		
	Meeting with UNDP		Reflection of second week and review if any adjustments to be made in the itinerary	Archana
WEEK: TWO and THREE				
Mission to Mon State, 1st to 4th December 2019 (Sunday to Wednesday) **Sunday, 1 December 2019**				
07:00	Travel to Mawlamyine	Mawlamyine		
12:00	Lunch Meeting with project staff and Oxfam staff	Mawlamyine		
15:00-17:00	Meeting with New Mon State Party (NMSP) at the liaison office in Mawlamyine	Mawlamyine		
	Night stop in MLM	Mawlamyine		
Monday, 2 December 2019				
09:00-10:30	Travel to *Thanbyuzayat*			
10:30-11:30	Meeting with *Thanbyuzayat* TPIC in GAD office			Thanbuzeat Township is in its first year of implementation
11.30-12.30	Meeting with W/VTAs, female 10 HH leaders, CSO and beneficiaries from selected project which is to be implemented and working lunch			

Time (hrs)	Activity	Location	Remarks	Attending, other notes
12:30-14:00	Travel back to Mawlamyine			
14:00-15:00	Meeting with MSG: • Chief Minister H.E Dr. Aye Zan • Planning and Finance Minister H.E. U Wunna Kyaw • State Secretary Hla Win Tin			
15:00 – 16:00	• Meeting with Planning Director, U Myint Aung • Meeting with Budget Director, U Kyaw Zin Oo			
18.00-19:00	Meeting with Oxfam, Un Women, Head of MLM office and project staff (dinner meeting) in Mawlamyine			
	Night stop at MLM			
Tuesday, 3 December 2019				
10:15-11:00	Travel to Paung			Paung has implemented one full cycle and is now on its second. Paung doesn't have any EAO.
11:00-12:00	Lunch			
12:00-14:00	Meeting with Paung TPIC, in GAD office			
14:00-14:45	Travel to Nyaung Kone Gyi Village			Visit to Nyaung Kone Gyi village
14:45-17:00	**Visit to Nyaung Kone Gyi village to see a sub rural health centre** Meeting with beneficiaries of the project and W/VTAs, 10HH leaders, CSOs that has been part of the planning process and monitoring of implementation committees			The meetings could be set up individually or as one big group Sub rural health center
17:00-17:45	Travel to Thaton for night stop			Night stop at Thuwunna Bumi Hotel
19:00-20:00	Working dinner			Project staff, Oxfam
	Night halt at Thaton			
Wednesday, 4 December 2019				
8:00-8:15	Travel to KNU Liaison office			
8:15 -9:30	Meeting with KNU			

Time (hrs)	Activity	Location	Remarks	Attending, other notes
9:30-10:30	Travel to Bilin			
10.30-12:00	Meeting with Bilin TPIC members in GAD office			Bilin is the first generation townships of the project and have implemented two full cycles. Bilin have mixed controlled areas.
12:30-14:00	Travel to Ohn taw Village			
14:00-16:00	Visit to Shwe Kyi bridge and meet with W/VTAs, 10HH leaders, CSOs and beneficiaries of the project in Ohn Taw Village			
16.00-18.00	Back to Travel Kyaikhto			
	Night stop in Kyaikhto			
Thursday, 5 December 2019				
7.00	Return to Yangon			
Noon	Arrive back in Yangon			
3.00-4.00	Meeting with RAFT, Eva Helene Østbye, Executive Director	RAFT office		Eva and the team
4.30pm	Meeting with Tim Paul Schroeder	UNDP Office/Hotel Chatrium	Tim Paul Schroeder <tim.schroeder@covenant-consult.com>	
Friday, 6 December 2019				
8.00 am	Travel to Bago			
10.00 - 12.00	Meeting with Bago Region Government: • Meeting with Chief Minister, H.E. U Win Thein • Meeting with Planning Minister, H.E. U Nyunt Shwe • Meeting with Planning Director, U Myint Maung • Meeting with Budget Director, Daw San San Nwel • Meeting with State Secretary U Khin Maung San			Bago Region Government Office

Time (hrs)	Activity	Location	Remarks	Attending, other notes
	• Meeting with TPIC members (as per attached program)			
13.30-15.00	Meeting with Kawa TS TPIC and MPs			Kawa Township GAD office
15.00-17.30	Visiting Own Hne village, Post Primary School project selected FY 2017/18, Kha May Gyi village, concrete road construction implemented in 2018/19 and meet with beneficiaries, W/VTA, 10 HH leaders, CSOs and MPs			Own Hne Village, Kha May Gyi Village
17.30	Return to Yangon from the field			
	Night halt at Chatrium Hotel			
Sunday, 8 December, 2019				
9.00	Travel to Paukhaung from Yangon			
Monday, 9 December, 2019				
10 00-12.00	Meeting with Paukkhaung TPIC			Pauk Khaung Township GAD office
13.00-17.30	Meeting with W/VTAs, 10 HH leaders, CSOs in one group			
18.30	Night stop in Pyay Hotel			
Tuesday, 10 December, 2019				
8.30am	Leave for Naypyitaw			
	Arrive at Naypyitaw and Night halt at NPT-???			
Wednesday, 11 December, 2019 in Naypyitaw				
	• Meeting with Director General of GAD, U Myint Than • Meeting with Deputy Director General, Daw Tin Tin Myint, Ministry of Planning, Finance and Industry • Meeting with Deputy Director General for Budget, U Khin Maun Lwin , Ministry of Planning, Finance and Industry			
TBC	**Flight** depart from NPT to Yangon			
18.00	Night stop YGN			
Wednesday, December 11, 2019				
9-10am	Meeting with SIDA		It depends on whether the team will travel to NPT or they split in two groups	

Time (hrs)	Activity	Location	Remarks	Attending, other notes
3-5pm	Meeting with UNDP	UNDP Office in Yangon/NPT		Dawn, Joerg and Archana
Thursday, 12 December, 2019 (in Yangon)				
10.00	Meeting with U Aung Naing Oo, JMC	JMC Office		Moe Aung will accompany the MTR team
2.00pm	Meeting with Giacomo Solari and Ni	SDC office		
3:30-5pm	Debriefing with Evaluation Steering Committee	TBC		SDC, DFID, Sida, UNDP and RAFT
Remote Inputs				
	World Bank Country Team			
	Ashley South, Covenant			

ANNEX III: EVALUATION MATRIX

Evaluation Theme	Key Questions	Data Sources	OECD-DAC
Results Area 1: Improved TS Capacity to respond to needs of people	• How have contextual changes influenced results in this area? • What evidence is there for change in this results area, including improved TS capacity to use planning and budgeting to respond to the needs of people and to manage and execute devolved local development grants? • Are there changes in "horizontal" coordination evident in TS administration? • How is capacity conceptualized and operationalized in the TDLG project? (E.g. are individual, organizational and institutional capacity considered together?) • Are there differences in changes to TS capacity across the TS sites, and if so what factors may explain these differences? • What is the balance between capacity building and capacity demands of the project at TS/SR/Union levels?	• Project team/TGOs • Union/SR/TS government • CSOs • TPIC • W/VT Leadership • Contextual sources	• Effectiveness • Relevance • Sustainability
Results Area 2: Improved engagement between people and government	• How have contextual changes influenced results in this area? • What evidence is there of strengthened "vertical" coordination and/or feedback loops between W/VT and TS/SR government? • What evidence is there of strengthened engagement between local leaders and their communities under the project? • How are coordination and participation conceptualized and operationalized in TDLG and among key local stakeholders? • What is the level and consistency of understanding among local stakeholders of TDLG outcomes, grant and implementation arrangements?	• CSOs • Project Team/TGOs • TPIC • S/R and TS Government • W/VT Leadership • EAO Liaison Offices/Representatives (where possible)	• Relevance • Effectiveness • Sustainability
Results Area 3: Improved EAO engagement with TS planning	• How is context (e.g. the peace process and 2020 election) shaping the environment for TDLGs EAO engagement? How does the project and its donors respond to these changes? • What aspects of EAO engagement are in the control of the project or not? • How has the project informed, consulted, involved and empowered EAOs to engage in the annual township planning process thus far? What concerns are there and what changes might EAOs consider important? • What interaction between EAOs and TPIC occurred during the monitoring and implementation of infrastructure projects ?	• EAO Liaison Offices/Representatives (where possible) • W/VT Leadership • Contextual sources • TPIC • TGOs	• Relevance • Effectiveness • Sustainability

	• What is EAOs role in identifying intrastate projects in their areas and the outcomes of the project selection in terms of area of implementation? • Is the project theory of change, approach and partnerships well-matched to the EAO context and peace process? What evidence is there for the assumption that EAO engagement can lead to joint promotion of inclusive service delivery? What commitment is evident by government to genuinely engage with EAOs in the TDLG project?		
Results Area 4: Dialogue on policy and institutional local government reforms informed by technical support and research	• How have contextual changes in the national policy environment for decentralization influenced results in this area? What are the likely impacts of the 2020 election? • What evidence is there of policy change in response to TDLG activities at TS/SR or Union level? What is the potential for future policy influence and how can these potentials be supported? • How does TDLG promote policy reform? Are these approaches effective and are there other opportunities?	• Union Government Departments • S/R Government • EAO Liaison Offices/Representatives (where possible) • TPIC • Contextual	• Relevance • Effectiveness • Sustainability
TDLG Organization	• What are the strengths and weaknesses of TDLG and its partners current organizational and institutional capacities (staffing, structure, processes and procedures) to deliver across its four results areas? • Is TDLG managing risk at project and sub-project level? • Is TDLG adequately or appropriately resourced across its four components? • To what extent is the TDLG learning and adapting to contextual changes or new information about results across its four results areas? What capacities might further support TDLG adaptation? • What are the opportunities and challenges in the use of DIM and TDLGs implementation modalities more generally? • Are TDLGs current partnerships appropriate and effective (both in Myanmar and if relevant external to it)? What types of partnerships might be valuable in the future? • What challenges and opportunities are there for TDLG to integrate or align with UNDP and external programmes (e.g. SPACE, NCDP, etc.)	• Project Team • Project team survey (?) • UNDP Country Team • Donors and partners (OXFAM, RAFT etc.)	• Effectiveness • Efficiency
Conflict Sensitivity	• How does the project conceptualize and operationalize trust and legitimacy? What evidence is there that the project engagement is able to promote trust or legitimacy among communities and between the stakeholders (communities, Government, EAOs)? • What measures are in place to ensure that sub-project selection, procurement, implementation are not unintentionally reinforcing tensions, conflict, discrimination	• Project Team • TPIC • EAO Liaison Offices/Representatives (where possible)	• Effectiveness

	and exclusion but rather strengthening social cohesion? What evidence is there for the effectiveness of those measures? • What measures are in place to handle grievances? • How is the project impacting drivers of conflict through resource transfers in terms of equitable distribution, market effects, procurement practices?	• Donors and partners (OXFAM, RAFT) • W/VT Leadership	
Gender Equality	• How has the project performed in response to its own objectives and results framework in relation to women's participation in planning and budgeting processes? • Is the TDLG approach adequate to systematically promote women's equality in local governance in Myanmar? If not, what challenges and opportunities are there to do so, or to partner with others to do so?	• Contextual Sources • Project Team • W/VT Leadership • Female local leaders • TPIC	• Relevance • Effectiveness
Sustainability and Transition	• What are potential impacts of the political, electoral and peace processes on the prospects for TDLG transition to increased government ownership, scaling up, or funding? • What opportunities are there for TDLG to transition to a sustainable or scaled model, potentially under government support? Are the current measures (e.g. low per capita allocations) likely to promote a sustainable transition? • To what extent is there common understanding of the ownership of the project now, and the vision for ownership in future? • What potential is there for further integration of TDLG with other UNDP programming or relation to other development partner programmes?	• Contextual sources • Project Team • UNDP Country Team • Union Government • Township Administration	• Relevance • Sustainability

ANNEX IV: SEMI-STRUCTURED INTERVIEW GUIDES

These guidances indicate themes covered in a semi-structured format through specific non-leading questions used according to the judgement of the MTR team, under the overall guidance of the Team Leader based on qualitative research best practices. Meetings with project team members, contextual/expert meetings, and State/Region Government meetings utilize specific interview plans for each determined as the review proceeded based on the evaluative questions above and the emerging findings and questions during the mission.

TPICs

- Understanding or project and its objectives
- General impressions and timeline
- Review how planning and budgeting occurs in T/S generally
- Review the TDLG planning process
- Review differences in the TDLG planning process or outcomes over (x) cycles
- Changes in the TPIC and T/S governance, planning or implementation practices over time
- Attribution of change to TDLG
- Role of CSOs, VTAs, and EAOs [as relevant]
- Role of females
- Persistence or sustainability of changes
- Comments, concerns, suggestions

VTAs/CSO/Community Members

- Understanding of the project and its objectives
- Understanding of role of [actor] in Myanmar's governance and planning process at T/S
- Understanding of role in TDLG
- Timeline and details of participation in planning process
- Participation in implementation and monitoring
- Observations of planning process, project selection, procurement and implementation
- Safeguards and grievances
- Preparation and capacity to engage in planning processes at community or T/S level
- Observations of changes in government processes or behaviours
- Comments, concerns, suggestions

## EAO Representatives [or relevant contextual experts]

- EAO understanding of objectives of project (at different levels)
- EAO observations of project alignment with peace process, NCA or current situation
- Overall project contribution or otherwise to increased engagement or trust between T/S and EAO representatives
- Specific sub-project contribution or otherwise, and comments on sub-project selection, procurement, implementation and monitoring from EAO point of view of both processes and outcomes
- Factors in changing EAO engagement over time
- Observations if any of changes in government processes or behaviours

- EAO capacity to engage, and suggestions regarding EAO priorities for capacity development and ability to engage in planning and local development
- Comments, concerns and suggestions.

ANNEX V: GENDER AT WORK FRAMEWORK

TDLG's Theory of Change and results areas focus on women's participation as a key aspect of improving local governance and fostering equitable local development. As such, the project document and results framework focus on the role of women in planning processes (indirectly or directly). However, strengthening women's roles in local governance is more than a question of participation (which itself can have several meanings, or rungs on the "participation ladder").[50] The MTR team proposes to also look at the project's contributions more broadly to gender equality, as well as women's participation as a signpost for how planning, budgeting and execution of the TDLG budgets can foster inclusion more generally. The MTR uses a simple and versatile analytic tool called the "Gender at Work" Framework.

Figure 4: Gender at Work Framework[51]

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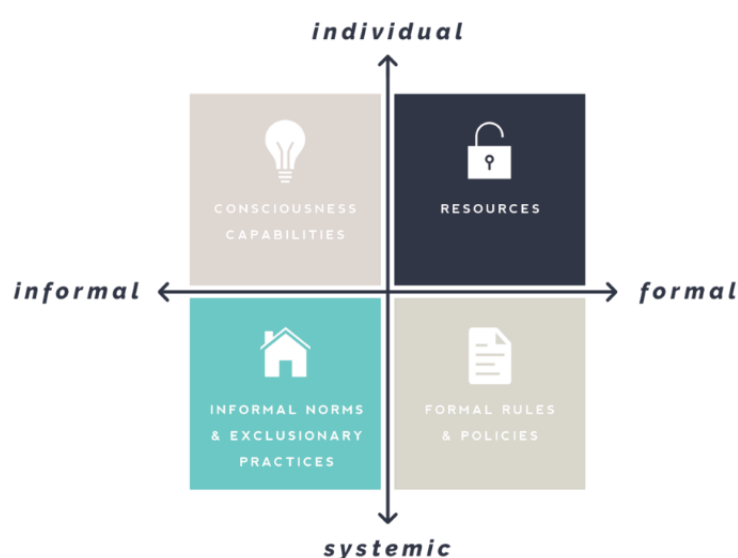
[50] The participation ladder (Arnstein, 1969 and later adaptations) typically describes variants of participation from manipulation, through information, consultation, partnership and delegated decision-making: http://www.citizenshandbook.org/arnsteinsladder.html.

[51] The Gender at Work Framework is supported by an international network and has been cited in academic work and used by organizations from NGOs like Oxfam International, to women's organizations and funds, such as the Global Fund for Women, and by women and community groups in many locations: https://genderatwork.org/analytical-framework/